

The Senate

Community Affairs
Legislation Committee

Additional estimates 2010–11

March 2011

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ISBN 978-1-74229-369-1

This document was prepared by the Senate Community Affairs Legislation Committee and printed by the Senate Printing Unit, Parliament House, Canberra.

Membership of the Committee

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Senator Claire Moore, Chair	ALP, Queensland
Senator Rachel Siewert, Deputy Chair	AG, Western Australia
Senator Judith Adams	LP, Western Australia
Senator Sue Boyce	LP, Queensland
Senator Carol Brown	ALP, Tasmania
Senator Mark Furner	ALP, Queensland

Senators in attendance

Senator Clare Moore (Chair), Senator Rachel Siewert (Deputy Chair), Senator Judith Adams, Senator Sue Boyce, Senator Carol Brown, Senator Mark Furner, Senator the Hon Eric Abetz, Senator Guy Barnett, Senator Corey Bernardi, Senator Catryna Bilyk, Senator Doug Cameron, Senator Michaelia Cash, Senator Fierravanti-Wells, Senator Mitch Fifield, Senator the Hon Bill Heffernan, Senator Gary Humphries, Senator Scott Ludlam, Senator Anne McEwen, Senator Marise Payne, Senator the Hon Helen Polley, Senator the Hon Nigel Scullion, Senator John Williams, Senator Dana Wortley, Senator Nick Xenophon

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Table of Contents

Membership of the Committee	iii
Chapter 1	1
Introduction	1
Changes to departmental structures.....	2
Questions on Notice	3
Additional information	3
Note on references	3
Chapter 2	5
Health and Ageing portfolio	5
Department of Health and Ageing.....	5
Whole of Portfolio/Corporate Matters	6
Mental Health	7
Aged Care and Population Ageing	8
Cancer Australia Agency/National Breast and Ovarian Cancer Centre.....	9
National Health and Medical Research Council	10
Health System Capacity and Quality.....	10
Health Workforce Capacity	11
Primary Care.....	12
Food Standards Australia New Zealand (FSANZ).....	14
Australian Radiation Protection and Nuclear Safety Agency (ARPANSA).....	16
Office of the Gene Technology Regulator	16
Population Health	17
Rural Health.....	17
Biosecurity and Emergency Response	18
Acute Care	18
Chapter 3	19

Families, Housing, Community Services and Indigenous Affairs Portfolio	19
Department of Families, Housing, Community Services and Indigenous Affairs	19
Cross Outcomes/Corporate Matters	19
Families and Children.....	20
Seniors	22
Community Capability and the Vulnerable.....	22
Women and the Equal Opportunity for Women in the Workplace Agency (EOWA).....	22
Disability and Carers	23
Housing.....	24
Chapter 4	27
Human Services Portfolio	27
Department of Human Services.....	27
Human Services (including Child Support)	27
Centrelink Agency.....	28
Medicare Australia Agency	30
Chapter 5	33
Cross Portfolio Indigenous Matters.....	33
Closing the Gap	33
Housing.....	35
Employment and Economic Development.....	36
Health Issues.....	37
Appendix 1	41
Administrative Arrangement Order 14 September 2010 Changed Responsibility	41

Chapter 1

Introduction

1.1 On 10 February 2011, the Senate referred the following documents to the Community Affairs Legislation Committee (the committee) for examination and report:

- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2011 [Appropriation Bill (No. 3) 2010-11];
- Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2011 [Appropriation Bill (No. 4) 2010-11];
- Final budget outcome 2009-2010; and
- Issues from the advances under the annual Appropriation Acts for 2009-2010.¹

1.2 The committee is responsible for the examination of the Health and Ageing portfolio; the Families, Housing, Community Services and Indigenous Affairs portfolio; and, following a resolution of the Senate on 29 September 2010, the Human Services portfolio.²

1.3 The committee was required to report to the Senate on its consideration of 2010-2011 additional estimates on 22 March 2011.

1.4 The committee considered the Portfolio Additional Estimates Statements 2010-2011 for both portfolios at hearings on 23, 24 and 25 February 2011. The hearings were conducted in accordance with the agreed agenda as follows:

- Wednesday 23 February 2011 – Health and Ageing portfolio.
- Thursday 24 February 2011 – Families, Housing, Community Services and Indigenous Affairs portfolio; Human Services portfolio
- Friday 25 February 2011 – Cross Portfolio – Indigenous Matters

1.5 The committee heard evidence from Senator the Hon Jan McLucas, Parliamentary Secretary for Disabilities and Carers (representing the Minister for Health and Ageing) and Senator the Hon Mark Arbib, Minister for Sport, Indigenous Employment and Economic Development and Minister for Social Housing and Homelessness (representing the Minister for Families, Housing, Community Services and Indigenous Affairs).

1 *Journals of the Senate*, No. 19, 10 February 2011, p. 581.

2 *Journals of the Senate*: No. 2, 29 September 2010, pp 88–89.

1.6 Evidence was also provided by Ms Jane Halton, Secretary of the Department of Health and Ageing; Dr Geoff Harmer, Secretary of the Department of Families, Housing, Community Services and Indigenous Affairs; and officers representing the departments and agencies covered by the estimates before the committee.

1.7 The committee thanks the ministers, departmental secretaries and officers for their assistance and cooperation during the hearings.

Changes to departmental structures

1.8 Cancer Australia and the National Breast and Ovarian Cancer Centre announced on 15 June 2010 they would be merging, to 'further strengthen the Government's strategic focus on cancer control and build a better health and hospital system'.³

1.9 The committee notes that following the Administrative Arrangement Orders made on 14 September 2010, the Department of Health and Ageing is no longer responsible for the following:

- Australian Sports Anti-Doping Authority (PM&C)
- Australian Sports Commission (ASC)
- Australian Sports Foundation

The Department of Families, Housing, Community Services and Indigenous Affairs is no longer responsible for the following:

- Housing Affordability Fund
- National Rental Affordability Scheme
- Housing Supply and the Housing Supply Council
- Indigenous Cultural Remains Program
- Community Compact
- Volunteering
- Philanthropy
- Disaster Recovery (policy and process)
- Indigenous Capital Assistance

1.10 The committee also notes as a result of the Administrative Arrangement Orders, FaHCSIA have taken responsibility for the Indigenous Capital Assistance Scheme within the Indigenous Business Australia agency.

3 The Hon Nicola Roxon MP, Minister for Health and Ageing, *One single, united and stronger national cancer agency*, 16 June 2010, p. 1 of 4, <http://www.nbcc.org.au/images/stories/documents/cancer-australia-announcement.pdf>.

1.11 For a complete list of changes in responsibility, including the departments now responsible, please see Appendix 1.

Questions on Notice

1.12 In accordance with Standing Order 26, the committee is required to set a date for the lodgement of written answers and additional information. The committee requested that written answers and additional information be submitted by Friday 8 April 2011.

Additional information

1.13 Answers to questions taken on notice at the committee's additional estimates hearings will be tabled in the Senate in separate volumes entitled 'Additional information relating to the examination of additional estimates 2010-2011, February 2011, Senate Community Affairs Legislation Committee'. Documents not suitable for inclusion in the additional information volumes will be available on request from the committee secretariat.

1.14 Answers to questions on notice received from the departments will also be posted on the committee's website at a later date.

Note on references

1.15 References to the Hansard transcript are to the proof Hansard; page numbers may vary between the proof and the official Hansard transcript.

Chapter 2

Health and Ageing portfolio

Department of Health and Ageing

2.1 This chapter contains the key issues discussed during the 2010-2011 additional estimates hearings for the Health and Ageing portfolio.

2.2 The committee heard evidence from the department on Wednesday 23 February 2011. Areas of the portfolio were called in the following order:

- Whole of Portfolio/Corporate Matters
- Australian Institute of Health and Welfare
- Mental Health
- Aged Care and Population Ageing
- Cancer Australia Agency/National Breast and Ovarian Cancer Centre
- National Health and Medical Research Council
- Health System Capacity and Quality
- Access to Medical Services
- Health Workforce Capacity
- Primary Care
- Food Standards Australia New Zealand (FSANZ)
- Australian Radiation Protection and Nuclear Safety Agency (ARPANSA)
- Office of the Gene Technology Regulator
- Population Health
- Rural Health
- Biosecurity and Emergency Response
- Acute Care

2.3 The committee agreed to provide any questions on notice to the following outcomes and agencies:

- Private Health
- Private Health Insurance Administration Council (PHIAC)
- Private Health Insurance Ombudsman
- Access to Pharmaceutical Services
- Hearing Services

Whole of Portfolio/Corporate Matters

2.4 The committee began proceedings by asking the department about the impacts from the recent fire and flood disasters, requesting they provide a more detailed response on notice.¹ Ms Jane Halton, Secretary of the Department of Health and Ageing, responded by listing the areas affected and the different challenges faced by each of them.² Ms Halton made special mention of the staff who were evacuated from their Brisbane offices, who continued working from home to support aged care providers.³

Questions on notice

2.5 The committee referred to correspondence sent to the department seeking further clarification as to the delay in returning answers to questions taken on notice. The committee noted that while all answers had been received by the day of the estimates hearing, there were some critical answers that were not received by the committee until 15 and 18 February.

2.6 Ms Halton gave details on the total number of questions on notice (431) and the level of detail within each question, noting that 23 per cent of the questions were provided over two months after the estimates hearing and 13 per cent were provided a further month after that.⁴ Ms Halton also observed that many questions related to health reform and the Health and Hospitals Fund, and explained the large amount of work involved, stating that:

There are hundreds and hundreds and hundreds of hours. It is regrettable, but regrettably the pressure of work meant that those questions were finished when they could be finished, because the officers have just been swamped.⁵

2.7 The committee expressed its appreciation of the work involved in answering the questions on notice and acknowledged Ms Halton's explanation.⁶

Changes to Health Reform

2.8 The committee asked a series of questions relating to health reform, paying particular attention to changes that had taken place under Prime Minister Julia Gillard and as a result of the change in government in Victoria. The committee requested the department account for specific changes between the health reform proposed by the

1 *Proof Estimates Hansard*, 23 February 2011, p. 6.

2 Such as power outages, offices flooded, loss of homes, etc.

3 *Proof Estimates Hansard*, 23 February 2011, pp 6–7.

4 *Proof Estimates Hansard*, 23 February 2011, p. 7.

5 *Proof Estimates Hansard*, 23 February 2011, p. 7.

6 *Proof Estimates Hansard*, 23 February 2011, p. 8.

Rudd Government and the health reform proposed by the Gillard Government. The department agreed to provide this information on notice.⁷ The committee sought clarification as to whether or not particular agreements would be affected, such as the public hospital service agreements, the health expenditure working group and the national funding authority.⁸

2.9 When questioned on the human resources expended on the first health reform proposal, Ms Halton was keen to emphasise that the changes to health reform did not signify that any work done previously had been superfluous. Ms Halton stated:

No, we are not embarking on a new process...The fact is that we now have a single national agreement which continues with things such as activity-based funding, which has local hospital networks, which has an enhanced focus on Medicare Locals...The truth of the matter is that that work has all contributed to the position we are now in, which is a national agreement.⁹

Mental Health

2.10 The department was questioned about the evaluation it had undertaken of the Better Access program. The evaluation will provide details on users of the Better Access program, such as socioeconomic characteristics, and will consider the extent to which the program ensures that new consumers receive services. Officers took on notice more specific details, such as the sample size of consumers surveyed and the process involved in selecting the participants for the survey.¹⁰

2.11 The committee commended officers on the suicide prevention program and its work with Farm Link, which the department funds through the University of Newcastle.¹¹ The committee expressed concern over the five year funding period, which concludes in June 2011. Officers reported that the government response to *The Hidden Toll: Suicide in Australia* indicated that the government intended to continue the project while an evaluation of takes place. However, no date has been set for the completion of the evaluation.¹²

2.12 The committee questioned the department on mental health services in Queensland and what steps had been taken to support those areas affected by the recent floods and Cyclone Yasi. Officers reported that the department has been working closely with the Queensland Department of Health and non-government organisations (NGOs) and that the Minister announced additional funding of up to \$1.3 million this financial year. This has been targeted to help support divisions of

7 *Proof Estimates Hansard*, 23 February 2011, p. 17.

8 *Proof Estimates Hansard*, 23 February 2011, pp 17–18.

9 *Proof Estimates Hansard*, 23 February 2011, p. 24.

10 *Proof Estimates Hansard*, 23 February 2011, pp 30–32.

11 *Proof Estimates Hansard*, 23 February 2011, p. 33.

12 *Proof Estimates Hansard*, 23 February 2011, p. 34.

general practice in all areas affected by the floods under the Access to Allied Psychological Services program.¹³ Officers confirmed that all NGOs funded by the department were contacted, irrespective of whether or not their premises were damaged, to ensure that:

(1) they were okay; (2) that they were operational; (3) to see if there was any damage to their operations and their resources.¹⁴

2.13 As a result of these phone calls, the department was informed that the Day to Day Living in the Community Program and the Kids Helpline were affected. The department has not been asked for any funding for damage to premises, as insurance will fully cover any damage that was done.¹⁵

2.14 The committee asked the department to respond to a claim made in an article that 40c in the dollar is lost in the administration of mental health and social services.¹⁶ Ms Halton stated that, in regard to the department, the estimation was incorrect by 'a factor of multiples in the 10s'.¹⁷

Aged Care and Population Ageing

2.15 The committee queried the likelihood of the aged-care one-stop shop initiative being operational by 1 July 2011. Officers responded:

There is no plan to delay them. What we will be trying to do is to advance along the framework of thinking and consultation, and we would certainly be aiming for a change in the architecture on the ground in some places in Australia by July, but that may not be the final change; there will be some building blocks along the way.¹⁸

2.16 The committee questioned officers on the new funding arrangements for the Home and Community Care program, which was also due to come into effect from 1 July 2011. Officers responded that there are discussions with states and territories taking place and that they are confident that there are no issues around that deadline.¹⁹

The heads of agreement signed at COAG is very clear, with all jurisdictions agreeing that the Commonwealth will have full policy management funding and delivery responsibility for aged care.²⁰

13 *Proof Estimates Hansard*, 23 February 2011, p. 35.

14 *Proof Estimates Hansard*, 23 February 2011, p. 36.

15 *Proof Estimates Hansard*, 23 February 2011, p. 36.

16 *Proof Estimates Hansard*, 23 February 2011, p. 37.

17 *Proof Estimates Hansard*, 23 February 2011, p. 37.

18 *Proof Estimates Hansard*, 23 February 2011, p. 42.

19 *Proof Estimates Hansard*, 23 February 2011, p. 44.

20 *Proof Estimates Hansard*, 23 February 2011, p. 45.

2.17 The department noted that an agreement signed by state, territory and Commonwealth governments at COAG is clear that the Commonwealth will have full policy management, funding and delivery responsibility for aged care. Officers also noted that all states and territories (with the exception of Victoria and ACT) have agreed to, and are in the process of delivering the implementation plan for the Aged Care Assessment Program. The ACT is in the final stages of signing that agreement and bilateral discussions with Victoria are due to take place the week after the estimates hearings.²¹

2.18 Officers detailed to the committee some difficulties encountered in developing nation-wide implementation programs, such as technical difficulties with data delivery, noting that the issues are across states and that work between jurisdictions at an officer level has taken place to solve those issues.²²

Continence Aids Payment Scheme (CAPS)

2.19 The committee sought information on the transition from the old continence aids payment scheme to the new one. Officers stated the transition has been very good overall, with approximately 80,000 people now registered and receiving payments under the new scheme. Information sessions were run throughout the transition process for people receiving services under the previous scheme and officers reported that they have not had many concerns raised, noting that any concerns that were raised received swift attention and support was provided throughout the transition process.²³

2.20 The committee expressed concern for people who are both Department of Veterans' Affairs (DVA) pensioners and DVA blue card holders and the confusion that exists over whether or not these individuals are eligible for CAPS. The department clarified that towards the end of 2010 they became aware that some veterans were not receiving support for their continence programs. Following this, the department consulted Medicare, the current legislation and examined arrangements under the previous scheme. As a result, legislation has been amended to close the gap and Medicare has helped to ensure that veterans received their payments and that payments would be backdated to the date of application. Officers also noted that anyone that had previously had their application declined has since been contacted by the department and advised of these new arrangements.²⁴

Cancer Australia Agency/National Breast and Ovarian Cancer Centre

2.21 Officers began by explaining the amalgamation of Cancer Australia and National Breast and Ovarian Cancer Centre. There is a 12 month transition period and officers anticipate the establishment of the new agency in early 2011-12. The

21 *Proof Estimates Hansard*, 23 February 2011, p. 45.

22 *Proof Estimates Hansard*, 23 February 2011, p. 46.

23 *Proof Estimates Hansard*, 23 February 2011, p. 48.

24 *Proof Estimates Hansard*, 23 February 2011, pp 48–49.

amalgamation is intended to bring together the cancer control agencies across Australia in to one agency. This will provide a single point of reference for government, consumers, health professionals and researchers.²⁵

2.22 The committee received an update on the Jeannie Ferris National Centre for Gynaecological Cancers Churchill Fellowship. The committee noted their support of the Fellowship and passed on their good wishes to the inaugural recipient, Ms Merran Williams.²⁶

Consumer Involvement

2.23 Dr Helen Zorbas, Chief Executive Officer, emphasised the effort taken in ensuring representation from particular communities and groups in consumer programs. They currently have four Indigenous women across consumer programs and approximately 22 per cent of consumers are from regional areas.

2.24 Dr Zorbas detailed the development of a national framework to enable effective engagement of consumers in cancer control, in policy, health services and all parts of health control.²⁷

National Health and Medical Research Council

2.25 The committee sought further information in regard to funding for the Palliative Care Research Program. Professor Warwick Anderson, Chief Executive Officer, clarified that the department often asks the NHMRC to run the research review program, which means the NHMRC receives applications for funding and undertakes extensive peer review to then see what results occur. Professor Anderson noted that there is a 20 to 25 per cent success rate in those programs that can be funded across the whole grant.²⁸

Health System Capacity and Quality

e-Health Implementation

2.26 The committee questioned the department on the contracts in place for e-Health implementation and the reporting arrangements for the National E-Health Transition Authority (NEHTA). Officers explained that as departmental funding for NEHTA is tied to particular deliverables, it is the deliverables that are reported on in the annual report and not the funding specifically.²⁹

25 *Proof Estimates Hansard*, 23 February 2011, p. 55.

26 *Proof Estimates Hansard*, 23 February 2011, p. 55.

27 *Proof Estimates Hansard*, 23 February 2011, pp 55–56.

28 *Proof Estimates Hansard*, 23 February 2011, p. 57.

29 *Proof Estimates Hansard*, 23 February 2011, pp 58–59.

2.27 The committee asked officers to describe any benefits identified since the introduction of personally controlled electronic health records (PCEHR). Officers quoted a study that found that two to three per cent of hospital admissions each year relate to medical errors, which have an estimated cost of \$660 million annually, all of which could be prevented using PCEHR.³⁰ Officers also noted that in some specific cases, lives had been saved as a result of PCEHR because information about allergies was available at the time patients were admitted.³¹

2.28 Officers gave details on the national e-health conference, explaining that there were 450 participants, representing all the major stakeholder groups, including clinicians and consumers. Officers indicated some of the feedback from consumers related to privacy and ensuring appropriate controls were in place for the consumer, with some discussion on what information is available. The department informed the committee of the positive feedback that was received and noted that the conference reached a larger number of people than the 450 participants as it was streamed on the web.³²

2.29 The committee sought information on international experience of systems similar to the PCEHR. The department indicated that it had held discussions with representatives from the government of Portugal, who are doing very similar work. Scandinavian countries are also advanced in this area, as is France.

Health and Hospital Fund

2.30 The committee sought further information on whether or not the Tamworth, Port Macquarie and Royal Hobart hospitals were receiving any 'special treatment' as a result of the agreement signed with Mr Andrew Wilkie MP. The department clarified that the funding is governed by legislation, which clearly states that projects can only be funded if the board decides they meet the criteria.³³

Health Workforce Capacity

Registration Issues

2.31 With respect to the numbers of practitioners, the committee asked the department how many have had their registration interrupted by the move to the national registration scheme through AHPRA, the national registration body. The department stated that as AHPRA is not a Commonwealth agency, they are not best suited to answer the question. However, the Minister was able to provide the committee with the following information:

30 *Proof Estimates Hansard*, 23 February 2011, pp 61–62.

31 *Proof Estimates Hansard*, 23 February 2011, p. 61.

32 *Proof Estimates Hansard*, 23 February 2011, p. 62.

33 *Proof Estimates Hansard*, 23 February 2011, pp 66–67.

AHPRA has registered 520,000 healthcare practitioners in the period before 31 December 2010. Of the 7,700 registrations that had lapsed, only 500 wish to renew their registrations...The Commonwealth will consider the ability to provide ex gratia payments for a period of time for Medicare services related to health practitioners whose registration may have lapsed but who wish to continue their practice.³⁴

Rural Incentive Programs

2.32 The committee asked the department to list the incentives in place to encourage GPs to move from major cities to regional and rural areas. The department listed each program in place and the progress made thus far. The General Practice Rural Incentives Program commenced on 1 July 2010, which combined two pre-existing programs. Scaling payments were introduced to the program so that the more remote the location, the higher the incentive. Officers reported that for the September quarter, payments were made to 617 practitioners, and for the December quarter, this number had increased to 2,100 practitioners.³⁵

Primary Care

Medicare Locals

2.33 The committee asked officers to describe the progress of Medicare Locals. Officers detailed the processes in chronological order, outlining the discussion paper, the release of draft boundaries and then the release of the boundaries themselves. Officers reiterated the Prime Minister's intention to accelerate the implementation of the Medicare Locals and stated that they are on track, with the program guidelines released the day before the estimates hearings.³⁶ Officers also explained that these guidelines may be updated over the life of the program.³⁷

2.34 The committee asked the department to explain specifically what role the Medicare Locals will play, and whether it would be replacing or complementing the roles currently in place. When asked whether or not Medicare Locals would see patients, officers explained:

No, and I do not think that privately practicing GPs in an area would actually want an organisation funded by the Commonwealth that would take over that patient coordination role from them...I think the simplest way to differentiate is that clinicians will still have, as they should, the responsibility for determining what clinical services a patient needs and, by

34 *Proof Estimates Hansard*, 23 February 2011, p. 72.

35 *Proof Estimates Hansard*, 23 February 2011, pp 75–76.

36 *Proof Estimates Hansard*, 23 February 2011, p. 80.

37 *Proof Estimates Hansard*, 23 February 2011, pp 87 and 91.

and large, they organise and coordinate that care themselves. What Medicare Locals will be doing is at a whole-of-population level.³⁸

2.35 The committee questioned whether the not-for-profit status of Medicare Locals will remain or if there is potential for Medicare Locals to become profit-based. Officers emphasised there is a competitive application process in place and that any applications intending to not fully comply with the selection criteria would not make it through.³⁹ Ms Halton asserted:

One thing that I can be absolutely clear about—and I am categorical about—is that we are blind to the nature of profit or not-for-profit, but no proposal even vaguely hints of cherry picking...That is not consistent with these guidelines and an organisation that does not meet these guidelines is not going to get funded.⁴⁰

2.36 The committee asked the department about areas of possible conflicts of interest and general governance issues that may arise from combining public and private entities. The department emphasised that there were measures in place to combat this, including the applicant's contract with the Commonwealth. Officers suggested many of these issues will be addressed in this contract and that the department has a 'fair body' of experience in handling such matters. The National Performance Authority will also have a role, as they will be providing support at the national level for Medicare Locals, including meeting their objectives.⁴¹ When speaking of measures in place, Ms Halton further clarified:

Firstly, choose the right organisation and, secondly, ensure that the contract is sufficiently well written...To move to a single head of agreement with the relevant schedules attached, which makes it, firstly, more transparent about what we are requiring of an organisation...but then also streamlines our capacity to monitor and manage those contracts in a way I think all the officers in the area would find helpful.⁴²

2.37 Officers emphasised that the program guidelines for Medicare Locals allow accountability not just to the Commonwealth, but also to the local community.⁴³ Ms Megan Morris, First Assistant Secretary, Primary and Ambulatory Care Division, explained:

38 *Proof Estimates Hansard*, 23 February 2011, p. 82.

39 *Proof Estimates Hansard*, 23 February 2011, p. 85.

40 *Proof Estimates Hansard*, 23 February 2011, p. 93.

41 *Proof Estimates Hansard*, 23 February 2011, pp 85–86.

42 *Proof Estimates Hansard*, 23 February 2011, p. 89.

43 *Proof Estimates Hansard*, 23 February 2011, p. 90.

You cannot mandate one model and assume that that is going to be replicated uniformly. We are looking to them to make the case and prove that they are serious about it and intend to deliver on it.⁴⁴

2.38 Another mechanism in place to ensure the perspectives of the community are reflected is the health needs assessment process. This involves determining the health needs across the whole community, which the department regards as a 'key lever' in Medicare Locals.⁴⁵ Officers also noted that the guidelines require the applications to ensure community engagement and local community involvement on the board.⁴⁶

GP Superclinics

2.39 The committee sought information on contractual requirements for GP Superclinics. Officers stated that it was necessary that GP Superclinics:

...use the building as constructed to deliver the services for which they tendered originally. They are not carrying on services on behalf of the Commonwealth.⁴⁷

2.40 The committee asked the department to provide a list of services delivered in the Southern Lake Macquarie GP Superclinic, particularly in the Morriset community. Officers listed general practice, nursing and medical specialist services, hydrotherapy and rehabilitation centre, physiotherapy, pathology, psychology, dietetics, speech therapy, podiatry and visiting medical specialist including: neurology, gynaecology, ophthalmology, cardiology and pain management.⁴⁸

2.41 Officers also made mention of the mini emergency treatment room, which offers:

A range of chronic disease management and preventative care programs, such as diabetic clinics, women's health clinics, skin clinics, smoking cessation, diabetic groups, immunisation, wound clinics and a postnatal depression support group.⁴⁹

Food Standards Australia New Zealand (FSANZ)

2.42 The committee questioned officers on chemical testing of food imported to Australia. Officers explained the different areas and responsibilities that FSANZ has, compared to those held by AQIS and Biosecurity.

44 *Proof Estimates Hansard*, 23 February 2011, p. 91.

45 *Proof Estimates Hansard*, 23 February 2011, p. 92.

46 *Proof Estimates Hansard*, 23 February 2011, p. 93.

47 *Proof Estimates Hansard*, 23 February 2011, p. 96.

48 *Proof Estimates Hansard*, 23 February 2011, p. 97.

49 *Proof Estimates Hansard*, 23 February 2011, p. 97.

2.43 The committee sought further information on the issue of streptomycin used on apples imported from New Zealand. Officers explained:

We can, in theory, have streptomycin residues on New Zealand apples. That is the only antibiotic that I am aware of that is registered. That is the TTMRA arrangement. Again, the risk assessment process that we are doing will inform the position in terms of the level of that risk.⁵⁰

2.44 Officers explained that they are currently undertaking a risk assessment, stating it focuses on antimicrobial usage, which includes the particular antibiotic that is approved for use in New Zealand. Once this is complete, FSANZ will provide that advice to AQIS and AQIS can then decide whether or not to test.⁵¹

2.45 The committee asked officers to explain how the Today Tonight television program was able to test food from a supermarket and find levels of banned chemicals, or alternatively, foods with excessive level of chemical concentration. Officers explained they have requested those particular test results and they will be retested, as there were some questions based on the methodology of the testing involved. Officers also stated:

We have been in contact with the enforcement agencies at the state and territory level. We have obviously also been in dialogue with AQIS about this matter. Lastly, we have also been in discussion with the retailers where these products were sourced.⁵²

Therapeutic Goods Administration (TGA)

2.46 The department updated the committee on an issue arising from the previous round of estimates concerning breast imaging equipment listed on the Australian Register of Therapeutic Goods. Officers stated that, of the seven non-mammography based devices that were promoted for breast screening, six have since been cancelled, with the remaining one still under investigation. The TGA has cancelled the devices on the register and has written to people who purchased them, advising that claims relating to breast screening could not be made.⁵³ Officers noted that the responsibility for preventing the future use of these devices lies with the regulatory bodies.⁵⁴

2.47 Officers gave details of the transparency review currently taking place within the TGA. The review aims to determine how effectively the:

- TGA communicates regulatory decisions;

50 *Proof Estimates Hansard*, 23 February 2011, p. 100.

51 *Proof Estimates Hansard*, 23 February 2011, p. 100.

52 *Proof Estimates Hansard*, 23 February 2011, p. 101.

53 *Proof Estimates Hansard*, 23 February 2011, p. 103.

54 *Proof Estimates Hansard*, 23 February 2011, p. 104.

- TGA ensures the public understand the significance of those decisions; and
- Regulatory processes operate.

2.48 The panel conducting the review is due to complete its work by the end of April and will provide advice and recommendations to the department and the Parliamentary Secretary.⁵⁵

2.49 The committee asked the TGA to respond to an article that quoted a TGA spokesperson stating the 'official register of gifts and benefits ... has not been updated for some time ... this register is being reactivated immediately'.⁵⁶ Officers explained that as the TGA is a division of the department, they are subject to the requirements for gifts that apply across the department. Dr Rohan Hammet, National Manager, explained:

Since 1998 the TGA has had a policy that is applied to staff members working in the TGA to require them not to accept gifts except where they have been given by international delegations which have a custom of giving those gifts and those gifts are in fact displayed in the foyer of the TGA with labels and dates at the time they were given.⁵⁷

Dr Hammet further clarified:

For instance, if I am asked to address a dinner from, you know, an industry association board meal, I will request that the industry association actually invoice us for the costs of that meal; there are no free meals at TGA.⁵⁸

Australian Radiation Protection and Nuclear Safety Agency (ARPANSA)

2.50 With respect to the national radioactive waste management legislation bill that had just passed in the House of Representatives, the committee asked officers to provide insight into the planned approach to assessing any federal application for a national waste repository. Dr Carl-Magnus Larsson, Chief Executive Officer, explained an assessment is made of the whole application, from citing, to construction, and to the final closure of the facility.⁵⁹

Office of the Gene Technology Regulator

2.51 Officers provided a detailed background and subsequent update on the current status of the approval process for commercial release Roundup Ready canola. Officers emphasised that responsibility for risks to health and safety, as well as the

55 *Proof Estimates Hansard*, 23 February 2011, p. 103.

56 *Proof Estimates Hansard*, 23 February 2011, pp 104–105.

57 *Proof Estimates Hansard*, 23 February 2011, p. 104.

58 *Proof Estimates Hansard*, 23 February 2011, p. 106.

59 *Proof Estimates Hansard*, 23 February 2011, p. 109.

environment, fall within the Gene Technology Act. It was approved for commercial cultivation on the basis that the Gene Technology Regulator concluded it was as safe for human health and the environment as conventional canola.

Population Health

2.52 The committee asked officers to provide further information on a number of tenders. Officers detailed the funding measures for:

- National Sexually Transmittable Infections Prevention Program;
- Market testing for plain packaging of tobacco;
- Recruitment advertising;
- Literary review addressing poor dietary intake; and
- Tackling Smoking and Health Lifestyles Workforce.

2.53 The committee expressed concern over the scheduled end date of funding for the bowel cancer screening program. Noting an independent analysis that estimated:

The program could be fully funded for around a net \$80 million per annum based on a \$150 million initial investment and substantial cost offsets accruing over subsequent years, and the savings would certainly be in reduced hospital services.⁶⁰

2.54 Officers explained that the funding is a matter for government, however if it were to be continued, the program could proceed providing the contractual arrangements for the provider of the bowel cancer test kits were in place.⁶¹

National Tobacco Campaign

2.55 The committee sought information on the progress of the national tobacco campaign and plain packaging tobacco products. Officers explained the campaign was still in its early stages and therefore that they could not provide any results. However the department has a comprehensive campaign tracking and evaluation approach, and should be able to provide more information at a later date. Officers also explained that the recommendation for plain packaging came from the National Preventative Health Taskforce, but that the decision to implement the recommendation was ultimately a decision for government.⁶²

Rural Health

2.56 The committee raised the issue of local governments and councils having to recruit GPs for their areas, which the committee described as a very expensive

60 *Proof Estimates Hansard*, 23 February 2011, p. 116.

61 *Proof Estimates Hansard*, 23 February 2011, p. 116.

62 *Proof Estimates Hansard*, 23 February 2011, pp 117–118.

process. The department told the committee they are aware of the local governments and councils engaging in this activity but made clear that this was outside the department's funding responsibilities. The department noted it may be useful to provide a list of incentive programs.⁶³

Biosecurity and Emergency Response

2.57 The committee sought an update on the prevalence of dengue fever in North Queensland following the floods. Professor Jim Bishop, Chief Medical Officer responded by noting that dengue fever is a 'nationally notifiable disease' so that there is data available, which enables monitoring by a specific committee. Professor Bishop indicated that 38 cases had been reported in Townsville, and 41 cases in Innisfail, within a time frame of seven months. However, Professor Bishop was keen to note that the number has been decreasing since 2007, including those particular recent cases.⁶⁴

Acute Care

2.58 The committee sought clarification on privately insured patients who are admitted to public hospitals, and whether or not this will cause states and territories to lose funding. Officers replied that the Deputy Heads of Treasury working group has been asked to consider that issue, but that a response will not be necessary before 1 July 2011. Officers further clarified:

I do not think there is a concern about losing out. It is just that it was not considered fully before the COAG agreement last year, so the clause was put in requiring further work to be done and that work is still under way.⁶⁵

Retirement

2.59 The committee took the opportunity to acknowledge Ms Mary Murnane, Deputy Secretary, for her last appearance at Senate Estimates and subsequent retirement. The committee and Minister thanked Ms Murnane, noting 25 years of contribution to the public service and the department.⁶⁶

63 *Proof Estimates Hansard*, 23 February 2011, pp 121–122.

64 *Proof Estimates Hansard*, 23 February 2011, p. 124.

65 *Proof Estimates Hansard*, 23 February 2011, p. 125.

66 *Proof Estimates Hansard*, 23 February 2011, pp 130–133.

Chapter 3

Families, Housing, Community Services and Indigenous Affairs Portfolio

Department of Families, Housing, Community Services and Indigenous Affairs

3.1 This chapter contains the key issues discussed during the 2010-2011 additional estimates hearings for the Families, Housing, Community Services and Indigenous Affairs portfolio.

3.2 The committee heard evidence from the department on Thursday 24 February 2011. Areas of the portfolio were called in the following order:

- Cross Outcomes/Corporate Matters
- Families and Children
- Seniors
- Community Capability and the Vulnerable
- Women
- Equal Opportunity for Women in the Workplace Agency (EOWA)
- Disability and Carers
- Housing

Cross Outcomes/Corporate Matters

3.3 The committee began by asking the department to inform them of the impact of the recent floods in Queensland, New South Wales and Victoria and the affect of Cyclone Yasi in Queensland and the bushfires in Western Australia. The department told the committee there were no personal injuries recorded and no significant damage to any buildings. The head office in Brisbane was evacuated for a few days and the Cairns office was closed because of Cyclone Yasi, but Dr Geoff Harmer, Secretary, confirmed that the department has returned to normal operations. Dr Harmer also noted that following the recent earthquake in New Zealand, the department made contact with the head of the New Zealand Ministry of Social Development to offer any assistance they could provide. The committee requested that when the time is available, they would appreciate a report on the emergency response plans for the recent natural disasters and the role that the department played at a regional level.¹

1 *Proof Estimates Hansard*, 24 February 2011, pp 4–5.

3.4 The committee sought further information on the benefits provided in the employee collective agreement, such as the provisions in place for the Promoting Good Health payments.² The committee also asked about the department's cultural leave and what criteria is used to determine an appropriate use of cultural leave. Officers explained that cultural leave covers a number of things, and the list of guidelines for such leave can be provided on notice. Officers were confident however that the policy is comparable with other departments. Officers also informed the committee that the current collective agreement is due to expire in November 2011.³

Departmental trial of iPads

3.5 The committee asked the department to provide information on the amount spent on iPads, the number of iPads purchased and the people they were purchased for. Officers explained they are essentially for senior officers and described it as a 'very modest and targeted trial'.⁴ Officers were keen to highlight the security measures in place to ensure there are no breaches, noting the department adheres to the Defence Signals Directorate guidelines and does not allow any secret or confidential information on the iPads.⁵

3.6 The committee asked the department to explain any unique functions that made the purchase of the iPads necessary. Officers explained that they are being trialled in a number of ways and were being considered as a replacement for laptops when staff are travelling. The trial is due to complete in early March, with a view to discuss how they could be potentially deployed in a broader context.⁶

Families and Children

Paid Parental Leave (PPL)

3.7 The committee asked officers to clarify figures listed in the FaHCSIA budget statements, and how they relate to current spending figures. Officers explained that the PPL scheme started on 1 January 2011. Officers explained that there are two particular targeted 'client groups': the people entitled to the payment itself and the employers who will be transferring those payments to their employees.⁷

3.8 The committee noted the potential for people to access two schemes of paid parental leave.⁸ Officers explained that there are many variables involved in whether

2 *Proof Estimates Hansard*, 24 February 2011, pp 11–12.

3 *Proof Estimates Hansard*, 24 February 2011, pp 6–8.

4 *Proof Estimates Hansard*, 24 February 2011, p. 9.

5 *Proof Estimates Hansard*, 24 February 2011, p. 9.

6 *Proof Estimates Hansard*, 24 February 2011, p. 9.

7 *Proof Estimates Hansard*, 24 February 2011, pp 14–15.

8 *Proof Estimates Hansard*, 24 February 2011, p. 15.

one could access both a government sponsored and an employee sponsored scheme, such as what stage they choose to take their leave. Officers clarified:

One of the objectives in the design of the scheme was to allow, for purposes of maternal and child health, for more time between working mothers with very young babies. Should a person choose to tack on to their employer-provided maternity or parental leave scheme, this payment would not be double-dipping. It would be merely an extension of the possible time away from work.⁹

3.9 The committee asked a number of other questions as to specific cases to determine who specifically would be eligible for the scheme, such as an Australian citizen who gives birth in another country. Officers replied:

Yes, it is possible for an Australian citizen to claim, and for an Australian citizen who has been working overseas to meet the work test by working overseas.¹⁰

Family Support Program

3.10 The committee sought information on the progress of the tender for the Family Support Program, noting that when funding is dependent on the upcoming budget, it can create discomfort for service providers. Officers explained that the department is in the process of approving the new program guidelines and the 'templates' that will be in place for the funding agreements.¹¹

3.11 The committee asked officers about particular programs offered under the Family Support Program and the likelihood of those programs being continued. Officers explained that the early intervention and prevention programs, as well as pre-marriage counselling and couple counselling, will continue to be part of the Family Support Program.¹² When questioned on the eligibility of people seeking assistance in those areas, officers explained:

Certainly our expectation would be that no one who needs a service is denied that service. Different organisations have fees policies that they apply, but that is a very clear requirement that people are not denied a service who are unable to contribute.¹³

3.12 The committee noted these services are available for everyone, but that organisations place a priority on 'vulnerable clients'. As a result, the committee asked officers to explain the department's definition of 'vulnerable'. Officers were keen to

9 *Proof Estimates Hansard*, 24 February 2011, p. 16.

10 *Proof Estimates Hansard*, 24 February 2011, p. 18.

11 *Proof Estimates Hansard*, 24 February 2011, pp 20–21.

12 *Proof Estimates Hansard*, 24 February 2011, p. 24.

13 *Proof Estimates Hansard*, 24 February 2011, p. 24.

note that the department does not 'own' the definition, but that work has taken place with the service providers to establish a draft definition of vulnerability.¹⁴

Seniors

3.13 The committee sought further information on the Broadband for Seniors kiosks. Officers reported a total of 2,000 kiosks established, noting that the location of each was based on a high need postal area, as well as the number of seniors, education levels, income levels, and the Socio-Economic Indexes for Areas (SEFIA) score. Officers further noted that the location was also reliant upon applications by individual communities working with the provider, with applications being assessed on a case by case basis to make sure that the highest need areas were given priority.¹⁵

Community Capability and the Vulnerable

Gambling Reform

3.14 The committee queried why the department did not make a submission to the Productivity Commission's inquiry into gambling reform. Officers explained that while the department has programs that fund emergency relief suppliers, they do not require the suppliers to provide the reasons why people affected by gambling have sought assistance and for those reasons did not provide a submission to the inquiry.¹⁶

Income Management

3.15 The committee sought further information on the demand or uptake of services during the rolling out of income management in the Northern Territory. Officers told the committee from 2008-09 to 2009-10, the client uptake increased significantly from 5,277 to 14,000 people. The department were able to provide data for 2009-10, but noted that figures on the new rollout are not due to be provided by the services providers until the end of the financial year. Officers also informed the committee that since the 2010 election, funding has increased to cover approximately 100 additional communities and now covers 180 communities in total, providing greater coverage in the Northern Territory.¹⁷

Women and the Equal Opportunity for Women in the Workplace Agency (EOWA)

3.16 Officers began by updating the committee on the representation for women on Australian government boards during 2009-10. Human Services notified the department of an error in the calculations for the report, and as such, the report was

14 *Proof Estimates Hansard*, 24 February 2011, pp 24–25.

15 *Proof Estimates Hansard*, 24 February 2011, p. 28.

16 *Proof Estimates Hansard*, 24 February 2011, p. 30.

17 *Proof Estimates Hansard*, 24 February 2011, p. 33.

removed from the website to avoid misleading the public or the parliament. Officers informed the committee of the updated figures:

At this stage, I am able to report that the overall figure as at 30 June 2010 is 34.3 per cent, which is comparable to the 2007-08 figure of 32.8 per cent and the 2008-09 figure of 33.4 per cent.¹⁸

3.17 The committee queried the position of permanent director of EOWA, noting that the current acting director has been in the position for over two years. Officers reported that they anticipate the appointment will be announced within weeks.¹⁹

1800 RESPECT

3.18 The committee sought clarification on the discrepancy between an answer to question on notice and a press release by the Minister for the commencement date for the 1800 RESPECT counselling service. The committee noted that while the service commenced on 1 October 2010, the Minister did not announce it until 5 October. Officers explained that the telephone number was being automatically transferred from a previous service and explained the delay in the Minister's announcement was due to the requirement to ensure there were no problems in the transfer for the first few days.²⁰

Office for Women

3.19 The committee asked the department for an update on the progress of the establishment of the Office for Woman. Officers reported that in December 2009, the Office for Women issued a request for tender for a panel arrangement of gender experts. From that request, 43 tenders were successful, with 38 contracts signed to date. The contracts are now published online, and APS agencies were notified on 18 February that the panel has now been established.²¹

Disability and Carers

3.20 The committee discussed the selection process for disability ambassadors announced at the Disability Awards in 2010. Officers explained that the department assisted that process by providing suggestions, but that the appointment was essentially a decision for government. The committee raised the issue of the appointment of Ms Catherine Deveny as ambassador, noting that some of her public comments were a cause for concern. The Minister advised that the appointment was for international day specifically, and the appointment will not be renewed.²²

18 *Proof Estimates Hansard*, 24 February 2011, p. 38.

19 *Proof Estimates Hansard*, 24 February 2011, p. 38.

20 *Proof Estimates Hansard*, 24 February 2011, pp 40–41.

21 *Proof Estimates Hansard*, 24 February 2011, p. 44.

22 *Proof Estimates Hansard*, 24 February 2011, pp 47–49.

Disability Support Pension (DSP)

3.21 The committee queried why the department had not yet published the latest Characteristics of Disability Support Pension Recipients report. Officers explained they have been unable to meet the timeline due to competing priorities, but that the target date for release is the end of March.²³

3.22 The department provided details on the number of DSP recipients, separating those who were subject to arrangements before the 2006 reforms and those who were recipients afterwards. The committee queried why the recipient numbers were growing at a particularly fast rate when the rate of unemployment is continuing to fall. Officers explained that many factors affect the total number of people receiving DSP, but that economic conditions rarely affect the total. Officers further explained that:

The drivers of DSP also include an increasing number of women seeking the payment as a result of other payments being closed that they might previously have been eligible for, which includes increasing the age of the age pension, the closure of the wife pension and the restriction of parenting payment. DSP numbers are also driven by very low exit rates. Once people are on the payment they tend—sadly, as the minister observed in a newspaper article—not to leave the payment unless they qualify for age pension or they die.²⁴

Housing

3.23 The committee began by asking what effects the recent natural disasters have had on the government's social housing investments. Officers replied that in relation to Queensland, Queensland Housing adopted a policy over many years to build above the one in 100-year flood level, resulting in the vast amount of stimulus housing being unaffected. Officers noted they have not received all information in relation to the damage caused by Cyclone Yasi because it has not been made available by the Queensland Government yet.²⁵

3.24 The committee asked the department about a company contracted to build social housing that has reportedly since collapsed. Officers informed the committee they are aware of these reports, and that the stimulus process involved approximately 2,500 projects, of which a small handful ended up with this particular construction company. Officers emphasised that the responsibility for managing the program rests with state governments and that each jurisdiction has different ways of ensuring subcontractors get paid. This particular case occurred in New South Wales, where Housing New South Wales has measures in place that seek statutory declarations from companies that ensure they are in a position to pay their subcontractors.²⁶

23 *Proof Estimates Hansard*, 24 February 2011, p. 50.

24 *Proof Estimates Hansard*, 24 February 2011, pp 50–51.

25 *Proof Estimates Hansard*, 24 February 2011, pp 57–58.

26 *Proof Estimates Hansard*, 24 February 2011, pp 58–89.

Public Housing Waiting Lists

3.25 The committee raised a number of figures that showed the number of people on waiting lists had increased, but also that the number of days housing stock was left vacant had increased. Officers explained that it is quite a complex environment, but that a significant part of the increase in the number of people on waiting lists can be explained by the transition of jurisdictions using multiple lists, to using a single waiting list. This single list is a consolidated waiting list across all types of social housing comprising of community housing, indigenous housing and mainstream public housing.²⁷ Officers explained that while not all states and territories were currently using a consolidated waiting list, the integration of waiting lists is one of the reform agenda items that comprise the National Affordable Housing Agreement.²⁸

3.26 Dr Harmer provided another explanation for the increase in number of people on waiting lists, stating:

In our experience, waiting lists often reflect the possibility of being housed, so when there are some additional funds in public housing as there has been recently, the expectation of being housed goes up and people feel it is worthwhile putting their names on the waiting list.²⁹

3.27 Minister Arbib also noted that the data was collected both during the global financial crisis and prior to the social housing stimulus being completed, which may have had an effect. Officers noted the average turnaround time between tenancies could be attributed to maintenance taking place on the property, as 97.7 per cent of public housing stock was tenanted as at 30 June 2010.³⁰

Homelessness

3.28 The committee sought an update on progress for new homelessness legislation. The department reported they are advancing the work on the National Quality Framework, which is seen as a key initiative when addressing homelessness. Officers are taking legal advice to determine the parameters of the proposed Commonwealth legislation.³¹

27 *Proof Estimates Hansard*, 24 February 2011, pp 63–64.

28 *Proof Estimates Hansard*, 24 February 2011, p. 64.

29 *Proof Estimates Hansard*, 24 February 2011, p. 64.

30 *Proof Estimates Hansard*, 24 February 2011, pp 64–65.

31 *Proof Estimates Hansard*, 24 February 2011, p. 68.

Retirement

3.29 The committee took the opportunity to acknowledge Dr Harmer's retirement and last appearance at Senate Estimates. The committee and Minister acknowledged Dr Harmer's contribution to the public service since his commencement in 1978.³²

32 *Proof Estimates Hansard*, 24 February 2011, pp 72–73.

Chapter 4

Human Services Portfolio

Department of Human Services

4.1 This chapter contains the key issues discussed during the 2010-2011 additional estimates hearings for the Human Services portfolio.

4.2 The committee heard evidence from the department on Thursday 24 February 2011. Areas of the portfolio were called in the following order:

- Human Services (including Child Support)
- Corporate Operations and Enabling Services
- Centrelink Agency
- Medicare Australia Agency
- Australian Hearing

Human Services (including Child Support)

4.3 The committee sought further information on the process of automatic deduction from an individual's pay for child support. Specifically, they sought information on the issue of an employer deducting the amount but not passing it on to the CSA. Officers explained that automatic deduction can occur at the request of either the CSA or the employee. Officers noted there are a variety of reasons why the payments have not been transmitted to the CSA and that there are methods to follow when this occurs:

Generally speaking, we would start by taking the matter up with the employer to see whether we can get it resolved and, in particular, get the money transmitted to us. If that is not able to be done, we can terminate employer withholding arrangements in those sorts of circumstances. We can also—as we have in a small number of cases—move into more formal investigations and prosecution.¹

Paid Parental Leave (PPL)

4.4 The committee asked officers to detail the current maternity and paternity leave schemes in the employee collective agreement. Officers explained each agency across the portfolio has their own specific arrangements that vary from 12 to 14 weeks. The department confirmed that employees eligible for the existing schemes would also be eligible for the incoming Paid Parental Leave.²

1 *Proof Estimates Hansard*, 23 February 2011, p. 78.

2 *Proof Estimates Hansard*, 23 February 2011, pp 79–80.

Staffing Arrangements

4.5 The committee sought an update on the current staffing arrangements in place, including: turnover rate, recruitment, training and leave taken. Officers detailed the staffing arrangements in terms of the current integration of the agencies and the department, noting the separation rate of both.³

4.6 Officers explained that given the sometimes difficult nature of the work, a high degree of effort is taken to ensure staff adapt to the working environment. This includes classroom training, a buddy program where experienced staff work together with new starters on phone calls, and then eventually begin to work more independently with customers on the phone. However officers noted there will inevitably be a proportion of new staff that, once familiar with the work, will decide it does not suit them.⁴

Centrelink Agency

Emergency Relief Payments and Services

4.7 The department gave the committee an overview of the emergency relief payments. Three different means of support were identified: the Australian government disaster recovery payment; the disaster income recovery subsidy; and wage subsidies. Officers informed the committee that a coordinated effort involving the ATO, DIAC and the Office of the Fair Work Ombudsman resulted in 700,000 claims being processed, and over 80 social workers and more than 300 staff door-knocking with the Red Cross and providing assistance in evacuation and recovery centres. Over 2,500 staff were involved in work across Australia in call centres, customer service centres, processing centres, in the national office and in boats travelling through flooded streets.⁵

4.8 Ms Carolyn Hogg, Chief Executive Officer, Centrelink, informed the committee that these services have had an impact on the day-to-day work and standards of service. Noting that this time of year is traditionally busy, customers that were not directly affected by the series of natural disasters had to wait longer for services both in Centrelink offices and over the phone.⁶

4.9 The committee asked the department to list the total payments for the Australian Government Disaster Relief Payment (AGDRP) scheme. Officers detailed the following:

3 *Proof Estimates Hansard*, 23 February 2011, pp 80–81.

4 *Proof Estimates Hansard*, 23 February 2011, p. 80.

5 *Proof Estimates Hansard*, 23 February 2011, p. 81.

6 *Proof Estimates Hansard*, 23 February 2011, p. 81.

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- As of 31 January, the total number of payments made was 328,717. The total value of these payments was \$388 million (\$388,292,599.99).
 - The total number of payments as of midnight Wednesday 23 February was 636,725, with a total value of \$739,515,199.99.⁷

4.10 The committee queried the sharp rise in the number of payments in the last three weeks, noting the figure had almost doubled. Officers explained this can be attributed to Cyclone Yasi, with records showing 227,696 people affected.⁸

4.11 The committee asked the department to provide a breakdown of the specific processes in place to inform affected people of their eligibility for support. Officers explained that staff are still working in communities affected to ensure people are aware of the payments. To this end, they have made announcements on community and local radio.⁹ Applications can be made in Centrelink offices, online and over the phone, with recipients having to sign a declaration before they can receive any payments.¹⁰ Officers confirmed that payments are always made into bank accounts, and that there are no legal obligations imposed on the recipient to use the money in any pre-determined way.¹¹

Disaster Relief Fraud Task Force

4.12 The committee sought further information on the task force investigating fraudulent claims. The department informed the committee that the task force was established as a result of discussions within the portfolio and with the minister, in the first week after the floods in South-East Queensland. Officers explained they have experience in dealing with this type of fraud from previous disasters and as such, were prepared to implement risk checks on the types of activities seen previously. The committee noted that the powers, roles and responsibilities of the Disaster Relief Fraud Task Force were the same as the existing Centrelink Fraud Investigation Unit, and therefore queried why there was a need to set up this additional task force. The department explained that based on experience from previous disasters, it is beneficial to have a group of staff focus on that particular payment at that time, because many of these claims can be quite complex, especially if people have made multiple claims.¹²

7 *Proof Estimates Hansard*, 23 February 2011, p. 82.

8 *Proof Estimates Hansard*, 23 February 2011, p. 83.

9 *Proof Estimates Hansard*, 23 February 2011, p. 83.

10 *Proof Estimates Hansard*, 23 February 2011, p. 83.

11 *Proof Estimates Hansard*, 23 February 2011, p. 85.

12 *Proof Estimates Hansard*, 23 February 2011, pp 85–86.

4.13 The committee concluded its questioning on the disaster relief services by commending the department on its work and the services provided throughout the numerous disasters since 31 December 2010.¹³

News for Seniors

4.14 The committee sought further information on the Centrelink magazine *News for Seniors*. Officers informed the committee that the key purpose of this publication is to provide pensioners with information on current government policy. Its intent is to be a user-friendly guide that outlines assistance that pensioners may be entitled to. The magazine was introduced in the late 1990s, it is issued on a quarterly basis, and is currently the largest circulated publication in the country.¹⁴

4.15 The committee queried staffing arrangements, advertising offsets and production costs. Officers advised the committee there are two staff employed full-time for production, noting the cost for each edition is approximately \$1 million, with part of the cost offset by advertising.¹⁵

4.16 The committee questioned advertising protocol and whether or not there are any restrictions as to what can and cannot be advertised. Officers told the committee there are 'quite rigid' constraints. There is a disclaimer in every edition to emphasise that the magazine does not necessarily endorse particular advertisers and officers explained they have been very selective in terms of the advertisers that have chosen.¹⁶

Medicare Australia Agency

4.17 The committee sought further information on issues encountered by practitioners having their registration transferred to the national registration scheme through AHPRA, the national registration body. Officers explained Medicare is involved in the registration process solely so that practitioners can claim Medicare benefits.¹⁷ By way of explanation, officers detailed the process Medicare staff experience when AHRPA give notification of registration problems:

We receive information from AHPRA...If there are any doctors that have not registered and we have been notified by AHPRA that we need to deregister them, we send a letter to them to inform them of the case. We make two phone calls to alert them to that...That is to alert them that they will be deregistered and it is also to inform them that they cannot claim medical rebates while they are deregistered.¹⁸

13 *Proof Estimates Hansard*, 23 February 2011, pp 87–89.

14 *Proof Estimates Hansard*, 23 February 2011, pp 96–97.

15 *Proof Estimates Hansard*, 23 February 2011, p. 97.

16 *Proof Estimates Hansard*, 23 February 2011, pp 97–98.

17 *Proof Estimates Hansard*, 23 February 2011, pp 115–116.

18 *Proof Estimates Hansard*, 23 February 2011, p. 115.

4.18 Officers stated they were unable to provide information specifically on patients that have had their Medicare rebates refused, as rebates can be refused for a number of reasons. Officers informed the committee that deregistrations are a normal part of business, and there has not been a rise in phone calls or complaints since the transferral to AHPRA.¹⁹

Individual Health Identifiers (IHIs)

4.19 The committee sought further information on Individual Health Identifiers (IHIs). Officers informed the committee IHIs have been assigned to 23.5 million individuals and there are three categories: individual, organisation and professional. The committee raised concerns about privacy and ease of access to information. Officers explained individuals can log into an online account, go to their local Medicare office or call Medicare to access their information, which would include an identification check prior to accessing the information.²⁰ Officers emphasised the steps taken to ensure privacy:

We have taken these privacy matters very seriously. We have worked with the National eHealth Transition Authority and the Department of Health to always act in the best interests of Australians and protect the privacy of their health information and data, which is very precious to us.²¹

4.20 Officers also noted that records are kept so that individuals can request details of who has looked at their IHI.²²

19 *Proof Estimates Hansard*, 23 February 2011, p. 116.

20 *Proof Estimates Hansard*, 23 February 2011, pp 118–120.

21 *Proof Estimates Hansard*, 23 February 2011, p. 120.

22 *Proof Estimates Hansard*, 23 February 2011, p. 119.

Chapter 5

Cross Portfolio Indigenous Matters

5.1 This chapter contains the key issues discussed during the 2010-11 additional estimates hearings for cross portfolio Indigenous matters pursuant to Resolution of the Senate of 26 August 2008.¹ The following portfolio departments were in attendance:

- Department of Education, Employment and Workplace Relations
- Department of Families, Housing, Community Services and Indigenous Affairs
- Department of Health and Ageing
- Department of Human Services

5.2 The committee heard evidence from the departments on Friday 25 February 2011. Areas of the portfolios were called in the following order:

- Closing the Gap
- Northern Territory Emergency Response – Basics card/income quarantining
- Indigenous Housing
- Employment and Economic Development
- Community Development Employment Projects (CDEP)
- Health Issues

Closing the Gap

5.3 The committee queried the use of photos of people, without names, within the Closing the Gap report that was released in February 2011. The committee was specifically interested on whether permission to reproduce the images was sought from the individuals and whether or not it was department policy to not include names. Officers stated that, given the department's extensive experience in this area, the communications area has a policy of securing the rights and necessary approvals to reproduce images. Dr Harmer explained that the department has a broad policy as to whether or not people are named, and if there were a case of some individuals not wishing to be named, this would be applied to the whole report for the sake of consistency.² However in this case, it was determined that the identification of

1 *Journals of the Senate*: No.22 - 26 August 2008, p. 683.

2 *Proof Estimates Hansard*, 25 February 2011, p. 5.

individuals did not serve any purpose and would have involved additional permissions being sought and further discussions with the individual.³

Reporting

5.4 The committee noted the reports produced for Closing the Gap, including the Prime Minister's report, the Coordinator-General's report and the COAG Reform Council's (CRC) report. The committee queried why the reports are released months apart.⁴ The committee further emphasised that there is confusion in comparing the three processes, where people expect the reports to contain an update of the previous report, and do not realise it is not an equal comparison.⁵

5.5 The department explained that while the reports appear to be of a similar nature, they serve different purposes. The Prime Minister's report reinforces the importance and significance of the anniversary of the apology, the Coordinator-General's report focuses on 29 communities specifically selected by COAG for 'intensive attention' while the CRC's report is the main accountability mechanism, allowing measurement of progress made in reaching the Closing the Gap objective. In addition to serving different purposes, there were logistical difficulties related to the timing of reports as the Coordinator-General's report relies on data such as the NAPLAN testing, the release of which needs to go through state, territory and Commonwealth approval before it can be applied to the report. Officers further explained:

The current Prime Minister's report 2011 updated on a couple of measures where there is new data. Because the CRC will report in June, it will have an update of more of the targets. So the PM's report next year will obviously have more detail and the year after even more detail as we can get a good longitudinal examination of how things are fairing over time...The other thing to bear in mind is that, with the Coordinator-General's report, a couple of the critical indicators, such as school results being a good one, the school results stuff will still only be available after the NAPLAN testing, ACARA, which is the body set up to make sure that we are comparing apples with apples, ministerial sign-off all of that has to occur.⁶

School Attendance

5.6 The committee sought further information on school attendance in relation to the Closing the Gap program. Dr Harmer informed the committee that FaHCSIA has overarching responsibility for reporting and collating the information, but are not

3 *Proof Estimates Hansard*, 25 February 2011, p. 21.

4 *Proof Estimates Hansard*, 25 February 2011, p. 6.

5 *Proof Estimates Hansard*, 25 February 2011, p. 7.

6 *Proof Estimates Hansard*, 25 February 2011, pp 6–8.

responsible for the six targets within Closing the Gap.⁷ The committee asked officers to detail figures for income management recipients and the breaching provision available if their children do not attend school. Officers explained that the breaching provision is only available in communities in which the SEAM trial is taking place. Where SEAM is taking place in the Northern Territory, as of 1 February 2011, 38 customers have been suspended for enrolment or attendance issues. Officers noted that the suspension of income support payments means that these individuals will still receive any other entitlements to which they are eligible.⁸ The committee asked what processes are in place to follow up on the impact involved in this suspension. Officers replied:

During the period that a person is suspended under the SEAM process, we have a review at the two, four and 10 week stage with our social worker, and they also have ongoing interaction with the education liaison officer during that period.⁹

5.7 Officers also explained that there are times when the affected family may be referred to other organisations, such as appropriate NGOs, to support them during that period.¹⁰

Housing

5.8 The committee sought updates on the figures for the number of houses built, and tenancy agreements in place. Officers detailed the figures on a state and territory-wide basis.¹¹ Dr Harmer reminded the committee that while the department is the funding body, the state and territory governments are responsible for the negotiating of tenancy agreements. Officers informed the committee that, despite a 'rocky start', the program is currently exceeding the targets.¹²

5.9 The committee asked officers to respond to reported claims that houses under construction differed significantly from the original plans and that one-third of the cost of the home was being taken up in administrative costs. Officers stated that it is incorrect that 30 per cent is taken up in administrative costs, as the costs of program management are capped at 8 per cent. The costs are similar to other large scale construction projects, especially considering workers need to be brought in to remote locations.¹³ In response to houses differing from original plans, officers noted this could be attributed to the four bedroom houses that were built originally. The review

7 *Proof Estimates Hansard*, 25 February 2011, pp 12–13.

8 *Proof Estimates Hansard*, 25 February 2011, pp 14–15 and 19.

9 *Proof Estimates Hansard*, 25 February 2011, p. 20.

10 *Proof Estimates Hansard*, 25 February 2011, p. 20.

11 *Proof Estimates Hansard*, 25 February 2011, pp 21–22.

12 *Proof Estimates Hansard*, 25 February 2011, p. 23.

13 *Proof Estimates Hansard*, 25 February 2011, p. 23.

commissioned in 2009 found that these houses did not solve the problem of overcrowding. The response to this was to provide more ‘modest’, three bedroom dwellings, in close proximity to each other. However officers emphasised that the housing mix will reflect the diversity of the population in each community.¹⁴

5.10 The committee sought further information as to how numbers of bedrooms and houses for each community are determined. Officers informed the committee there is a housing reference group made up of representatives of the community. The Commonwealth and Northern Territory Government regularly meet with the housing reference group from the beginning to the end of the project.¹⁵ The committee asked officers to provide the number of one and two bedroom houses projected to be built between now and the close of the program. Officers explained that there are no set numbers and that house design and the number of bedrooms per house have always been developed in conjunction with the housing reference group for each community, to ensure the housing reflects the diversity of each community.¹⁶

5.11 The committee put to the department that in order to ensure efficiency, building a four-bedroom house would be cheaper than building two two-bedroom houses.¹⁷ Officers explained that this is not necessarily so:

We generate the same amount of rent for a four-bedroom home as for a two-bedroom home, so the matter then becomes how that four-bedroom home is filled.¹⁸

Employment and Economic Development

5.12 The committee noted reports stating that the 20 per cent target of Indigenous employment within the Strategic Indigenous Housing and Infrastructure Program (SIHIP) has been exceeded and sought further information as to how this is assessed. Officers reported that Indigenous employees currently make up over 30 per cent of the SIHIP workforce, listing the number of Indigenous employees within the total number of employees.¹⁹ Officers detailed the training programs involved and the number of employees achieving these accreditations, highlighting the importance of education complementing the employment opportunities.²⁰

5.13 The committee asked officers to respond to the *ANAO Audit Report No. 23 2010-11 Home Ownership on Indigenous Land Program*, that stated the plans to use

14 *Proof Estimates Hansard*, 25 February 2011, pp 23–24.

15 *Proof Estimates Hansard*, 25 February 2011, p. 25.

16 *Proof Estimates Hansard*, 25 February 2011, p. 28.

17 *Proof Estimates Hansard*, 25 February 2011, p. 28.

18 *Proof Estimates Hansard*, 25 February 2011, p. 28.

19 *Proof Estimates Hansard*, 25 February 2011, p. 38.

20 *Proof Estimates Hansard*, 25 February 2011, pp 38–39.

CDEP participants were not implemented due to priority being given to completing construction of the houses in a timely manner. Officers responded that statement was in relation to a single large construction project managed by a particular firm that was not within SIHIP, and therefore did not have the specific employment targets that SIHIP is required to meet.²¹

5.14 The committee asked officers to provide further information on the 'Learn. Earn. Legend!' program. Officers informed the committee it is a branding that has been given to a range of activities that involve, among other things, mentoring Indigenous young people at school.²² The Minister further explained:

It is important...in getting kids to school, getting them active in school and making them want to stay in school...It is saying, 'Learn; go to school and get an education so you can earn and get a job and become a legend or a role model in your community.'²³

Health Issues

Dialysis

5.15 The committee sought further information on the department's report into the delivery of treatment for kidney disease among Indigenous people in remote communities in Central Australia. Officers informed the committee that the report covers a broad range of issues, including social and service provision issues, homelessness and projected demands. The report will look at medium and long-term needs and will be circulated to each of the stakeholder states. Officers noted the report will contain a number of recommendations, which the states are aware they will need to respond to.²⁴

Smoking

5.16 The committee queried the smoking rate for Indigenous Australians. Officers informed the committee that in 2002, 51 per cent of Indigenous Australians were smoking. The 2008 National Aboriginal and Torres Strait Islander Social Survey reports the figure at 47 per cent. Officers explained the National Healthcare Agreement's goal is to reduce the national daily smoking rate for the general population to 10 per cent, and to halve the smoking rate for Indigenous Australians by 2018.²⁵

21 *Proof Estimates Hansard*, 25 February 2011, pp 40–41.

22 *Proof Estimates Hansard*, 25 February 2011, p. 45.

23 *Proof Estimates Hansard*, 25 February 2011, p. 45.

24 *Proof Estimates Hansard*, 25 February 2011, pp 50–51.

25 *Proof Estimates Hansard*, 25 February 2011, pp 52–53.

5.17 The committee sought further information on the recruitment process involved for regional tobacco coordinators. Officers reported the following recruitment figures as at 23 February 2011:

- 12 out of a possible 57 regional tobacco coordinators;
- 12 out of a possible 171 tobacco action workers; and
- 22 healthy lifestyle workers.²⁶

Officers noted the recruitment processes commenced at the end of 2010 and are actively ongoing.

Foetal Alcohol Spectrum Disorder (FASD)

5.18 The committee sought further information on prevention measures in place for FASD. The department informed the committee the 2009 NHMRC alcohol guidelines have been distributed on brochures and posters and are also available on the alcohol.gov.au website. The department is providing \$768,852 for the National Drug Research Institute and the National Indigenous FASD Resource Project to develop communication materials that will help provide a platform to develop more targeted campaigns for specific at-risk communities. Officers noted these materials will be available in December 2011.²⁷

5.19 Officers informed the committee that the Telethon Institute for Child Health Research, working with the University of Sydney, have developed a diagnostic instrument that will help clinicians diagnose babies and children affected by FASD which is due to be completed 30 June 2011. Officers also noted the George Institute, Fitzroy Crossing, is working on similar diagnostic issues.²⁸

Suicide Prevention Strategy

5.20 The committee sought further information on the development of a suicide prevention strategy. Officers informed the committee the department is meeting with the Australian Suicide Prevention Advisory Council and the development of an Indigenous suicide prevention strategy is a priority.²⁹

5.21 Officers explained there are measures in place to provide an immediate response, which involve working with state governments and local suicide prevention programs.³⁰ However officers highlighted the Commonwealth's role in long-term

26 *Proof Estimates Hansard*, 25 February 2011, pp 54–55.

27 *Proof Estimates Hansard*, 25 February 2011, p. 56.

28 *Proof Estimates Hansard*, 25 February 2011, p. 57.

29 *Proof Estimates Hansard*, 25 February 2011, pp 58–59.

30 *Proof Estimates Hansard*, 25 February 2011, p. 59.

responses, including funding at-risk communities and the collation of research and evidence to ensure more effective responses in the future.³¹

Senator Claire Moore
Chair

31 *Proof Estimates Hansard*, 25 February 2011, pp 59–60.

Appendix 1

Administrative Arrangement Order 14 September 2010 Changed Responsibility

Topic	Previously Responsible	Now Responsible
Australian Sports Anti-Doping Authority (ASDA)	Department of Health and Ageing	PM&C
Australian Sports Commission (ASC)	Department of Health and Ageing	PM&C
Australian Sports Foundation	Department of Health and Ageing	PM&C
Community Compact	FaHCSIA	PM&C
Disaster Recovery	FaHCSIA	Attorney-General's Department
Housing Affordability Fund	FaHCSIA	SEWPaC
Housing Supply and the Housing Supply Council	FaHCSIA	SEWPaC
Indigenous Capital Assistance Scheme	DEEWR	Indigenous Business Australia
Indigenous Cultural Remains Program	FaHCSIA	PM&C
National Rental Affordability Scheme	FaHCSIA	SEWPaC
Philanthropy	FaHCSIA	PM&C
Volunteering	FaHCSIA	PM&C

FaHCSIA Department of Families, Housing, Community Services and Indigenous Affairs

SEWPaC Department of Sustainability, Environment, Water, Population and Communities

PM&C Departments of the Prime Minister and Cabinet

DEEWR Department of Education, Employment and Workplace Relations

