



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

SENATE

STANDING COMMITTEE ON COMMUNITY AFFAIRS

ESTIMATES

(Budget Estimates)

TUESDAY, 29 MAY 2007

CANBERRA

BY AUTHORITY OF THE SENATE

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**SENATE STANDING COMMITTEE ON
COMMUNITY AFFAIRS
Tuesday, 29 May 2007**

Members: Senator Humphries (*Chair*), Senator Moore (*Deputy Chair*), Senators Adams, Allison, Boyce, Carol Brown, Patterson and Polley

Participating members: Senators Barnett, Bartlett, Bernardi, Mark Bishop, Boswell, Bob Brown, George Campbell, Carr, Chapman, Crossin, Eggleston, Chris Evans, Faulkner, Ferguson, Fielding, Forshaw, Heffernan, Hogg, Hurley, Hutchins, Joyce, Kemp, Kirk, Lightfoot, Ludwig, Lundy, Marshall, McEwen, McGauran, McLucas, Milne, Nash, Nettle, O'Brien, Parry, Payne, Robert Ray, Siewert, Stephens, Stott Despoja, Watson, Webber, Wong and Wortley

Senators in attendance: Senators Adams, Allison, Boyce, Carol Brown, George Campbell, Conroy, Crossin, Eggleston, Chris Evans, Humphries, Marshall, McLucas, Moore, Patterson, Polley, Siewert, Stephens, Webber and Wong

Committee met at 9.03 am

FAMILIES, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS PORTFOLIO

Consideration resumed from 28 May 2007

In Attendance

Senator Scullion, Minister for Community Services

Department of Families, Community Services and Indigenous Affairs

Executive

Dr Jeff Harmer, Secretary
Mr Wayne Gibbons, Associate Secretary
Mr Geoff Leeper, Deputy Secretary
Ms Glenys Beauchamp, Deputy Secretary
Mr Bernie Yates, Deputy Secretary

Group Managers

Mr Roger Barson, Group Manager, Program Operations
Ms Gwenda Prince, Acting Group Manager, Women and Youth
Ms Liza Carroll, Group Manager, Children
Ms Kate Gumley, Acting Group Manager, Strategic Interventions Taskforce
Mr David Hazlehurst, Group Manager, Families
Mr Bruce Hunter, Chief Financial Officer and Group Manager, Business and Financial Services
Mr Sean Innis, Group Manager, Social Policy
Mr Robert Knapp, Group Manager, Indigenous Land and Housing
Mr Tony Kwan, Chief Information Officer and Group Manager, Information Management and Technology

Ms Cate McKenzie, Group Manager, Housing and Disability
Dr Loucas Nicolaou, Chief Internal Auditor, Audit and Fraud
Ms Fiona Smart, Acting Group Manager, Child Care Management System
Ms Kerrie Tim, Group Manager, Indigenous Leadership Development
Ms Peta Winzar, Group Manager, Communities
Mr Andrew Wood, Group Manager, Corporate Support
Ms Donna Moody, Group Manager, Funding and Governance
Ms Lynne Curran, Group Manager, Office of Indigenous Policy Coordination

Cross outcomes

Mr Bruce Hunter, Chief Financial Officer and Group Manager, Business and Financial Services
Mr Sean Innis, Group Manager, Social Policy
Mr Tony Kwan, Chief Information Officer and Group Manager, Information Management and Technology
Mr Andrew Wood, Group Manager, Corporate Support
Dr Loucas Nicolaou, Chief Internal Auditor, Audit and Fraud
Mr Roger Barson, Group Manager, Program Operations
Ms Christine Bruce, Branch Manager, Procurement and Contract Management
Ms Lesley Daw, Branch Manager, Property and Security
Ms Jill Farrelly, Branch Manager, Network Support
Mr Anthony Field, Branch Manager, Legal Services
Ms Alanna Foster, Acting Branch Manager, Social Security Relationships and Compliance
Mr Steve Jennaway, Branch Manager, Budget Development
Mr James Koulouris, Branch Manager, Corporate Strategy
Mr Andrew Lander, Branch Manager, Communication and Media
Mr Michael Pahlow, Branch Manager, Financial Services
Mr Michel Lok, Branch Manager, Financial Services
Ms Susan Black, Branch Manager, Ministerial, Parliamentary and Executive Support
Mr Stephen Walker, Branch Manager, People
Ms Michalina Stawyskyj, Branch Manager, International
Mr Andrew Whitecross, Branch Manager, Research and Analysis
Ms Deborah Winkler, Branch Manager, Service Delivery and Performance

Outcome 1: Greater self-reliance and economic, social and community engagement for Indigenous Australians**1.1 Whole-of-government coordination of policy development and service delivery for Indigenous Australians**

Ms Kerrie Tim, Group Manager, Indigenous Leadership Development
Ms Donna Moody, Group Manager, Funding and Governance
Ms Lynne Curran, Group Manager, Office of Indigenous Policy Coordination
Dr Alison Smith, Branch Manager, Intergovernmental and Welfare Reform
Mr Brian McMillan, Branch Manager, Indigenous Programs Investigations

1.2 Services for Indigenous Australians

Ms Liza Carroll, Group Manager, Children
Mr David Hazlehurst, Group Manager, Families

Mr Robert Knapp, Group Manager, Indigenous Land and Housing
Ms Donna Moody, Group Manager, Funding and Governance
Ms Lynne Curran, Group Manager, Office of Indigenous Policy Coordination
Ms Kerrie Tim, Group Manager, Indigenous Leadership Development
Ms Kate Gumley, Acting Group Manager, Strategic Interventions Taskforce
Ms Robyn Fleming, Branch Manager, Family Relationship Services
Ms Christine Freudenstein, Acting Branch Manager, Indigenous Housing and Infrastructure Reform
Dr Paul Omaji, Branch Manager, Leadership Policy and Repatriation
Mr Sanjeev Commar, Acting Branch Manager, Strategic Interventions
Mr Greg Roche, Branch Manager, Land
Mr Simon Rosenberg, Branch Manager, Indigenous Housing and Infrastructure Services
Mr Geoffrey Richardson, Branch Manager, Leadership Delivery
Dr Alison Smith, Branch Manager, Intergovernmental and Welfare Reform
Mr Brian McMillan, Branch Manager, Indigenous Programs Investigations

1.3 Incorporation, regulation and capacity building of Indigenous corporations

Ms Laura Beacroft, Registrar of Aboriginal Corporations
Ms Toni Matulick, Deputy Registrar
Mr Joe Mastrolembro, Deputy Registrar

Outcome 2: Seniors, people with disabilities, carers, youth and women are supported, recognised and encouraged to participate in the community

2.1 Support for the aged

Mr Sean Innis, Group Manager, Social Policy
Dr Nick Hartland, Branch Manager, Seniors and Means Test

2.2 Support for people with disabilities

Ms Cate McKenzie, Group Manager, Housing and Disability
Mr Evan Lewis, Branch Manager, Mental Health
Mr Ben Wallace, Branch Manager, Disability
Ms Lee Emerson, Branch Manager, Carers

2.3 Support for carers

Ms Cate McKenzie, Group Manager, Housing and Disability
Ms Lee Emerson, Branch Manager, Carers

2.4 Support for youth

Ms Gwenda Prince, Acting Group Manager, Women and Youth
Ms Michelle Wilson, Acting Branch Manager, Youth Bureau

2.5 Support for women

Ms Gwenda Prince, Acting Group Manager, Women and Youth
Ms Donna Griffin, Branch Manager, Safety, Leadership and Communication
Ms Janet Stodulka, Branch Manager, Policy Research and International

Outcome 3: Families and children have choices and opportunities

3.1 Support for families

Ms Liza Carroll, Group Manager, Children
Mr David Hazlehurst, Group Manager, Families

Ms Robyn Fleming, Branch Manager, Family Relationship Services
Ms Pamela Kinnear, Branch Manager, Child Support Policy
Ms Vicki Rundle, Branch Manager, Child Care and Children's Policy
Mr Philip Moufarrige, Acting Branch Manager, Children's Programs
Mr Mark Warburton, Branch Manager, Family Payments and Policy
Mr Justin Mein, Acting Branch Manager, Child Care and Children's Policy Budget Taskforce

3.2 Child support

Mr David Hazlehurst, Group Manager, Families
Ms Robyn Fleming, Branch Manager, Family Relationship Services
Ms Pamela Kinnear, Branch Manager, Child Support Policy Branch

3.3 Child care support

Ms Liza Carroll, Group Manager, Children
Ms Fiona Smart, Acting Group Manager, Child Care Management System
Mr Philip Brown, Branch Manager, Child Care Compliance
Ms Allyson Essex, Branch Manager, Child Care Management System Taskforce
Dr Gabrielle Phillips, Branch Manager, Child Care Performance Management
Ms Kathryn Shugg, Branch Manager, Child Care Services and Policy
Ms Vicki Rundle, Branch Manager, Child Care and Children's Policy
Mr Justin Mein, Acting Branch Manager, Child Care and Children's Policy Budget Taskforce

Outcome 4: Strong and resilient communities

4.1 Housing support

Ms Cate McKenzie, Group Manager, Housing and Disability
Ms Clare Wall, Branch Manager, Housing Policy and Support

4.2 Supporting financial management

Ms Peta Winzar, Group Manager, Communities
Ms Elizabeth Stehr, Branch Manager, Money Management and Community Programs

4.3 Community recovery

Ms Peta Winzar, Group Manager, Communities

4.4 Community partnership and delivery

Ms Peta Winzar, Group Manager, Communities
Mr Tony Carmichael, Branch Manager, Community Strategy

Aboriginal Hostels Limited

Mr Keith Clarke, General Manager
Dr Kamlesh Sharma, Assistant General Manager/Company Secretary

Indigenous Land Corporation

Mr David Galvin, General Manager
Ms Jodie Lindsay, Chief Financial Officer

Tiwi Land Council

Mr Marius Puruntatameri, Deputy Chairman
Mr Andrew Tipungwuti, Manager
Mr John Hicks, Executive Secretary

Australian Institute of Family Studies

Professor Alan Hayes, Director

Dr Matthew Gray, Deputy Director Research

Ms Sue Tait, Deputy Director Corporate and Strategy

CHAIR (Senator Humphries)—I declare open this public hearing of the Senate Standing Committee on Community Affairs considering the budget for the estimates. The committee will continue examination of the families, community services and Indigenous affairs portfolio. I welcome back Senator Scullion, the Minister for Community Services and the Minister representing the Minister for Families, Community Services and Indigenous Affairs, and the departmental secretary, Dr Jeff Harmer, and officers of the department. Are there any answers available to questions which were taken on notice yesterday?

Dr Harmer—Not yet.

[9.04 am]

CHAIR—Last night we completed outcome 1 and output group 4.1, as well as the Aboriginal hostels and Indigenous Land Corporation agencies and the Tiwi Land Council. This morning we will start on output group 2, Appropriations applicable across outcome 2. Are there any questions?

Senator STEPHENS—I want to start with the forward estimates, Dr Harmer. Could you please give details of the total budget for the aged programs across the forward estimate years.

CHAIR—We are on output group 2 at the moment. We are looking for general questions. If there are no general questions, we can proceed straight to 2.1. Are there any general questions for output 2?

Senator McLUCAS—No, not for 2.0. To be frank, I do not understand why we have 2.0. What is that? Have I asked the bleeding obvious question?

Dr Harmer—Crisis payment and things like that. If there are no questions, we can go on to—

Senator McLUCAS—What does it mean, though, Dr Harmer?

Senator STEPHENS—Unless of course this is where we can talk about the advertising?

Dr Harmer—As I mentioned yesterday, we have given you a sheet.

Senator STEPHENS—Yes.

Dr Harmer—The best way to handle advertising would be to raise any of those that you are interested in when the people are here. Other than the campaign in the women's area, I do not think we have any particular campaigns. There is a range of things around publicity material, information to eligible people et cetera. As we go through today, I am very happy to have questions under each. If you want to ask, 'Is there any advertising?' as people come to the table, we can deal with it then. That is the most convenient way.

Senator STEPHENS—Okay. I agree with that.

[9.07 am]

CHAIR—On the basis that we do not have any questions in 2.0, let us proceed to 2.1, Support for the aged.

Senator STEPHENS—I want to go back to the question that I previously asked about forward estimates. Could you provide the committee with details for programs for the forward estimate periods to 2010-11.

Dr Harmer—Senator, could you repeat your question please for the officers who have just come to the table?

Senator STEPHENS—Yes, certainly. I asked: what is the total budget for these programs across the forward estimate years?

Dr Harmer—For the aged?

Senator STEPHENS—Yes.

Dr Hartland—We publish measures across the forward estimate periods, so, if you look at table 2.2, we have published individual measures that affect the age pension program in the out years.

Senator STEPHENS—Yes, I can see that.

Dr Hartland—On page 7 of the portfolio budget statement a total figure is given for administered appropriation across the forward estimates. In addition, on page 81 we provide an estimate for next year's expenditure by individual lines for programs, but we do not as a matter of course publish over the full forward estimates period the individual estimated expenditure for programs. I understand that has been the case now for some years.

Senator STEPHENS—So you cannot tell us what the government has budgeted for the aged in the forward estimates period?

Dr Harmer—We have not had for some time separate identification in the forward estimates in the portfolio budget statements. It will be in the budget papers.

Senator STEPHENS—So you cannot do it? Is it possible to take the question on notice and calculate it for us?

Dr Harmer—We will try to be helpful. Some time ago we had quite a discussion in this estimates committee about the government convention now not to provide by subprogram estimates across the forward years. As I understand it, that has been accepted now for quite some time in estimates committees. We did say at the time—and I was here—that we would try to be as helpful as we could in giving guidance about what was happening in the estimates. But we do not publish the forward estimates in the subprograms.

Senator McLUCAS—I am not sure that I would summarise the Labor position as 'accepting' what happened a couple of years ago. I think it is quite inappropriate that we cannot get information about forward estimates. So it is quite wrong to describe the view of the Labor Party as accepting the advice that you provided then.

Dr Harmer—I did not mean to imply that you accepted it, Senator. It is just that we have had the discussion before and we have given the reasons a number of times.

Senator McLUCAS—It is very unsatisfactory.

Senator STEPHENS—It is ridiculous. Could we go to the programs that are in this area of support for the aged? Perhaps you could advise the committee about the number of recipients who are expected to receive the age pension for the forward years.

Dr Hartland—The situation is the same. We can tell you the number of clients we expect to assist next year. It is on page 96 of the portfolio budget statements. The awkwardness about going to individual components is that it would, in effect, provide the same information because it would allow someone to calculate the parameters underlying the forward estimates. I think the sensitivity in previous years about publishing the forward estimates goes to revealing parameters that are not published elsewhere, such as economic estimates like CPI.

Senator STEPHENS—I am sorry; could you say that again? I could not hear what you said.

Dr Harmer—The officer said that part of the sensitivity in not revealing in the portfolio budget statements forward estimates by subprogram is that they reveal parameters calculated by Treasury that Treasury is not prepared to have us reveal. Again, if I might say, we have discussed exactly this a number of times over the last couple of years in Senate estimates. I do not have that briefing, but we could go back to the *Hansard* for those periods where we went through that description at some length.

Senator MOORE—Dr Harmer, could you remind us of when that happened? You may need to take that on notice.

Dr Harmer—Yes, I will.

Senator MOORE—I think it is important for us to put it in the context that there had been a practice and these discussions were had. I can remember the extensive discussions with government around when that policy decision changed. It was clear that it was a political decision, and you were in that situation. It might be useful at this time to get the timing of that for us. I think it was four or five years ago.

Dr Harmer—It was some time ago. We will take that on notice.

Senator STEPHENS—So, Dr Harmer, you are telling the committee that, other than what is revealed on page 96, you cannot tell us the number of people that you expect to receive the age pension in 2007-08?

Dr Harmer—We can tell you that.

Senator STEPHENS—And 2008-09?

Dr Harmer—No, we cannot tell you that.

Senator STEPHENS—You cannot tell us that? But the department must have that information to be able to prepare its own programs.

Dr Hartland—Yes, we maintain estimates customer numbers.

Senator STEPHENS—Of course you do. Chair, can I just say that this is outrageous. This is a ridiculous conversation if, for the good consideration of public policy, we cannot actually

discuss the number of anticipated recipients for social security benefits across the forward estimates.

Dr Harmer—When we discussed this in the past, I indicated that we would be as helpful as we could with the guidelines we have. Mr Innis, who is alongside me, has just pointed out that there is a fairly helpful table in the *Intergenerational report* which we can refer you to which will give you some indication of this.

Mr Innis—Page 93 of the *Intergenerational report* includes a table at appendix A of spending projections for a range of payments including the age pension. It tells us numbers for 2006-07, 2011-12, et cetera. It provides an indication of where the government thinks the age pension is heading over time.

Senator STEPHENS—Thank you very much. Are they the projections that you use?

Mr Innis—They go well beyond the forward estimates period, so they go well beyond the horizon that we would use for our close-term planning.

Dr Harmer—We would not disagree with those numbers in the *Intergenerational report*.

Senator STEPHENS—You would not disagree?

Dr Harmer—We would not disagree.

Senator STEPHENS—Thank you. Are these figures projections as a percentage of GDP as opposed to numbers?

Dr Harmer—That will give you a guide as to what is happening for the age pension beyond the first forward year.

Senator STEPHENS—Okay. Looking at page 96 of the portfolio budget statements 2007-08, you expect that 2.045478 million clients will receive the age pension in the first years.

Dr Harmer—Yes, that is right.

Senator STEPHENS—Can you explain the special benefit to the committee?

Dr Harmer—Do you want me to bring someone into the room who can talk about that question?

Senator STEPHENS—Yes, please.

Dr Harmer—Can we come back to that question?

Senator STEPHENS—Yes, course. Can we talk about the seniors concession allowance?

Dr Hartland—I will provide information on the seniors concession allowance.

Senator STEPHENS—You anticipate 238,593 Commonwealth seniors health card holders will be eligible to be paid the seniors concession allowance. Do you anticipate that there might be a significant variation on the seniors concession allowance?

Dr Hartland—The seniors concession allowance next year will have a number of factors affecting the customer numbers and, therefore, the rate. We expect a number of customers who are currently eligible for seniors concession allowance to become eligible for age pension next year as a result of the taper rate change that will occur on 20 September associated with the superannuation change. The numbers in the seniors concession allowance

group will therefore decrease. In addition, though, we also expect some people who are not currently eligible for the seniors concession allowance because they are off the end of the income limits to become eligible for the first time, because superannuation income from a tax source will no longer be taxable, and the income limits are based on a taxable income test. So, there are some flows off and some flows on to seniors concession allowance. The figure that you have referred to is our estimate at the moment of where we think we will end up.

Senator STEPHENS—Do you think that they will basically balance out?

Dr Hartland—No, we think there will be a slight decrease compared to this year's numbers.

Senator STEPHENS—Are there any significant events or triggers in the out years that would affect a trend?

Dr Hartland—No, Senator. I would like to draw your attention to one thing in case it is part of the background to your thinking about this. On page 81 of the Portfolio Budget Statements, the estimated actual expenditure compared to the budget estimate for next year decreases quite substantially for seniors concession allowance. That has resulted because this year's expenditure includes the seniors bonus. The \$214 million figure includes the seniors bonuses paid to people who are eligible for the seniors concession allowance.

Senator MOORE—That line item is where that allocation went to the budget item?

Dr Hartland—Yes, that is right. We anticipate that will not be repeated next year.

Senator MOORE—That is subject to political decision, Mr Hartland.

Mr Innis—It is subject to the state of the budget.

Senator STEPHENS—What proportion of that is the seniors bonus?

Dr Hartland—About \$150 million.

Senator STEPHENS—Thank you. There is just a slight increase in the telephone allowance on your 2006-07 estimate compared to 2007-08. Can you explain what that increase is?

Dr Hartland—The telephone allowance is paid to people who are eligible for the Commonwealth seniors health card. The increase reflects anticipated increases in customer numbers in indexation, but, by dint of an oversight, we did not net out the people we expected to be on the age pension for telephone allowance. We need to adjust that TAL in additional estimates. Actually, we expect TAL should decrease in the same proportion as SCA.

Senator STEPHENS—Okay. Do you anticipate that it will decrease by very much? To what extent do you expect it to decrease?

Dr Hartland—I am sorry, Senator, I do not have that figure with me.

Dr Harmer—We will take that on notice.

Senator STEPHENS—Thank you. If you could take that on notice, it would be great. In the utilities allowance we again have a slight increase. Have you made the same calculation oversight?

Dr Hartland—As far as I know, the TAL error is the only oversight that we have at this point. Let me go back a step. Utilities allowance is paid to people of age pension age who are on income support. We expect the total number of those customers to go up next year. It does not have in the numbers the same effect that you see in relation to senior concession allowance because of the bonus. In the case of people eligible for income support who receive the senior's bonus, that appropriation was put into age pension expenditure. Utilities allowance is simply utilities allowance in these estimates.

Senator MOORE—Can you repeat that Dr Hartland? I was going fine until about half way through. It is easier to get it clear now than to read the *Hansard*. Can you go through that again please?

Dr Hartland—I understand.

Mr Innis—There are two components to this year's bonus and Dr Hartland was explaining that one part of the bonus went through the senior's concession allowance and that is where it is recorded; the other part of the bonus which related to utilities allowance goes through the age pension estimate.

Senator MOORE—Right.

Mr Innis—It is just a split in the way that that has been recorded.

Senator MOORE—Even though there is a separate line item for utilities allowance, that bonus payment was not included in that line item?

Mr Innis—That is correct.

Senator MOORE—Any reason for that?

Dr Hartland—I think the reason would be that the bonus this year was not an extra payment of utilities allowance as it was last year.

Senator MOORE—It was specifically given for utilities in the last budget, was it?

Dr Hartland—Last year it was specifically another payment, another instalment of utilities allowance. Utilities allowance was the most appropriate line to put it in. This year it was a bonus, so there was a choice about where it was best put and age pension was seen to be the best place to account for it. The difference with seniors concession allowance is that there is no other line for people eligible for a CSHC and so that became the most transparent way of accounting for that expenditure.

Senator MOORE—Okay, I have got it. I just wanted to get that clear in my mind.

Senator STEPHENS—What about the compensation for extension of fringe benefits. Can I have some clarification on that one?

Dr Hartland—That is a payment that we make to the states and territories to assist them to provide concessions for holders of the pension concession card. It has a slightly mysterious name, I agree with you, but it has been a name that has been in place since 1993.

Senator STEPHENS—Since 1993?

Dr Hartland—Yes. It is a long-running program. It is increasing next year because of an increase in customer numbers. It is basically paid to compensate the states and territories for

providing concessions to age pensioners who, among others, are eligible for a series of core concessions. The numbers of customers that the states will be expected to provide concessions to will increase more than usual next year because of the superannuation changes. So the increase in that line again reflects the government's decision to cut the asset test taper rate for age pension.

Senator STEPHENS—I am sorry, but I cannot find the number of people that you anticipate will be covered by that measure. Do you have a number? You just said that it is an increase in the number of people who will get those concessions from the state, so you must have a number.

Dr Harmer—Yes. The number in our portfolio would be the age pension number but the expenditure also covers some people under working age payments. The relevant number is the increase in age pensioners.

Senator MOORE—Dr Hartland, when you did the report on when that change about the access to Treasury figures was agreed, I think you might remember we had a long discussion at that time about whether it was a standard ruling across all agencies or not. Are you aware of whether DEST continues to provide those figures?

Dr Hartland—I do not know.

Senator MOORE—That is not a discussion point that people have when heads of departments get together?

Dr Hartland—That has not come up.

Senator MOORE—It has not come up?

Dr Hartland—As I recall the discussion at the time—I think it was just after the working age income support payments were transferred to DEWR—DEWR had a position in relation to the release of forward estimates which was supported by Treasury. Because we have a large number of the income support payments for non working age people, we came into line with them. It would make no sense for us to do it. We checked with Treasury, as I recall; Treasury were uncomfortable with us releasing the forward estimate years because it did reveal parameters they did not want released. I am operating from memory; I do not have it with me. The *Hansard* would clarify it—but we will get you an answer on this.

Senator MOORE—It is my understanding—and it was going on for a long time—that people used those out years to look at the impact on the budget and to work out the numbers and see what they were. That was the discussion we had. We felt that was the issue—that it was inconvenient more than anything else. I was just trying to clarify whether that position that we discussed then was that it was a standard ruling or a ruling secretary by secretary—or in fact minister by minister, which is probably more likely.

Dr Hartland—I cannot recall precisely. I need to be careful because I am not sure whether DEST do it. I know DEWR have the same position as we do. We and DEWR have the bulk of the income support payments.

Senator MOORE—So when you come back to us—whatever way.

Dr Hartland—DEST are a very small player in that space.

Senator MOORE—Thank you.

Senator STEPHENS—Just before we leave those costings, what about special benefit?

Dr Hartland—I do not think we have the person here. The person will be here, and I will signal to you when they are.

Senator STEPHENS—Okay. If we could move on then to some of the details outlined here, one of which is the new measure affecting outcome 2: Fraud and compliance—age pension—additional assessments of the value of real estate assets. I understand there is going to be an education campaign as part of this measure which will address the issue of real estate assets and hopefully reduce fraud. Perhaps someone might be able to just tell us about that.

Ms Foster—The education campaign will be about \$1m in 2007-08 and it will provide information to age pensioners with real estate assets about their obligations to notify of changes in the value of those real estate assets. The 2007-08 measure builds on the 2006-07 measure that introduced regular reviews for age pensioners with real estate.

Senator STEPHENS—How much was spent in 2006-07 on this?

Senator MOORE—There must be an education campaign costing; there must be some advertising link to this one.

Mr Innis—There would not be advertising per se.

Senator MOORE—So how has the message got across?

Mr Innis—The education campaign will be by way of correspondence with customers.

Senator MOORE—Direct mail-out?

Mr Innis—Yes.

Senator MOORE—And the information Ms Foster is going to give us is going to spell out all that—how much is direct mail, how much is development of product, all that kind of stuff?

Ms Foster—I understand a document was handed over yesterday which outlines the communication programs to be undertaken and includes the real estate one. It mentions the real estate assets measure; it does not give a breakdown. I do not have with me a breakdown of those costs as to how that money will be spent.

Mr Innis—We will take that on notice and see if we can provide that.

Senator MOORE—We want that costing for the first part of the program in 2006-07 as well.

Mr Innis—Yes.

Senator MOORE—And also that particular line item that Senator Stephens has there. This is how it is going to work, Dr Harmer: we are going to ask for each line item as it comes.

Dr Harmer—Sure.

Senator MOORE—This is a community education program about real estate processes. It is targeted at a group that is already known. You are extending the measure, so you will be able to provide for us the detailed figures of the education campaign in the 2006-07 budget—everything that went into that and how the extension in 2007-08 will operate. Is that right?

Dr Harmer—It is a relatively standard practice. When the government makes a decision to change eligibility or to change a program, there is a requirement to make sure that those who are affected by that change understand the changes. That is the program that we are running. We will try to get you the numbers.

Mr Innis—This is a very targeted education effort and it involves two components. One component is some early letters which have gone out, starting in April, that are helping us clean up our database and make sure we have everyone's records right. Early next year there will be another mail-out, but it is targeted very specifically at customers whom we have identified as being at risk of having their real estate assets change in value.

Senator MOORE—Is this the only communication tool? There is no other method of communicating with these people?

Mr Innis—As far as I am aware, yes.

Senator MOORE—There is nothing in Centrelink's *News for Seniors*?

Mr Innis—As a matter of course we certainly do tell seniors about these sorts of changes in those products, and I assume that has been the case in the past.

Senator MOORE—Was there an information story in *News for Seniors* about these changes?

Ms Foster—In the Centrelink magazine?

Senator MOORE—The one that is for seniors.

Ms Foster—Yes, there was.

Senator MOORE—Was there any cost linked to that?

Mr Innis—That would be borne by Centrelink, as far as I am aware.

Senator MOORE—So that is not a FaCSIA campaign?

Dr Harmer—No.

Mr Innis—I will make sure of that.

Dr Harmer—We will double check that, but I suspect there was a relatively small segment in that document.

Senator MOORE—I must have missed that edition; I am sorry. I should be aware.

Dr Hartland—Centrelink do not as a matter of course charge us to put an article in the Centrelink magazine.

Senator MOORE—There is no cost charge?

Dr Hartland—No.

Dr Harmer—We provide significant resources to Centrelink across—

Senator MOORE—I respect that, Dr Harmer, but I thought there might be in our brand new world of people interacting. So there is no exchange of money for FaCSIA information on program changes in that magazine?

Dr Harmer—There would be if we wanted a special edition, but I suspect if it was a relatively small incident—

Senator MOORE—So if there were an ad or a special process, any costing of that would be in the Centrelink costings?

Mr Innis—I would be very much surprised if Centrelink separately identified the cost of an individual article in that publication.

Senator MOORE—There are no hotlines or information that have been developed around this program?

Dr Harmer—Centrelink would deal with questions from those affected by it on their normal line, I would have thought.

Senator MOORE—So there is no extra cost.

Senator STEPHENS—In relation to the fraud and compliance division, how many pensioners in total do you expect to have their assets assessed this coming year?

Ms Foster—We expect it will be 120,000.

Senator STEPHENS—How many were assessed last year?

Ms Foster—Sorry, that is the total between the two years 2006-07 and 2007-08. For the 2006-07 measure we expected 10,000 customers could be affected as a result of that review. For 2007-08 we expect an additional 20,000 could be affected.

Senator STEPHENS—So you expected 10,000 would be affected in 2006-07?

Mr Innis—Just to clarify, that is as a result of the measure announced in the 2006-07 budget, and the measure announced in the 2007-08 budget. The actual impact is a little less certain as to what year that will occur. Our expectations from those two measures is that around about 10,000 people might expect a variation from the first measure and 20,000 might expect a variation from the second measure.

Senator STEPHENS—Of the 10,000 people this year who might expect a variation, how many would actually have their pensions reduced?

Mr Innis—I do not have figures on what the reductions might be.

Dr Hartland—We do not have an estimate here. We will take that on notice and see if we can get it for you.

Senator STEPHENS—If you could, and also if you have an expectation of how many of the 20,000 might have their pensions reduced. Is there any expectation that any pensioners might have their pensions increased under this measure?

Mr Innis—It is certainly possible, but the basis of the measure is that these are pensioners who hold real estate assets outside of their principle residence and there has been considerable growth in the value of those assets across the country. You would expect that, for the most part, the asset values have grown and therefore the pension might be reduced but remember that the assets have to go past the threshold for that to happen, which means that it is a complicated calculation.

Senator STEPHENS—Like a beach shack or something.

Mr Innis—Indeed, a real estate asset.

Senator STEPHENS—How many pensioners does the department expect will lose their pensions completely as a result of this measure?

Mr Innis—We will take that on notice and see if we can get an answer to you as soon as possible.

Senator STEPHENS—Thank you. So you anticipate that this measure will lead to savings of \$130.3 million over three years?

Ms Foster—That is correct.

Senator STEPHENS—That is \$130.9 million over three years.

Ms Foster—That is correct.

Senator STEPHENS—We have talked about 2006-07 and we have talked about 2007-08, but what about 2008-09? How many pensioners do you expect to be affected in 2008-09?

Mr Innis—Again, we have not broken the 10,000 and 20,000 into specific years. They are the pensioners affected by the two measures. I do not know if we have available the breakdown per year of the numbers. I will check.

Senator STEPHENS—That would be helpful, thank you. On page 85 we have a notation about reimbursement to Great Southern Rail for concession fares. Can you explain this item to the committee please?

Dr Hartland—For some years FaCSIA has provided funding to Great Southern Rail to offer concessions to pensioners on its passenger services. This funding arrangement arose when the former Australian National Line was privatised and the government wanted to ensure that the concessions that that government-run operator provided continued to be provided.

FaCSIA took the program from the Department of Transport and Regional Services, I think; it has been in our system for some years. The customer numbers go up and down according to both estimates of total pensioner numbers but also according to our judgements about the pattern of trips that pensioners are taking. We have seen a slight decline over the last couple of years.

Senator STEPHENS—What is the cost of this measure?

Dr Hartland—On page 81, it is a separate line item in table 3.1. We estimate that we will spend \$6.8 million next year.

Senator STEPHENS—Again, you have got these measures budgeted across the forward estimates period. Is there something you are not able to tell us either?

Dr Hartland—That is right.

Senator MOORE—Dr Hartland, you said that the figures go up and down. It is just that between 2006-07 and 2007-08 there is a significant difference. Is that the kind of history that has been in this line item and the kind of history that is looking into the future as well? In your initial response, you said that these figures do go up and down, but that does seem to be—

Dr Hartland—I think that was what I was referring to. This is an annual appropriation, so we get a bucket of money to spend on concessions, if you like. We have seen a demand for concessional travel on GSR go down. What has tended to happen in the past is that we have not spent all the money provided to us for GSR concessions, so we decided to take \$1 million out of the bucket so that the estimate would be closer to what we really thought was going to be concessional travel. That decrease from \$7.5 million to \$6.8 million reflects that decision to take \$1 million out.

Senator MOORE—What if there were a rush of travel—is it capped?

Dr Hartland—We would have to go back to the Department of Finance, apologise and request an adjustment of AEs.

Dr Harmer—It is unlikely that they would reject it.

Dr Hartland—It is a little bit tricky because we would not want to ask the department of finance for money each year that we do not spend. That would not help the government's budgeting, although it is admittedly a small amount but, yes, we do. We would not also want to find ourselves without an appropriation to support expenditure, but we are confident the \$6.8 million will cover it.

Senator MOORE—If there were a rush next year, the expectation would be that you would go to Finance and, even though it is not guaranteed, you would have to go through a process—you would just submit a request?

Dr Hartland—Yes, we would; we would ask for an adjustment at AEs.

Senator McLUCAS—Can you give us the underspend for this current year?

Senator STEPHENS—And maybe the last few.

Dr Hartland—No, it is not on the sheet of paper that I have in relation to GSR, so I think we will take that on notice.

Mr Innis—Remember that the amount reflects the number of customers who actually take trips—

Dr Harmer—We sometimes get it very right and sometimes we get it a bit under or a bit over, so in a sense it is not an underspend; it is an underestimate.

Senator McLUCAS—Yes, but we are a month out.

Dr Harmer—Yes.

Senator McLUCAS—So what is the current underspend in the current financial year?

Dr Hartland—The annual report time would be the time when I would look back and be confident about exactly where I had ended up in the financial year.

Senator McLUCAS—That is very helpful.

Dr Hartland—We just do not usually do those figures at this stage of the year.

Senator McLUCAS—You do not run a cash-at-bank balance?

Dr Hartland—No.

Dr Harmer—We can take it on notice and give you post the end of the year what the expenditure was.

Senator McLUCAS—But you would be tracking it, surely?

Dr Harmer—We would be monitoring it.

Dr Hartland—I think the sensible answer is that we should take it on notice and see if we can provide some information. The nature of these programs is such that your final position is not known at annual report time but, yes, we do track it for contract purposes and we make payments regularly throughout the year.

Senator STEPHENS—Could you remind me again when this measure was put in place—what year?

Dr Harmer—It was some years ago. We are not sure.

Dr Hartland—My briefing note tells me that in the 1970s the Australian government purchased all long distance rail operations operated by the South Australian government and the Commonwealth retained ownership of these railway sets until the late 1990s, when they were privatised. At that point—in the late 1990s—there was a program created to ensure the continuation of the concessions. That came to FaCSIA a couple of years after that, I understand.

Senator STEPHENS—Could you provide us with the detail, since it came to FaCSIA, of what your estimates were? That will give us an indication of what the actuals were over that period of time.

Dr Hartland—Yes, we can provide that.

Senator STEPHENS—Is this the only transport or travel concession FaCSIA funds for seniors and pensioners?

Dr Hartland—Some of the funding in the program we talked about before, the compensation for the extension of fringe benefits, goes to support transport concessions offered by the states. This is the only program where we directly fund an operator.

Senator STEPHENS—I understand that in 2005 the Commonwealth attempted to negotiate with state and territory governments to fund reciprocal travel concessions for seniors travelling interstate.

Dr Hartland—Yes.

Senator STEPHENS—Does that currently occur?

Dr Hartland—No. That offer was withdrawn. For some time the states had been talking with each other about the prospect of providing reciprocal concessions. Earlier this century the Commonwealth decided that it might try to assist that by making an offer to the states to facilitate that process. But, as has been discussed at estimates a number of times, the end result was that the states rejected the offer. My understanding is that they are not currently actively continuing those talks, although there may be some discussions between states that we are not aware of.

The program for the compensation for the extension of fringe benefits provides support to the states in the concessions area for people within their own states, but it is not a requirement of that program that they offer reciprocal concessions to people from Victoria who might want to travel in New South Wales. The states tend not to, out of their own funding, provide those concessions. This is a source of some frustration for aged pension recipients, but it is primarily an issue to do with the state transport systems.

Senator STEPHENS—Can you tell us why the 2005 offer was rejected?

Dr Hartland—I think there was concern that the offer did not fully fund the anticipated increase in expenditure some states saw. This was particularly sensitive in the larger states, who felt that they may be givers rather than receivers. I think the answer was that the offer made was never intended to fully fund the states; it was intended to assist them with a process they were already undertaking. Nonetheless, the states' position was, as I understand it, that they wanted the Commonwealth to increase its offer. Senator Patterson revised the offer to make it more flexible and therefore to implicitly make it more generous to the states. But even after a second offer had been made, the states did not think it was sufficient funding to tempt them to change their practices.

Dr Harmer—Also, the states have different mechanisms, so it was quite difficult in the multilateral negotiation to get agreement across all states. I think that was part of the issue and why it was not accepted by some.

Senator STEPHENS—Is the quantum of those offers on the public record?

Dr Hartland—Yes, they were announced as measures. I believe there would have been a number of media releases from Senators Vanstone and Patterson.

Dr Harmer—And the states would know what they were as well.

Senator STEPHENS—As I am relatively new to the portfolio, is it possible to provide me with the detail of the original offer and the adjusted offer?

Dr Harmer—It should be relatively straightforward for us to provide what the offer was.

Senator STEPHENS—Was that offer made on a state by state and territory basis, or was it done—

Dr Harmer—I think it was a multilateral offer, a certain amount across the country—I am not sure.

Dr Hartland—This is actually one of those cases where the people at the table get to say that it was before their time! But I have seen briefing notes on this. My memory is that the ministers wrote bilaterally to state ministers with an offer and an amount. I believe that is something we could check for you as we are looking at the other issues.

Senator STEPHENS—If you could provide the details of that, that would be helpful. Also, has anything happened since that failed offer was made in 2005? Have there been subsequent negotiations or discussions about this?

Dr Harmer—The Commonwealth did something in place of that, but I cannot remember the details. The Commonwealth did something which was a Commonwealth-only expenditure, but I cannot remember what it was.

Dr Hartland—The seniors concession allowance and utilities allowance were at least implicitly developed partly on the basis that two offers that the Commonwealth had made to the states to extend concessions had failed. The second offer concerned extending the core concessions that are funded by the compensation for extension of fringe benefits programs to people who would be eligible for the Commonwealth seniors health card. That offer also failed.

Senator STEPHENS—Could you provide me with the details of the two rounds of offers that were negotiated with a breakdown by the states so I can understand that. Also, if you can help with who would have been eligible for the concessions and what the numbers might be that helped bring those calculations to fruition, that would also be helpful.

Dr Hartland—We will see what we can provide around the numbers.

Dr Harmer—I think it would be difficult on the numbers because the Commonwealth's offer was about making a contribution to it, and therefore we would not have done detailed costing on numbers.

Mr Innis—We may not have that detail.

Senator STEPHENS—Okay. I will have a look. Do the budget papers tell me how many people are actually receiving the seniors concession allowance? It says the number of people who are eligible. Is the number of people eligible the number of people who receive it?

Dr Hartland—To receive it you have to be eligible. That is the glass half full answer. The glass half empty answer is that the seniors concession allowance eligibility depends on eligibility for the Commonwealth seniors health card. There are a number of people who get the health card but decline to get the payment.

Senator STEPHENS—For what reasons?

Dr Hartland—It may well be that—I am pausing because it is anecdotal.

Dr Harmer—I do not think we know.

Dr Hartland—Anecdotally, some people do not like giving their bank account details to the government, if they do not feel there is a need and, to get the payment, they would have to give their bank account details to Centrelink. There is a sizeable group of people in that cohort who are very proud of their achievements at funding their own retirement. They are fiercely independent and proud of the fact that they have worked to support themselves in their old age. For those reasons, I think they feel that they do not have a need for the funding and, while they may value the medical concessions that go with the health card, they do not have a need for the dollar funding.

Senator STEPHENS—Are you able to give us an indication of how many of the number eligible actually claim?

Dr Hartland—About 93 per cent of the number eligible, so the number who claim the CSHC get the payment. There is also a group which would be eligible but do not claim for the health card at all, presumably on the basis that they have no need for the medical concessions offered.

Senator STEPHENS—Have you any idea what proportion would not claim?

Dr Hartland—No. That question is a bit harder, because we have to compare our administrative data with population data, so at this point we do not have a reliable estimate of the total number.

Senator STEPHENS—But you would imagine it to be a small number? If you have 93 per cent who are eligible and are being paid the senior concession allowance—you do not even have a guesstimate?

Dr Hartland—I would not want to give you a guesstimate, but I do not think it would be a huge number.

Mr Innis—It is not something we would normally seek to estimate. The people who are eligible have a choice whether to apply and, if they do not apply, that is their choice.

Senator STEPHENS—The figure here for 2007-08 is 238,593. Can you provide me with figures for the previous two years of people who were eligible for the senior concession allowance.

Dr Hartland—I will see whether I have that with me. In last year's annual report, on page 114, we published the figure of 298,677.

Senator STEPHENS—For this year, it is 238,593.

Dr Hartland—That is right. A little while ago we discussed the ons and offs for seniors concession allowance and, as I said at that time, there will be a large group of people who will become eligible for the age pension because of the taper rate change.

Senator STEPHENS—What about in 2005-06?

Dr Hartland—I do not have that figure with me.

Senator STEPHENS—Could you provide on notice the 2004-05 and the 2005-06 figures?

Dr Hartland—Yes.

Senator STEPHENS—The appropriation was \$87 million in 2005-06.

Dr Hartland—No. The annual report would be for the year before. Sorry, Senator, I have lost where we are.

Senator STEPHENS—The total budget for the seniors concession allowance decreased from \$87 million in 2005-06 to \$54 million in 2007-08.

Dr Hartland—Can I check where you derived the \$87 million from?

Senator STEPHENS—Just from my brief. I am sorry, there is not a reference point here. When providing the figures, if you could also provide me with the budget, I can cross-check that. Will you take that on notice please? In the 2006-07 portfolio additional estimates we had the seniors concession allowance available. In 2005-06, \$84.097 million; in budget estimates 2006-07, \$65.259 million; and in the revised estimates for 2006-07, \$67.309 million.

Dr Hartland—There are a number of glasses that are half empty and half full. I have a figure here from the 2006-07 PBS of \$84 million estimated for 2005-06 for the seniors concession allowance. That \$84 million included the one-off bonus made last year—the additional payment.

Senator STEPHENS—Right.

Dr Hartland—For the seniors concession allowance we noticed a similar effect this year. A one-off bonus was accounted for in the final estimates for the then current financial year and an estimate for the new year which did not include a one-off bonus.

Senator STEPHENS—Thank you.

Dr Hartland—The underlying figure was about \$65 million. It looks like at the AEs the \$65 million became \$67 million due to indexation and perhaps a slight increase in the underlying customer base. When we move to the current PBS we have a figure of 214 that becomes 54. The 214 includes this year's bonus and the 54 is next year's customer numbers without any assumption of a bonus. The decrease is from say 65 or 67 to 54. As we have talked about, that decrease reflects the taper rate change.

Senator STEPHENS—How many pensioners are currently registered for the pension bonus scheme?

Mr Innis—There are currently 62,756, according to my numbers.

Dr Hartland—I can confirm Mr Innis's number.

Senator STEPHENS—How many received their bonus payment in the last financial year?

Dr Hartland—In 2005-06, 8,030 had a bonus paid and in the 2006-07 financial year until March, 6,749.

Senator STEPHENS—Is that on par with what you estimated it would be?

Dr Hartland—It is on par with our expectations. The pension bonus scheme as a measure would be outside its estimate period. I think it is not formally a matter of an estimate; it is now part of the base of aged pensions. It is on par with our expectations about the scheme.

Senator PATTERSON—When did it start?

Dr Hartland—In 1998.

Senator STEPHENS—Are you able to tell us how many pensioners have actually participated since it was introduced in 1998?

Dr Hartland—119,258.

Senator STEPHENS—What is the average payment under the scheme?

Dr Hartland—For the year to date, it is \$12,275.

Senator PATTERSON—What are the average assets of a pensioner couple on a full pension over and above their house, including their car? It was about \$37,000.

Dr Hartland—On the maximum rate pension?

Senator PATTERSON—Yes.

Dr Hartland—For those on the maximum rate, the average assessed assets for all pensioners is \$32,000.

Senator PATTERSON—So that \$12,000 average would be not quite half, perhaps a third, of what a couple have saved over their whole lifetime. I just think it puts it in perspective.

Dr Hartland—That was the figure for maximum rate pensioners, so it would be higher for the part rate pensioners.

Senator PATTERSON—It is about a third of what a maximum rate couple would have in assets that they have saved over their whole lifetime, over and above their house, with the average benefit they get from the pension bonus scheme. I just think it puts it in perspective.

Dr Hartland—Yes.

Senator STEPHENS—Going back to the pension bonus scheme, can you tell me if people actually use the full five years. Is that generally what happens? What is the average length of time that the pension is deferred?

Dr Hartland—No, they do not use the full five years. I do not think I have the average period in front of me. We could take it on notice and see if we can get it, but it is one of those ones where my confidence about getting it is slightly less than in some other areas. It is not a simple derivative of the amount of bonus, because the amount of bonus depends on both the amount of time that you deferred the pension and the rate that you are entitled to when you claim.

Senator STEPHENS—When you claim, as opposed to when you defer?

Dr Hartland—Yes.

Senator STEPHENS—The changes to the scheme in this budget provide the surviving spouse of a deceased member of the pension bonus scheme with payment of the bonus which had accrued to their spouse at the time of death, doesn't it?

Dr Hartland—Yes, that is one of the changes. The minister announced four changes, I believe.

Senator STEPHENS—Currently, does the next of kin receive the bonus when the participant dies before claiming the bonus?

Dr Hartland—No.

Senator STEPHENS—Can you tell the committee what you think the extent of that budget measure will be in terms of the number of people that you think will be affected and the cost?

Dr Hartland—We only provided you with one line on the measures. We expect that over the four years for the estimates period that the change relating to bereavement will cost \$36.66 million.

Senator STEPHENS—That is across the forward estimates?

Dr Hartland—That is right.

Senator STEPHENS—That is good. On the basis of that, how many applications do you anticipate receiving? How have you calculated this?

Dr Hartland—In the course of considering these policy changes, the minister was very concerned about the situation of people who had lost a partner and who had not received the bonus that they might have been relying on, so we had to cost it. We made an estimate, because we know the number of people who die in our program, sadly. We are estimating that

460 people a year will now get a bonus that they would not otherwise be entitled to. The sad fact about this measure is that 460 people have died without getting the benefit of the deferred pension scheme.

Senator STEPHENS—Is that the number of participants who have died whilst on the scheme? Is that what you are saying?

Dr Hartland—Basically that would be the estimate, yes.

Senator STEPHENS—That is the number who have died and therefore that is what you have used.

Dr Hartland—Yes.

Senator STEPHENS—Will this apply only to the surviving spouse, or will it transfer to the deceased person's estate more generally?

Dr Hartland—No. It will apply to the surviving spouse.

Senator STEPHENS—It applies to existing participants as well as new participants in the scheme?

Dr Hartland—Yes. It comes in on 1 January next year. If you are on the scheme already, alive on 1 January and subsequently die, then you will get the benefit of this.

Senator STEPHENS—Was there a reason why that date was chosen rather than 1 July?

Mr Innis—To allow the legislation to pass.

Senator STEPHENS—Is there an expectation of when that legislation might be introduced? Has any work been done on that?

Dr Hartland—As I understand it, I have a draft of the legislation waiting for me when I return to the office. We are very keen to ensure that it is passed as soon as possible. We have been working quite quickly on this one.

Senator STEPHENS—Thank you.

Senator MOORE—How are you going to tell people about this?

Dr Hartland—At the moment we are looking at *News for Seniors*. We think that would be an appropriate course.

Senator MOORE—An article.

Dr Hartland—Yes.

Senator MOORE—And then the standard process, which would be information back from Centrelink?

Dr Hartland—Yes. On the whole, these are areas where I am reasonably relaxed about the customer notification issues because there are measures that, by and large, alter what happens to a customer when they present to Centrelink with various circumstances. It is really that point of intervention that we are trying to change. I do not think we are relying, by and large, on customers to change their behaviour prospectively.

Senator MOORE—So you rely upon Centrelink telling the customer of their entitlement?

Dr Hartland—And processing their entitlement correctly, yes.

Senator MOORE—I note in the budget line there is no breakdown of expectation of information strategies around this. But you are of the opinion that pre-existing customers would have a relationship with Centrelink and that Centrelink would tell them about the circumstances if and when they befall them.

Dr Hartland—Yes.

Dr Harmer—They are likely to be aware of this measure because they would be focused on this. So there will not be a need for any special liaison.

Senator STEPHENS—In relation to the budget measure, we have dealt with providing the surviving spouse of the deceased member with payment that has accrued to their spouse at the time of death. There are a couple of dot points here. One is allowing a top-up of the bonus if there is an increase in a PBS member's rate of age pension in the 13 weeks following their claim. Can you clarify that and give me an estimate of the number of people who might fall into that category?

Dr Hartland—The background to this measure is that the amount of bonus you get depends on how long you have worked and the rate of age pension claim. We have found that, for some people, the rate of age pension at the time they claim is somewhat lower than it is after a short period because their financial affairs have not settled. They might be still in the process of transferring a superannuation lump sum into an income stream or something like that. The way the scheme was working meant that they got a lower bonus than they felt was fair. This measure gives them the benefit of taking the highest rate of pension within that window.

Senator STEPHENS—The next dot point provides the Department of Veterans' Affairs and Centrelink staff with further discretion to allow a PBS member to lodge their claim after the 13-week claim period in special circumstances. Can you give an example of what you would consider to be 'special circumstances'?

Dr Hartland—There are two things going on in this measure. The first requires legislative change in that there is a legislative provision that allows late claims for people who have served a part-year bonus period but not for people who have just completed a full-year bonus period. We are addressing that anomaly. We are also seeking to make sure that, while there is already a fairly broad discretion to accept late claims, we broaden it where we can. The reasons that we will be looking to set out as a matter of policy, not legislation, will be quite broad. They will include people who have poor numeracy skills, who have been ill, who live in a remote area or who were performing irregular work that made it difficult for them to determine the claim lodgement period. However, we will want the Centrelink delegate to be satisfied that the person did not delay lodging the claim simply to maximise their bonus by running down their assets.

Senator STEPHENS—I was going to ask whether or not that was one of the factors to be taken into account.

Dr Hartland—It was probably the reasoning that led to the fairly strict legislative rules that we have at the moment. But we have found with experience of the scheme that this was

an area where it was inadvertently catching people. When Minister Brough looked at it, he was very concerned that we get out of the scheme those areas where people were, what he called, 'hidden exclusions'. People were being denied a bonus that they really had worked for and earned by deferring their age pension but, for a technicality in the rules, they had ended up missing out, and this was one of the areas we identified and wanted to address.

Senator STEPHENS—Thank you. Can we now move to the Greek social security agreement?

Mr Harmer—Senator, we have the person here now who can hopefully handle the questions on special benefit

Senator STEPHENS—Can you advise the committee about when the new social security agreement with Greece is expected to come into force.

Ms Stawyskyj—We are anticipating that the agreement will come into force some time in 2008. After signing an agreement, there are still a range of treaty processes that need to be completed in both countries. We anticipate these processes will take between six to 12 months. It does depend on things such as the number of joint sitting days and things like this.

Mr Innis—Overall, we are seeking to implement this as quickly as possible.

Senator STEPHENS—How many Australians will be affected by the new agreement?

Ms Stawyskyj—We anticipate that, after the agreement starts, some 37,000 Greek-born Australian residents are expected to claim a Greek age pension, and around 13,000 former residents of Australia now living in Greece are expected to claim an Australian age pension.

Senator STEPHENS—What kind of information will be exchanged under article 17 of the agreement, which is about exchanging information for social security laws? Will it include, for example, the taxable income earned in Greece?

Ms Stawyskyj—Yes. We will obviously be looking to the same rules in determining that the proportion of Australian pension that a person is eligible for includes an income and assets test and, therefore, we will be seeking to have that information. As we still have to discuss the administrative arrangements, it is not clear what is going to be readily available, say, through a data-matching, but certainly all pensioners will need to provide that information.

Senator STEPHENS—Will that include asset and property held in Greece by an Australian?

Ms Stawyskyj—Yes.

Senator STEPHENS—Have you got to the stage of determining how Australian pensioners having their pensions reassessed might face a loss in their pension—for example, these 13,000 former residents now living in Greece?

Ms Stawyskyj—The rules about how a pension might be affected by increased assets or income are the same as per all Australian pensions. Any income assets that a pensioner will have in Greece would obviously be taken into account and the taper rate, the free area, would apply as normally with Australian pensions.

Senator PATTERSON—Are there any differences between this agreement and any others that we have signed with other countries with regard to social security agreements?

Ms Stawyskyj—The key difference in this would be the way in which pensions would be calculated for those who have returned to Greece prior to the agreement coming into effect and for those who leave after the general agreement.

Dr Harmer—It is very similar to other agreements with other countries. We have about 18 agreements now.

Mr Innis—The structure of the agreement is essentially the same. There are, as the branch manager has said, a few details that are a bit different, and that is quite normal. There are one or two things that are negotiated.

Senator PATTERSON—Would you see this as making a greater equity between those who have returned to Kalathumpia versus those who have returned to Nirvanaland or wherever?

Mr Innis—Not knowing specifically where those two places are—yes.

Senator STEPHENS—I have a final question. You said that there will be differences for those who return prior to the agreement and those who return after. Would you just clarify what those differences will be?

Ms Stawyskyj—Those who return to Greece before the agreement has started will receive an aged pension based on an Australian working life residence, which is normal, with a denominator of 44 years, which reflects the full working life. For those who return after it we use our normal formula that applies to all almost agreements of 25 years. This has been a measure that was agreed by the Greek community and government.

Senator STEPHENS—Thank you very much.

Senator MOORE—I know you know that I am going to be asking about the education component for this one in terms of the reciprocal agreements. There was always an education component, an information component, and any other form of educational change in a reciprocal agreement, so do you have details of that?

Ms Stawyskyj—The education component will involve a number of stages both here and in Greece through the Greek government. We use Centrelink seniors information. They also have translators available and there is an extensive community consultation that will commence now in terms of the agreement as well as continue through associations.

Senator MOORE—Are there any costings and a communication plan that we can have on that program?

Ms Stawyskyj—There are some costings that I can provide.

Senator MOORE—In previous reciprocal agreements there has been community advertising on radio and there has been a wide range of different processes.

Ms Stawyskyj—We will have a similar process for this agreement.

Senator MOORE—So there will be some advertising.

Ms Stawyskyj—Yes.

Senator MOORE—That is one more to the domestic violence.

Mr Innis—This is a standard thing that we do with each agreement. There is no difference in the structural content.

Senator MOORE—I want to know what it is, the costings and how it is done. Following up from Senator Patterson's question, is there a format of a comparative of the reciprocal agreements? I know there is a standard in the template in the way it is set out, but I would like to see whether there is something that can show us—

Mr Innis—A summary table of all the—

Senator MOORE—How they all compare, saying, 'These are the reciprocal agreements we have and these are the components that are covered,' and highlighting the differences.

Dr Harmer—If we have that readily available we will be able to provide it to you.

Senator MOORE—They used to have something of that nature in the Centrelink international branch, but I wonder whether FaCSIA has something.

Dr Harmer—I suspect we have something.

Senator MOORE—That would be wonderful.

Dr Harmer—If we do not have it, I do not know that we could divert the resources to produce it.

Senator MOORE—We should forward it to Centrelink for their processes as well, but something of that nature would be useful since, as you have pointed out, we now have a wide range of agreements.

Senator STEPHENS—Special benefits are an income support payment for people not eligible for any other type of payment and who have no other means of support. The benefit is income and assets tested. Can you tell the committee the kinds of circumstances that would allow people to have a special benefit?

Ms Emerson—I will read out the qualifications I have in front of me. Essentially, they are to be in financial hardship, unable to earn a sufficient livelihood for themselves and their dependants by reason of age, physical or mental disability, domestic circumstances or any other reason over which the person has no control. They are not to be receiving or entitled to a social security income support payment or service pension and are not to be able to receive any other ongoing support. They must be a permanent Australian resident or the holder of an approved visa and be residing in Australia during the period of payment, except under certain circumstances.

Senator STEPHENS—We have an increase in the special benefit budget estimate to \$72.966 million. Could you provide the committee with the number of recipients who you expect will receive the special benefit this year and how many actually received the special benefit last year?

Mr Leeper—The number of recipients estimated to receive the special benefit in 2007-08 is 6,350, according to page 92 of the portfolio budget statement.

Senator STEPHENS—How many actual recipients were there last year?

Ms Emerson—I do not appear to have the precise figure in front of me. There were about 6,440 as at March 2007, which is fairly recent data. There were approximately 6,800, but I will have to get the precise figure for you later.

Senator STEPHENS—Given the criteria for eligibility for special benefit, are you able to provide the committee with some information about those people who have been recipients? For example, you said one of the criteria was having a residency visa. What proportion of the 6,800 for last year, or the 6,440 to March 2007, would be people who are not Australian citizens but have a residency visa?

Ms Emerson—I have some figures here which indicate that about 10 per cent are temporary protection visa holders. About 60 per cent are aged over 65 years and have not yet gained 10 years of Australian residency to therefore qualify for the age pension, and about 25 per cent are seeking work or undertaking an activity to increase their employment prospects.

Senator STEPHENS—Would any of the recipients be, for example, drought-stressed farmers who would be ineligible for exceptional circumstances or social security benefits?

Ms Emerson—I am unable to comment on that, but there are a small number of other cases in my categories here. I could have a look at that if you wish.

Senator STEPHENS—Yes. That would be helpful. You may not have been here when we were discussing forward estimates and the lack of data being provided about forward estimates. In terms of the 6,350 for next year, 6,440 to March this year and 6,800 for last year, it looks like there is a decline in special benefits. Is that the expectation?

Ms Emerson—Yes, there has been a decline in special benefits. Recent indications are that it seems to have plateaued this financial year.

Senator STEPHENS—Thank you.

Senator MOORE—I wanted to ask Dr Harmer about a number of questions we asked yesterday—and there were going to be efforts to get back to us as quickly as possible—and what the current status of the responses is.

Dr Harmer—I note that Senator Evans is here. I mentioned one of the questions last night but I will say it again while you are here, Senator. You asked about the round 1 2004 VSEG and the round 2 2005 Local Answers. You asked if you could have a copy of what went to the minister and a copy of what came out the other end. We said we would have a look at that. We thought we could provide it. The truth is that we cannot provide you with the advice that went to the minister. We ought to have known that at the time. We can certainly give you—and it is on our website—the results of the decisions on both the round 1 2004 VSEG and the round 2 2005 Local Answers, but we are not able to provide you with the advice to the minister. That is standard practice. We are not able to do that.

Senator CHRIS EVANS—I took it as a commitment that you would provide that yesterday—I will review the *Hansard*—so I am very disappointed with the proposition you are now advancing.

Dr Harmer—It is a proposition that we ought to have realised. It was actually advice to the minister. We would not normally do that.

Senator CHRIS EVANS—It was a decision by the department on its assessment of the applications which also went to the minister. Clearly since then it has gone to the Auditor-General. It is the basis of the Auditor-General's report.

Dr Harmer—Yes, indeed. We made it available to the Auditor-General.

Senator CHRIS EVANS—That is right, and it is very germane to this whole issue because it actually goes to the key process underpinning the Auditor-General's report. It seems to me that you provided it to the Auditor-General, so I do not see why this committee should not be able to access it in the same way. This is the basis for an Auditor-General's report—a report that was initiated at the request of the opposition because of public concern about the decision-making processes. As a result of a request to the parliament, the work was done by the Auditor-General. The report was tabled. I am asking you for the information that formed the basis of the Auditor-General's report. It seems to me to now characterise that as advice to the minister is to put it in one context. I would put it in the context of the information that was at the basis of responding to the parliament's concerns. Quite frankly, to have this, again, hidden from public scrutiny and for the public to be denied access to what forms the basis of a highly critical Auditor-General's report is unacceptable. It seems to me the parliament has a right to know what decisions were taken, given the stinging criticism by the Auditor-General of that process.

Dr Harmer—I can repeat that the information contained in the recommendations of the department to the minister is advice to the minister, and we do not provide that.

Senator CHRIS EVANS—Did you seek advice on that?

Dr Harmer—I do not know what *Hansard* states, but we ought to have said to you at the time that that is advice to the minister and not able to be provided. I think in the interests of being helpful we said we would have a look.

Senator CHRIS EVANS—The point, though, is that you did not. I think you will find it was a bit stronger than that but—

Dr Harmer—It may have been.

Senator CHRIS EVANS—I, like you, I do not rely on my memory on these things. Often, what I thought we said is not reflected in the *Hansard*—

Dr Harmer—We were trying to be helpful.

Senator CHRIS EVANS—which is not a criticism of *Hansard*, but of my memory. But did you seek the advice of the minister before making this decision?

Dr Harmer—No, in fact, we did not. I came back in fairly soon after that to clarify that and I understood that what we recommend to the minister—the round 1 and the 2004 round 2—is advice to the minister, and we would not—

Senator CHRIS EVANS—To put it another way, I am after what decisions were made by the minister. That is not advice to the minister. I am asking you for the decisions taken by the minister.

Dr Harmer—We provided all of that information to the Auditor-General, and the Auditor-General has provided a report. The Auditor-General probably also figured that it would not be

terribly helpful to those organisations publicly aired, which were, through an assessment process, eligible and then were not funded and therefore did not make individual grants or individual—

Senator CHRIS EVANS—Do you mean the people who were duded by the minister's interference—the people who were approved and then did not get the money which they were approved?

Dr Harmer—You, surely, do not expect me to comment on that?

Senator Boyce interjecting—

Senator CHRIS EVANS—Senator Boyce, do you want to make a contribution or do you want to ask a question?

Senator BOYCE—I just commented that I do not think 'dudging' is the relevant term here. I think sensationalism on your part may be part of the issue.

Senator CHRIS EVANS—I am very interested in your contribution, but if you want to ask a question I am happy to cede the floor, Chair; otherwise, I will proceed. Is that all right, Chair?

Senator PATTERSON—She is actually a full member of the committee, unlike you.

Senator CHRIS EVANS—Whether or not she is a full member has nothing to do with it, Senator Patterson.

Senator BOYCE—Just go ahead, Senator Evans. We await with interest to see whether you have an intelligent—

Senator CHRIS EVANS—Senator Patterson, you were one of the ones who then rorted the next system. You are also the subject of an unfavourable decision by the Auditor-General. You ought to be explaining your behaviour.

CHAIR—Senator Evans, do you have a question?

Senator BOYCE—People who do make decisions sometimes have—

Senator CHRIS EVANS—I would like to know whether or not, after promising information yesterday, Dr Harmer has sought any advice from the minister before now telling us that he will not make that information available.

Senator PATTERSON—I hope he never becomes a minister!

Senator BOYCE—He would not be able to make decisions.

Dr Harmer—I have already answered the question. I do not think it is reasonable to say that I promised it. I said we would look into it. I do my best, when we take questions on notice, to provide the information. We were trying to be helpful yesterday. If we had thought through a little bit further we would have realised when we answered that question that the recommendations were, by nature, advice to the minister and we would not normally provide that. We did not need to seek advice from the minister about that. When we went outside the room we realised that what you had asked was what went to the minister by way of recommendations, which is advice to the minister, and that is not available.

Senator CHRIS EVANS—What I am asking you for is what came out. What decisions—

Dr Harmer—What came out, we can make available. It is in fact on the website.

Senator CHRIS EVANS—What I want you to identify is those decisions that the minister met that were not in accordance with your recommendations—the variations. These were variations that were not actually recorded on your database, as we found out yesterday.

Dr Harmer—Those applicants who were successful are recorded on our website. It would not be normal practice for us to publicise on our website or anywhere else those who applied but were not successful. They may not even agree to be—

Senator CHRIS EVANS—They do not know whether they were undermined by this decision. They do not know that they were recommended; that they were signed off officially by the ministers and then, through some later political interference, did not receive the grants that were formally approved by the minister and signed off by both Mr Anthony and Senator Patterson.

Dr Harmer—We went around this same territory yesterday at some length.

Senator CHRIS EVANS—I do not mean to bore you, Dr Harmer, but can you ask the minister whether he is prepared to release the decisions of the former minister that sought to alter the recommendations from the department?

Dr Harmer—They constitute advice to the minister. I am prepared to ask him, but I very much doubt whether he would be prepared to break the long-standing tradition of not providing advice to the minister.

Senator CHRIS EVANS—I am not asking you to do that. I am not asking you to provide the advice but to provide a record of the decisions of the minister that sought to alter the recommendations of the department. That is what I am asking you to do. I would appreciate it if you would ask the current minister if he is prepared to release that. I also want to check whether your explanation of the Auditor-General's motives then was your opinion or based on advice from the Auditor-General.

Dr Harmer—I am not sure I understand.

Senator CHRIS EVANS—You offered a view as to why the Auditor-General did not publish the list of organisations. It was an interesting commentary. Is that based on advice or is it purely your speculation?

Dr Harmer—No, I have to admit that it is pure speculation. I would think that it would not be usual for unsuccessful grant applicants to be published somewhere. I think it would be normal practice that those agencies or organisations would probably need to be asked if they were happy to have their—

Senator CHRIS EVANS—They do not know. What would you ask them—‘Dear Sir, we duded you on your application. Would you be prepared to release that publicly now that you know?’ Do not quote me normal and usual practice in relation to this, Dr Harmer. The Auditor-General found that it was very far from usual and very far from normal practice, including your own department's procedures. None of this is about usual or normal practice, as the Auditor-General found. I really want to know whether this is just your view or whether there has been a government decision not to release the details that reveal what occurred at the basis of this report.

Dr Harmer—As far as I am aware, there has been no government decision. The ANAO, who were asked to have a look at this, looked through it thoroughly. We made all of the documentation available to the ANAO, and they have written their report.

Senator CHRIS EVANS—I ask you to specifically ask the minister, if you would not mind, Dr Harmer, whether or not he is prepared to release the information that has already been released to the Auditor-General to compile a report requested by the parliament.

Dr Harmer—I can ask him.

Senator CHRIS EVANS—Thank you.

Senator MOORE—There are some other questions from Senator Crossin on which we were seeking a rapid turnover. Is that possible, Dr Harmer?

CHAIR—I understand there is a number of questions taken on notice.

Dr Harmer—Yes.

Senator MOORE—There were a number from Senator Crossin asked last night.

CHAIR—Many senators have presented questions which have been taken on notice.

Dr Harmer—Many of Senator Crossin's questions were asked quite late last night and it is only a couple of hours into the working day. If I get responses, I will provide them, as I normally do, to the committee during the day.

Proceedings suspended from 10.49 am to 11.06 am

CHAIR—The community affairs committee estimates hearings will resume. I think we finished output group 2.1. We will now proceed with output group 2.2—support for people with disabilities. I will start with a question in this area. I wanted to ask about the progress with the government response to the report of this committee on the Commonwealth State/Territory Disability Agreement.

Mr Wallace—Advice has been prepared for government in terms of a response to that which has been coordinated across the relevant government departments that form part of the interdepartmental committee that has been formed to oversee the CSTDA negotiations from the Commonwealth perspective.

CHAIR—Have those preparations included any discussion with the states about their response to the recommendations?

Mr Wallace—We certainly have an ongoing dialogue with the states at officials level through the DPRWG—that is the new acronym we are helping you get used to now: the former National Disability Administrators is now the Disability Policy and Research Working Group. They met us, as I think we mentioned at the last hearings, on 8 and 9 February, and we met again in Adelaide on Tuesday and Wednesday of last week. We had extensive discussions there about the point of negotiations of the CSTDA, which I guess go to the issues raised in the Senate inquiry report, as to the coordination of a response. I guess those discussions feed into our considerations, but we are not looking to submit a coordinated response, from the Commonwealth's perspective, with the states and territories.

CHAIR—Are you aware whether the states will themselves be making responses to the report?

Mr Wallace—I am not aware.

CHAIR—I think I heard the minister say that the Commonwealth would be matching increases in disability funding provided by the states. Have I understood that correctly? Could you articulate what that policy is?

Mr Wallace—There was a special meeting of disability ministers in Brisbane on 3 April, to discuss negotiations for a fourth CSTDA. At that meeting Minister Brough outlined the existing offer that had been conveyed by officials on 8 and 9 February. He conveyed a further offer from the Commonwealth, which was that the minister invited state and territory ministers to submit to him plans for how they would address unmet need in the areas of accommodation and respite, requiring that they provided the information and evidence available to them about the extent of unmet need in those two areas. He invited them to put to him what they were willing to commit in terms of further funding to address unmet need in those two areas, and said that he would consider proposals forthcoming from state and territory ministers on a fifty-fifty basis.

CHAIR—Does the offer only stand for unmet need in those two areas? Is that correct?

Mr Wallace—The offer as conveyed at the meeting on 3 April indicated, consistent with a Senate inquiry report, that it was the minister's understanding that the two most critical areas of unmet need are in the areas of accommodation and respite. He asked that the plans that he had asked state and territory ministers to bring forward focus on those two key areas.

CHAIR—I have not caught up with state budgets that have been brought down. Are you aware of any state budgets that have delivered any increases in those areas and that would be relevant to accommodation or respite?

Mr Wallace—No, I am not. The minister has written to his state and territory colleagues on two occasions since the meeting on 3 April—I understand on 11 April and then on 9 May. On 11 April it was to convey in writing the offer he put verbally at the 3 April meeting, and to seek responses from state and territory ministers. Having not received any formal responses from ministers he wrote again on 9 May requesting that state and territory ministers respond with an indication of whether they were intending to submit a plan, by 8 June. There has not been any further commitment in state and territory budget statements that I am aware of. I understand there was one piece of correspondence received from Minister Pitt, but that did not respond to the minister's request around the submission of a plan.

CHAIR—Did you say Minister Pitt?

Mr Wallace—Minister Pitt from Queensland.

Mr Leeper—The situation is that the minister has written on two occasions, and on the second occasion has asked for replies by 8 June. To date we have received no response from any state or territory minister indicating a response to the fifty-fifty offer around supported accommodation and respite services.

CHAIR—Are you saying that you are waiting for those responses before producing a response to the committee's report, or is this an independent exercise?

Mr Wallace—Advice to government around a response to the Senate committee report is progressing concurrently. There is not necessarily a dependence between a response from state and territory ministers and a response to the Senate inquiry.

Mr Leeper—They may or may not be related in the sense that the timing and nature of any government response is a matter for the minister. He has, as we have indicated, twice now, asked his state and territory colleagues to provide some kind of response. On the second occasion, he asked for an indication of either a response or a time for a response, by 8 June. So we are waiting for that now.

CHAIR—I would like to express the hope that you would take back to the minister, Dr Harmer, or Minister Scullion, the very strong view of this committee that the recommendations about increased support for people with disabilities and their families that arose out of that report, are very much matters that the committee wants to see addressed and hopes will be taken very seriously.

Dr Harmer—I understand.

Senator McLUCAS—I do have further questions on the CSTDA, but we will come back to that later. I want to have a look at unspent funds against the 2006-07 budget, including the additional estimates. It is similar to the question I asked earlier about how we are tracking. Could you give me an indication, by program, how the funds are tracking in output 2.2?

Mr Wallace—Yes. There is one key appropriation that the department manages, and several appropriations that involve transfers to the states. In terms of the appropriations that involve transfers to the states, it is the CSTDA and the young people in residential aged care programs. Both of those appropriations are tracking to plan, to be fully expended this financial year. The appropriation managed within the department is the disability employment and other assistance appropriation. That is the appropriation that funds business services, the business services assistance package, the national disability advocacy program, and the print disability program. That appropriation is tracking to be fully spent this financial year.

In my opening statement I neglected to recall a further small appropriation, the appropriation for the National Auslan Interpreter Booking Service. That appropriation has been tracking a little under in terms of spending. It has for the last several years. We have been engaging in a process of sector development in that program in that the thing constraining spending in the National Auslan Interpreter Booking Service appropriation is the lack of appropriately trained Auslan interpreters. There have been a couple of initiatives to increase spending in that area, one of which has been to broaden the range of appointments that can attract the free Auslan booking service to include a range of alternative therapies as well as GP appointments and other medical appointments.

The other initiative to try and broaden out the use of that appropriation has been to assist with funding of a full-time position in Darwin in the Northern Territory. Going from my recollection, there were only either one or two qualified Auslan interpreters in the Territory when the program started. Through the contracted provider we have funded a position in the Northern Territory of a qualified Auslan interpreter who also has a development role in trying to assist in the training process of further interpreters. It is in that area that there is a small underspend.

Senator McLUCAS—Can you give me an indication of the quantum please, Mr Wallace?

Mr Wallace—I do have that information. It will just take me a moment to find it. In relation to the underspend of that appropriation in this year, there has been a request to the Minister for Finance and Administration via the minister to transfer that funding within the outcome—so from the Auslan appropriation and into the Disability Employment Assistance appropriation. It is our expectation that that the funding will be fully spent, albeit not within that program. Senator, I might find that and come back to it, if that is okay.

Senator McLUCAS—Okay, and when you do, Mr Wallace, could you explain what element of the Disability Employment Assistance program that quantum will be applied to.

Mr Wallace—It will be used to assist with the costs of the business service assistance package and the case based funding components.

Senator McLUCAS—Could you explain to me how?

Mr Wallace—The funding in a sense is not tagged to a particular element of the Disability Employment Assistance appropriation. It is just included in the appropriation as a whole. It will enable us to bring forward some of the business service assistance package spending that would otherwise have to have occurred in the next financial year.

Senator McLUCAS—How many people will that actually assist?

Mr Wallace—I do not have the number of people it will assist, I am sorry.

Senator McLUCAS—We will come back to that when you can give me an indication of what the transfer of funds is. You said that your minister has written to Finance to ask if that can be transferred within the department. Do you expect that to be approved?

Mr Wallace—I understand it has been approved.

Senator McLUCAS—With respect to the CSTDA, if I forget to come back to that, please remind me.

Mr Wallace—I will. I will do my best.

Senator McLUCAS—Would you characterise the discussions held in April that Senator Humphries has referred to as an agreement on the proposal put by Minister Brough?

Mr Wallace—I could only reiterate Mr Leeper's explanation that there was an offer put at the meeting. There was not a formal response. The minister sought formal responses from state and territory ministers in two pieces of subsequent correspondence and has not received replies. I guess you could not characterise that as an agreement; no.

Senator McLUCAS—I think you are right. That would explain why the state and territory ministers have not replied to that letter, given that there is no agreement on the proposal from Minister Brough.

Mr Wallace—The letters the minister has sent have sought a response to the offer.

Senator McLUCAS—But I think it is fair to say there is no agreement on what is being proposed.

Mr Wallace—There is certainly no agreement until there is a multilateral or bilateral agreement struck.

Senator McLUCAS—I refer to the deadline of 8 June. Why is that relevant? Why is that date important?

Mr Wallace—It would be speculation on my part to infer a particular reason, other than to say that the current agreement is due to expire on 30 June and it is the minister's intention to progress negotiations as quickly as possible. Having made the initial offer on 3 April, it would be a period of over two months since that offer was made and he is seeking a response to it.

Senator McLUCAS—The requirement from the minister is that the states indicate levels of unmet need. How do you imagine an analysis of unmet need could be arrived at within two months?

Mr Wallace—The minister's letter of 9 May requested that each state and territory respond at least with their intentions, as to whether they would submit a plan or not—not with their fully developed plan. There is no requirement in the minister's letter that they return with a full analysis of unmet need and a forward plan to address it, but rather an indication as to whether or not it is their intention to submit a plan.

Senator McLUCAS—You would be aware of the difficulties we had undertaking the inquiry to ascertain unmet need—the same difficulties the AIHW have, and in fact that your department has in trying to ascertain unmet need. But you are telling me the minister is not asking the states and territories to ascertain unmet need.

Mr Wallace—You are certainly right: the process of an accurate quantification of unmet need has proven difficult. The Institute of Health and Welfare have recently made another attempt. If I recall, in their evidence to the Senate committee, they indicated a number of frustrations with the process of coming to an accurate quantification.

The states and territories—in our discussions with them at officials level, and in the discussions between ministers—have indicated that, while they do not necessarily have a precise quantification of unmet need they do, nonetheless, have other information and understandings about what the levels of unmet need in their jurisdictions are. It varies from state to state. Different states have centralised assessment processes and others do not. Having said that they have understandings of unmet need in their state and territory jurisdictions, the minister requested that, in putting forward a plan on how to address it, they give him the best information they have available on the extent of unmet need in their jurisdictions.

Now, we would expect that that would draw on the Institute of Health and Welfare's work but it might also draw on their understandings through, for example, in Western Australia, the centralised assessment process they have. In Western Australia there is a process you may be aware of where three times a year they have a centralised assessment process and they publish the results of that in terms of the numbers of people who were successful in receiving funding and those who were not. What the minister sought is the states' and territories' best understanding of unmet need in their jurisdiction to inform that forward plan.

Senator McLUCAS—I am sure you would also agree, Mr Wallace, that people in Western Australia regard that as an inaccurate measure of unmet need—that people actually do not put themselves on the waiting list. Counting people on a waiting list is no measure of unmet need, and I think the states and territories have indicated that as well. The minister demanding that a measure of unmet need be found in two months, out of the blue—given his correspondence

with the states and territories at the end of last year—completely changes the nature of the way the ‘agreement’ might be reached.

Dr Harmer—I do not think anything Mr Wallace has said or the minister indicated in his letter would constitute a demand that states come up with a measure of unmet need.

Mr Leeper—The CSTDA 3 required the states and the Commonwealth to work together to be able to estimate with reasonable accuracy unmet need for these services. When we tabled our offer on 8 February in Adelaide at the officials’ meeting, a renewed commitment to achieve a much better degree of measurement of unmet need was part of the four principles that we put on the table as the Commonwealth’s requirements for any new agreement. There has been a five-year lead time through the current agreements; the states were put on notice again in February by us saying we were not happy with the way that unmet is measured and estimated. All that has happened in the period subsequent to 3 April is that our minister has said, in effect: ‘We all acknowledge there’s unmet need. We don’t need to agree the quantum at this stage before any offers might be made.’ But he has said he is prepared to look at fifty-fifty contributions around supported accommodation and respite services. But I think I would have to dispute the two-month period to estimate unmet need; the states have had five years.

Senator McLUCAS—And the Commonwealth.

Mr Leeper—Yes, the states and the Commonwealth, but mainly the states have had five years to produce a consistent framework for this and the AIHW still reports that it is very difficult to compare unmet need across jurisdictions. Again, the reason why 8 June is significant is that the agreement is expiring; we are coming up to the last month. The Commonwealth’s offer was made on 8 February and renewed on 3 April. The minister was subject to some criticism both at that meeting and before that meeting and so he indicated that the states could come forward with new money which the Commonwealth would consider matching. We are now waiting to see whether the states have any response in that area.

Senator McLUCAS—Can you indicate to the committee what the Commonwealth has done over the last five years, as part of its signing off on the last CSTDA, to ascertain unmet need?

Mr Wallace—In relation to the Commonwealth’s responsibilities in the employment area, a number of those lie within DEWR and I would not seek to answer questions on DEWR’s behalf other than to say that there has been an uncapping of one of the components of the Disability Employment Network and a significant increase in the number of places available in the capped component of the Disability Employment Network.

Senator McLUCAS—That is not what I am talking about, Mr Wallace. What did the Commonwealth do over the last five years, as part of signing off on the third CSTDA, to ascertain unmet need in the services provided by the CSTDA?

Mr Wallace—We continued to work through some frustration with the state and territory officials and with the Institute of Health and Welfare on the development of a consistent framework for the measurement of unmet need. We all recognise the complexities of measuring unmet need, and the difficult and certainly imperfect nature of waiting lists as a sole measure of unmet need.

Dr Harmer—Because the states and territories have primary responsibility, under the CSTDA, for accommodation services and their administration, they are much better placed because they have access—or they ought to have access—to information from the service providers et cetera about people who are not able to get assistance. We do not run the accommodation services. We have cooperated with the states in trying to assess unmet need, but the states are much better placed to make assessments of unmet need than we are.

Mr Wallace—There have been several projects commissioned, through the National Disability Administrators, with a view to understanding and responding to current and future demand, which similarly have run into difficulties because of a lack of provision of appropriate information from state and territory governments. It is difficult for the Commonwealth to come to an estimate or understanding of unmet need in areas where the data and services belong to the states and territories.

Mr Leeper—We sought to lead the horse to water, but it is not always possible to get it to drink at that point.

Senator McLUCAS—I do not think that that is very helpful, Mr Leeper. What the disability sector has been asking the Commonwealth for, over the last five years, is leadership—an ability to cooperate rather than basically point fingers, but that is what we are getting again this morning.

Mr Leeper—We have cooperated for five years through the agreement meetings.

Senator McLUCAS—I am sorry, Mr Leeper. If we have evidence to this committee saying that over the last five years it has all been very difficult, and if we have had a number of projects which have not led anywhere, I think it is quite reasonable for the disability sector to say that there has been a lack of leadership over the last five years in bringing us to the preliminary negotiations for the next CSTDA.

Mr Wallace—It is fair to say that the Commonwealth has taken an active role, through the minister and through DPRWG, as a proponent of the work around assessing current and future demand through the projects that have been commissioned, and through championing—at an early enough stage, we hoped at the time—the re-conducting of the Institute of Health and Welfare's work, requesting that the Institute of Health and Welfare not only do their best to estimate unmet need within the constraints that they faced, but also provide officials with advice about how we can not be faced with this same position in another five years time. That appears to be what has happened between 2002 and 2007.

The estimates of unmet need produced by the Institute of Health and Welfare are heavily reliant on the data and information that is provided to them by the jurisdictions responsible for the services being provided. To the extent that the Commonwealth can, we seek to influence that. The minister, in his four priority areas for a further agreement, has emphasised a desire for increased transparency and accountability, and for improvements in our understandings of unmet need. The focus of the transparency and accountability component is on ensuring that the data we collect is sufficient and accurate enough to give us the understanding we need to do the appropriate future planning.

Senator McLUCAS—I could not agree more, Mr Wallace, but five years has past and we are still nowhere. We still do not know what it is.

Senator Scullion—This is a very important area. I do recognise the ongoing interests of the senator in these matters, and the interests of the committee in the inquiry. I agree: I think that all this finger pointing is not useful, but I do not think it is accurate to portray the current minister's activities around the current negotiations of the CSTDA as not providing leadership. I do not want to go through the politics of it too much, but on 3 April, Minister Brough reiterated the existing offer, recognising the difficulty—which had been reflected by the committee's work—and, over the previous years, the difficulties of the states and territories in being able to provide some empiric, scientific direction in terms of unmet need. I am not sure what was on the minister's mind, but I am sure he would have thought about the difficulties that the states and territories would have had in allocating funds that are necessary to go towards something where they may say, 'We really have to look after the disability sector, the investment in research and things.' It is difficult to try to make those balances.

The minister has said, 'As an incentive, if you like, or as a productivity bonus, when you find and discover programs and projects in unmet need in the most significant areas, in both supported accommodation and respite, which was indicated by this committee's report to be one of the most important areas, and bring those programs to me, then I will unequivocally provide 50 per cent of the funding.' In terms of leadership, I guess it sounds like it was sort of constructed on the day, so we will not hold it against the other ministers, but they simply read from a prepared statement and closed the meeting.

The minister has obviously said that was all part of something at that meeting but we are now waiting perhaps for a more considered response to what I think is, and everybody should see as, a very genuine offer to deal with those very areas that, Chair, your committee has clearly recommended. I think this is a very important area and we should try very hard to stick to the facts in the matter. I think the disability sector would respect the processes of this place far more if we did that. It is disappointing that the particular meeting did not have an outcome, but most reasonable people would expect the states and territories now to be considering that matter. It is a very generous offer. One would expect some sort of response to them in the near future.

Senator McLUCAS—Would you agree that our committee's report identified that there were significant variations in disability services across the states and territories?

Mr Wallace—It is certainly our understanding that the systems are significantly different in terms of expenditure, the types of services provided and numbers of people assisted, yes.

Senator McLUCAS—Are you also aware that people in the disability sector thought it was a problem that there was limited portability of services across states and territories and that people in fact move between states and territories in order to be able to pick up services that are not available in their state?

Mr Wallace—We are certainly aware that portability is an issue and one that is being considered by ministers and by officials.

Senator McLUCAS—It then stands to reason that, if the minister is proposing a series of bilaterals—which is clearly what will result if this is agreed with—those variations in services across the states and territories will actually be exacerbated.

Dr Harmer—This has offered state and territory ministers a mechanism to deal with that. He has got his cabinet to agree that, for the first time, the Commonwealth will join with them in meeting their estimate of unmet need on a 50-50 basis, which has not been done before.

Senator McLUCAS—I am sorry; I do not think you understand the question I am asking. The reality is that we have differentials in service delivery right across the states and territories of Australia.

Dr Harmer—No. I was getting to that.

Senator McLUCAS—What will occur after certain states have the capacity to take up this offer and certain states do not is that that disparity will, in fact, grow. Is that not correct?

Senator Scullion—That may be self-evident but I hardly think either this department or, in fact, the minister can control the response of the states and territories. Every day is a test of federalism in this place, but we have to respect the views of the ministers in those states and territories. It is their responsibility and their right to deliver disability services. We cannot dictate to them—nor is it appropriate that we dictate to them—exactly what their roles and responsibilities should be to get some sort of consistency. As this committee reflected, and as the senator reflected, it would be better if we had the very best models in different places around Australia delivered consistently across Australia. We cannot even have an acceptance from any of the states and territories about actually doubling the amount of funding that we can provide to unmet need in accommodation and respite or any sort of indications that somehow it is the Commonwealth's responsibility to organise the states. If it were possible I am quite sure it would be done, but that is not the way it runs.

Senator McLUCAS—So basically you are agreeing that a series of bilaterals between states that have the capacity to sign off on those bilaterals will in fact exacerbate the situation that the disability sector have identified as being a problem. That is what is going to happen, isn't it?

Senator Scullion—Chair, that is simply an assertion. It is a hypothetical. We have to get through this process about an agreement under the CSTDA. The minister has shown a tremendous amount of goodwill and the cabinet have been generous in this matter. It is difficult to understand what the future may be in view of the reluctance of the states and territories to accept even the basis of an offer. I understand that in the next little bit of time the government is certainly expecting the states and territories to come back with a responsible response to the offer from the Commonwealth and continue to negotiate and discuss all these issues. I know that the Commonwealth take very seriously the recommendations of your committee report and is considering it at the moment, as you have been informed, and I would hope that the states and territories are doing the same. I do not think that hypothetically considering some sort of a bilateral agreement and its potential to exacerbate the current delivery processes by the states and territories is particularly useful, Chair.

Senator McLUCAS—Will the money that the minister has offered—the dollar-for-dollar money for supported accommodated and respite—form part of the multilateral agreement or will it be on the basis of a bilateral agreement between the Commonwealth and each state and territory?

Senator Scullion—That is very difficult to tell, Senator.

Senator McLUCAS—Why?

Senator Scullion—It is difficult to tell because those people who would have formed part of an agreement stood up, read a prepared statement and left the room. That is why it is difficult.

Senator McLUCAS—I am sorry, but you have got the offer on the table.

Senator Scullion—Indeed.

Senator McLUCAS—Is it going to be a part of the multilateral agreement or is it going to be a part of the bilateral agreement? It is a very simple question. You are the one with the power in your hands. How are you going to lead this?

Dr Harmer—I do not think a decision has been made.

Senator Scullion—A decision has not been made on it. We were expecting a response. This is all about an agreement. There wasn't any response or any discussion on that matter at all. That is a specific matter for the CSTDA negotiations between Minister Brough and the ministers responsible for disability in the states and territories. I do not want to make any particular comment or in fact embargo any particular outcome, whether it is multilateral or bilateral. But the intention was that they would match any jurisdiction dollar for dollar.

Now, as you have reflected, through the Chair, Senator, there is a great deal of difference between the jurisdictions and the way they deliver those services, and they may have some difficulty in coming to a consistent approach to unmet need—either identifying unmet need or dealing with unmet need in accommodation and respite. But one would hope that the leadership group both at a Commonwealth and state-territory level—it is their responsibility as a group to get together and resolve this in the best way on behalf of the disability sector of Australia.

Frankly, apart from the politicisation of recent meetings, I have a deal of faith that the Commonwealth State/Territory Disability Agreement in a partnership agreement is the way forward. As I said, any notion of a hypothetical 'what will happen' is very difficult to consider in view of the fact that 50 per cent of the parties or the vast majority of the parties do not appear to be considering the offer of the Commonwealth.

Senator McLUCAS—You said that cabinet has been 'very generous'. What did that statement refer to?

Senator Scullion—I am simply saying cabinet has agreed to meeting the states' and territories' unmet need to the tune of 50 per cent, paying half of the unmet need in supported accommodation and respite, which we all recognise is one of the largest areas of unmet need, even if we do not know exactly how much it is. In terms of cabinet being generous, we have not had an offer from the states and territories about anything on the table. There is nothing. There is no offer. There is no more money. There is nothing apart from CSTDA 3. There is nothing on the table for them. So I suppose my term 'generous' was simply a comparative analysis of the jurisdictions.

Senator McLUCAS—You said cabinet had been generous. So there must be some notional allocation of an amount of money that may be able to be drawn down on through these series of bilateral—

Senator Scullion—The minister has said that we would be matching dollar-for-dollar all those funds—

Senator McLUCAS—How much? What is the total that can be drawn down?

Senator Scullion—It is a function of the unmet need, and I would think—

Senator McLUCAS—The government has been generous, you said.

Senator Scullion—I have been listening very carefully to what the minister has had to say on this matter. The comment with regard to unmet need was not unmet need up to this point or unmet need up to that point. He said they will pay 50 per cent of all programs put up with regard to unmet need in supported accommodation and respite, and that would be matched fifty-fifty with the states and territories. So it would appear to me that that is a fairly open and generous offer.

Dr Harmer—There has been no dollar amount put on that because the minister got agreement from his cabinet to match fifty-fifty whatever the states want.

Senator McLUCAS—So it is completely uncapped.

Dr Harmer—Indeed, that is why it is so generous. So for the people who are very concerned, as they should be and as the minister has mentioned, about the provision of and the unmet need for disability services—in particular, accommodation services across the states and territories—Minister Brough has provided an enormous opportunity, which has not been there before, to try to get state and territory ministers to pick up the challenge and to come back because this is a one-off opportunity to meet that unmet need. The minister has said that he would be prepared to match whatever they come up with. So there is an opportunity for state and territory ministers that has not been there before.

Senator McLUCAS—Are you aware through the working group, the old NDA, that in a number of states there has been considerable growth in their allocations to disability programs in recent years?

Mr Wallace—I am aware that all parties had met their obligations in terms of the initial commitments in schedule A of CSTDA 3. I am aware that there have been announcements from a range of jurisdictions on additional disability funding—

Senator McLUCAS—In previous budgets?

Mr Wallace—In previous budgets. I have to say at times it is difficult to determine how much of that could be counted as CSTDA spending and how much of it lies outside the agreement; it tends to be a combination. Certainly, I am aware that in the case of New South Wales budget announcement—in fact, I think it was outside budget—last year, the government counted not only their own contribution to the young people in residential aged care but the Commonwealth's contribution as part of their announcement of further funding. So it is difficult to be certain as to what would be counted under the CSTDA and what would not.

Senator McLUCAS—But I think it is fair to say that there are a number of states—not all states—who have significantly increased their funding toward disability, whether it be

through CSTDA or not. What do you imagine is the likelihood of those states being able to achieve yet further funds out of their treasury? How realistic is this?

Mr Wallace—That is not a matter that I can speculate on.

Dr Harmer—It is bigger than it has ever been, because the various treasuries around the country—

Senator McLUCAS—Dr Harmer, you have been around government for a very long time and you know how treasuries operate. Let us be a bit practical about this.

Dr Harmer—I do. Usually the Commonwealth makes it easier for the state ministers by making an offer and then that gives them a lever. This time, the state treasuries have a real incentive to increase their effort because they can get the Commonwealth involved in a higher proportion of accommodation support service and disability than ever before. If I were the treasuries in the states I think I would be looking to take that opportunity.

Senator McLUCAS—Dr Harmer, in your long experience in the Public Service, do you agree that it is better to do planning a little bit differently to this? It is better to have a program that will be rolled out over time, which is why we have forward estimates. Is that not true?

Senator Scullion—Mr Chairman, again, this is the whole notion: let us have a program we can roll out over time, but what is the information that we are going to base it on? We have the old black hole. All we hear from the states is: ‘What about the unmet need?’

Senator McLUCAS—To be frank, Minister, what about a bit of leadership?

Senator Scullion—What about actually providing the Commonwealth with the details of unmet need. That seems to have been problematic; so we have provided a productivity index base. We have said, ‘If you provide us with the unmet need, we will actually assist by paying 50 per cent of unmet need in supported accommodation and respite—uncapped’ Without that information is to say, ‘We’ll just have a lovely program to roll it on.’ This government is not simply about doing the same thing and expecting different outcomes. The disability sector expect a strategic plan that is based on science and evidence—

Senator McLUCAS—Exactly, a strategic plan that is developed over time.

Senator Scullion—and the best people to provide that evidence are the states and territories. We accept that; it has been part of the recommendations in your report, which recognised the needs and the responsibilities. We need to ensure that any future strategic planning is based on covering this unmet need somehow. I think the strategy that the minister has put before the states and territories as part of the current negotiations on the CSTDA is an excellent step forward in that direction.

Mr Leeper—Having attempted to meet unmet needs through the framework of the disability agreements, the funding shares in CSTDA 3 are 72 per cent state and 28 per cent Commonwealth. By putting on the table a fifty-fifty offer—and that may be able to be delivered through a multilateral agreement or it may require bilateral agreements; both of those may be possible—the Commonwealth’s offer is certainly much more generous than it would have been had it been conducted only through the framework of the disability agreement, as it has been to date.

Senator McLUCAS—That is exactly right: ‘as it has been’. We are not prepared to change what has been, and yet we have had five years to talk about unmet need by the Commonwealth and the states. I think it is fair to say that those five years have been wasted.

Mr Leeper—We would agree with you. I hear your irritation with the comment I made before, but the fact of the matter is that the states have the data that is relevant to estimating unmet need. The AIHW have said independently that they find it very difficult to make rigorous cross-jurisdictional comparators of unmet need because the states have not been able to get their databases and data systems right.

Senator McLUCAS—And the Commonwealth has just sat back and watched. Another five years have gone past.

Mr Leeper—No. Mr Wallace said on the record this morning that the Commonwealth has, at each opportunity, sought to get the states to step up to the mark here. That is why in February, when we tabled our next offer, we made this a much more stringent requirement for a CSTDA 4. We were not prepared to go through this again and wake up five years later still arguing about whether the data was right, which is where we are at the moment.

Senator McLUCAS—Let’s follow up on another argument. You said, I think, Mr Leeper, that it was 72 per cent state, and that means—

Mr Leeper—Twenty-eight per cent Commonwealth.

Senator McLUCAS—Do you agree that that is a disputed figure?

Mr Wallace—I am not aware that it is a disputed figure.

Mr Leeper—The states have certainly used it in conversations with us. I am happy to be corrected.

Senator McLUCAS—In our committee, it was quite different to that.

Senator Scullion—Could you, Senator, or the committee provide us with the figure that you think is correct.

Senator McLUCAS—I can only recommend that you read the report.

Mr Wallace—Senator, certainly in the Commonwealth submission, from my recollection, we provided information about the total Commonwealth contribution—that, over the course of CSTDA 3 and consistent with the multilateral agreement, the Commonwealth’s contribution has been just over 28 per cent, calculating both the transfers to the states and the Commonwealth’s commitments in its own areas of responsibility.

Senator McLUCAS—I think you said earlier, Mr Wallace, that there is disagreement in some quarters about what is counted as part of disability services in some states and what is channelled through the CSTDA.

Mr Wallace—Schedule 8 of the agreement is updated annually with agreed information on contributions of states and territories and the Commonwealth.

Senator McLUCAS—Turning to the question of indexation, at the last estimates when we talked about indexation I think I made a mistake in describing the efficiency dividend. I think I called it a productivity dividend, so I think we might have been talking at cross-purposes

when we were talking about one of the recommendations of our report. I understand that the indexation currently is 1.8 per cent. Is that right?

Mr Wallace—That is correct for the current financial year.

Senator McLUCAS—This is 2006-07.

Mr Wallace—The forecast for the next financial year is 1.9 per cent.

Senator McLUCAS—That figure, that percentage, is given to you by Treasury; is that right—or Finance?

Mr Wallace—The series of wage cost indices is updated, I understand, by finance.

Senator McLUCAS—What is the department's understanding of actual increases in the cost of delivery of disability services in Australia?

Mr Wallace—We do not have an alternative figure on increases in the cost of delivery of disability services. The wage cost index is part of whole-of-government indexation policy and applies across both transfers to states and territories and to Commonwealth owned appropriations.

Senator McLUCAS—So you have no information from the states and territories about their assessment, or in fact from disability service organisations, of what the actual increase in the cost of delivery of services is?

Mr Wallace—We are certainly aware that different jurisdictions index their payments to providers at different rates.

Senator McLUCAS—I understand the point you are making that other jurisdictions apply a completely different rate of indexation. The question I am asking is does the department have any understanding of what the actual indexation should be—what the actual increase is in cost of delivery of the same service over time.

Mr Wallace—The government's position on indexation is determined by the whole-of-government policy.

Senator McLUCAS—That is not the question I asked, Mr Wallace. Does the department know what the actual increase in costs are?

Dr Harmer—We do not have an alternative estimate, Senator.

Senator McLUCAS—You have done no work in this area? The department has done no work to ascertain what the actual cost of increase of delivery of service is. Is that what you are telling me?

Mr Wallace—The department takes advice from the department of finance in relation to what the appropriate rate of indexation for its range of programs and transfers to the states is. That advice at this stage, and the decision of government, is that the wage cost index 2 is the appropriate rate of indexation.

Senator McLUCAS—I think you would be aware, Mr Wallace, and it is certainly reflected in our report, that there is a lot of consternation in the disability service providers that the indexation level that is provided by the Commonwealth is much lower than the actual increase

in cost of service delivery. Are you telling me the department has done nothing in trying to find out what the truth in this is—what the actual cost of service delivery is?

Mr Wallace—The department has not produced an alternative estimate, no.

Senator McLUCAS—So you do not have any basis to argue with Treasury when they come down with their 1.8 per cent? You have no data to try to advocate an alternative indexation level?

Mr Leeper—The position is that all Commonwealth-state agreements are subject to indexation by differing wage factors and a determination is made about which wage factor will apply. We would be wasting our time to try to argue the toss on different index measures—

Senator McLUCAS—You just sit there and cop it?

Mr Leeper—We are a price taker; we are not a price maker in this area.

Dr Harmer—The most effective way of dealing with it would be for the state and territory treasuries to deal directly with Treasury, and I am not aware that is has been a major issue for them.

Senator McLUCAS—Sorry, that the state and territories treasuries—

Dr Harmer—The state and territory treasuries to talk with federal Treasury would possibly be a more productive way of adjusting any indexation, but I am not aware they have taken that up.

Senator McLUCAS—Has there been no requests from FaSCIA to DOFA of a review of that inadequate indexation?

Dr Harmer—It is probably fair to say that when we are providing advice to the minister about his approach to his cabinet colleagues for a position it is possible that those sorts of things are canvassed, so I do not think it would be accurate to say that we have never taken a position or argued with Treasury about that. But we have not, as it stands, an alternative index.

Senator McLUCAS—So there has potentially been advice to the minister about what an alternative indexation level should be?

Dr Harmer—It is quite likely we have covered that in briefing for the minister.

Senator McLUCAS—What work then has the department done to inform that advice to the minister?

Dr Harmer—We will have listened to state and territory departments. We will have read reports such as the Senate report et cetera.

Senator McLUCAS—Have you done any independent work though to ascertain the voracity of the claims that are being made by the sector and also by the states and territories, or is it totally anecdotal?

Mr Wallace—There certainly has not been any modelling done of the nature that the departments of finance and Treasury have the capacity to do. In provision of advice to the minister, as Dr Harmer says, we provide feedback on a whole range of issues. We have

certainly provided advice on the recommendations of the Senate committee, which canvassed the issue of indexation. We provide feedback to the minister on feedback received from the sector and the states and territories. But in terms of construction of an alternative estimate or the kind of economic modelling that finance and Treasury are capable of, no, that is not something that has been done.

Senator McLUCAS—That is all I have on the CSTDA.

CHAIR—All right. Are there further questions?

Senator SIEWERT—Can I go back to the letter that was sent on 9 February. Was that letter following discussions that you had with the states or is that a decision that the minister made?

Dr Harmer—Was it 9 May?

Senator SIEWERT—There was a letter sent on 9 February.

Mr Wallace—There was a meeting of officials on 8 and 9 February where the Commonwealth's initial position was conveyed.

Senator SIEWERT—There was a letter sent too; you told us in the last estimates that there was a letter sent in February.

Mr Wallace—There was a letter sent subsequent to that meeting by the minister to his state and territory colleagues conveying in writing the offer. I am not sure whether it was in February.

Mr Leeper—From memory it was later in March, I think.

Senator SIEWERT—You told us in February that you had sent a letter.

Mr Leeper—It would have been remarkable given that I think we met on 12 February.

Senator SIEWERT—I can pull it out because I remember asking you about it at the time.

CHAIR—Can I just indicate at this stage that we are obviously not going to finish this area before lunch, so if there are people here with respect to mental health issues, they may want to come back after lunch rather than hanging around now.

Senator SIEWERT—Maybe I misinterpreted what you said in February, although I was fairly certain you said there had been a letter conveying the four—in fact, I am sorry—

Mr Wallace—I understand there had been a letter in September 2006 from the minister conveying to his colleagues four priority areas for negotiation.

Senator SIEWERT—Okay. So that was sent in September?

Mr Wallace—Yes, in September 2006.

Senator SIEWERT—That was the letter you were talking about in February then?

Mr Wallace—I assume so, without having *Hansard* in front of me.

Senator SIEWERT—When that letter was sent in September, when those four issues were raised, that was before our committee reported. Were those issues what had come out of previous discussions? Or did the minister decide that they were the four key things that he wanted to concentrate on?

Mr Wallace—Certainly, it was his conclusion that they were four key areas for improvement in a further agreement. My recollection of the letter was that he invited state and territory ministers to write back to him highlighting any other areas that they thought were important areas of focus. My recollection is that there was a letter sent in return from then Minister Della Bosca in New South Wales on behalf of state and territory ministers highlighting a couple of—thanking him for his letter, agreeing in broad terms with those four priority areas and mentioning a couple of others. My recollection is that there was a reference to families in need and to early intervention. I do not have that letter with me.

Senator SIEWERT—Is it possible that we could get a copy of that?

Mr Wallace—It being a letter to the minister it would be a decision for the minister to make.

Dr Harmer—We will take that on notice. The minister would probably not make it available without checking with the New South Wales minister, but we could ask.

Senator SIEWERT—Have those issues been picked up in the discussions and negotiations?

Mr Wallace—There certainly were issues we discussed last week in Adelaide among officials. So in talking through the process of drafting and providing further advice to our respective ministers about a multilateral agreement, those issues are being taken into account, yes.

Senator SIEWERT—I go back to my original question: the issues that were put in the letter in September and that now form the basis of the offer, as I understand it, they have been discussed with officials? Is that correct? In February they were discussed with officials? Have they actually been discussed with the ministers?

Mr Leeper—There was a ministerial meeting on 3 April.

Senator SIEWERT—Yes, I understand that. I use the word ‘discuss’ very carefully because, as it has been reported in the media and by the tone of what we have just discussed, it seems they were put on the table as ‘this is what the offer is’.

Dr Harmer—There was certainly an opportunity at that meeting for state and territory ministers to discuss those issues at that April meeting.

Mr Wallace—My recollection of the meeting is that there was some brief discussion around those areas and that, fundamentally, there were no objections raised to those being the four key areas of focus. I think it would be inaccurate to characterise that there is any significant disagreement on those being four of the priority areas for action under a further agreement.

Senator SIEWERT—I do not know that we necessarily resolved that discussion about whether this is part of the multilateral agreement, is the agreement, or whether it is bilaterals.

Mr Wallace—Neither option has been ruled out.

Senator SIEWERT—Why would they be considered outside of the agreement?

Mr Wallace—My understanding is that the minister has made clear in his letters subsequent to the 3 April meeting that he has a commitment to a multilateral agreement, but,

in the event he cannot reach a multilateral agreement with all parties in respect of the further offer made on 3 April, that he reserves the right to proceed.

Dr Harmer—I think the minister's position would be a preference for a multilateral agreement, which is the basis on which he has held discussions with his ministerial colleagues in the states and territories. But I think probably the minister's highest priority would be to try to provide assistance to people with disabilities who need accommodation support or who are relying on the CSTDA in states and territories. Rather than hold that up until all members agree, if it was a very protracted time period, he would be prepared to enter into bilateral negotiations with some states that were prepared to cooperate.

Senator SIEWERT—Has there been discussion between the Commonwealth and the states for the development of a common framework over unmet need? I am talking outside the institute research. Have officials or ministers discussed a framework approach?

Mr Wallace—There have been discussions, again as recently as last week. At the meeting in Adelaide there was an extensive discussion about a performance framework for a further agreement. At the centre of those discussions was an agreement in advance of beginning the next agreement, a framework for measurement of unmet need. There is acknowledgement on the part of all parties that it is not a simple task, that there are a range of different methodologies with pros and cons, but there is a commitment to make a significant step forward in this next agreement in the measurement of unmet need. So, yes, it is actively discussed by officials and it is informed by the feedback that we have received as a group of officials—not just at the Commonwealth level—on the best advice of the Institute of Health and Welfare who, frankly, are better placed in terms of advice of methodological issues than most of the officials sitting around the room.

Senator SIEWERT—Thank you for that. Can I clarify the issue around funding? I may have misinterpreted the minister just then saying there is no more money and I may have misinterpreted what was said at estimates in February, but I understood you to say there was no more money for the agreement and the unlimited money that is on the table now is separate to the agreement.

Mr Wallace—No, that is not quite the right interpretation. The minister has made it clear that he has commitment to a multilateral agreement; that the offer put on 3 April, which was in addition to the original position put on 8 and 9 February, is to be part of the agreement; and that it is open—while his preference is to have that as part of a multilateral agreement—that some of that may happen through bilateral agreements. Nonetheless, it is still bilateral agreements to the CSTDA.

Senator SIEWERT—Okay. And any additional funding is around those four key areas that we have talked about?

Mr Wallace—The minister's requirements on the additional funding—so the multilateral agreement, which is the offer made on 8 and 9 February, came with a requirement that those four key areas be addressed. Those issues are being progressed among officials to put further advice to ministers. In terms of the subsequent offer in relation to unmet need funding on a fifty-fifty basis, the requirement for access to that further funding is that state and territories

come back with a plan for how they will address unmet needs in the areas of accommodation and respite.

Mr Leeper—I will just summarise: the \$3.275 billion offer for CSTDA4 includes the continuation of previously committed unmet need funding in CSTDA3 and indexation of around \$400 million. That is the multilateral agreement. And to get on board that the minister is saying, ‘These are my four conditions: transparency and accountability, unmet need, quality assurance and access for Indigenous people.’ That is the multilateral agreement. The offer that was made on 3 April and has now been confirmed twice in letters is that states are free to come forward with proposals for further investment in the supported accommodation and respite care area which the minister would match on a fifty-fifty basis.

Senator SIEWERT—The unmet need in the original discussions for agreement 4: does that relate to other unmet need beyond accommodation and respite care?

Mr Wallace—The original unmet need funding was provided in the final two years of CSDA2—as it was then—and CSTDA3 and was not directed for specific service types. So it was a general additional contribution, not directed specifically to accommodation or respite.

Senator SIEWERT—I am talking about the discussions that were held on 8 and 9 February where you articulated that the agreements depend on those four things you have just mentioned, but then there was the subsequent offer, on 3 April, which also related to unmet need. Those two unmet needs are obviously related.

Mr Leeper—The unmet need discussion on 8 February was of the same nature as CSTDA3. If the Commonwealth had proceeded in that direction, an additional amount of money would have been provided to the states to disperse as they would have seen fit. Subsequent to that, the minister has now gone out with a further offer focused on those two specific areas. So one is general; one is quite specific.

Senator SIEWERT—Sorry I am a bit slow on this, but are the negotiations that are happening now around both agreement 4 and the additional offer?

Mr Wallace—Which forms part of agreement 4; yes.

Senator SIEWERT—So to get the agreement we have to solve the second offer around accommodation—both need to be solved before the agreement is signed?

Mr Wallace—Not necessarily. There is the possibility that agreement is reached around the original offer that the minister made through officials on 8 and 9 February without the states and territories taking up the additional offer made on 3 April.

Senator SIEWERT—I just want to be clear so I do not run off with the wrong idea. Anything that relates to agreement 4 will not be a bilateral, but there is a possibility that the additional offer could be a bilateral?

Mr Wallace—The additional offer, though, forms part of CSTDA4. The minister would prefer to have a single multilateral agreement. If he is not able to achieve that in relation to the additional offer, he may go down the path of having bilateral agreements.

Senator SIEWERT—On everything?

Mr Wallace—No, on that component.

Senator SIEWERT—That is what I asked.

Mr Wallace—And those bilateral agreements are a subpart of the multilateral agreement.

Mr Leeper—And that is not unusual, as far as we are aware, to have an agreement which has both multilateral and bilateral dimensions to it.

Senator SIEWERT—I want to be clear that the core of the agreement will remain a multilateral agreement.

Dr Harmer—That is certainly the minister's preference.

Senator SIEWERT—So there is a possibility, if he is not happy with the negotiations that go on for the additional round, that the agreement may not be signed and it may break down to a bilateral process as well?

Dr Harmer—I am not sure that we can speculate on that. His preference is clearly to have a multilateral agreement. If it ends up being a multilateral agreement with bilateral elements, that would not be terribly unusual. I think going beyond that we would be in the realms of speculation.

Mr Wallace—Certainly the minister has made—verbally and in writing—a commitment to a multilateral agreement and, as I commented on the four key areas before, there is certainly nothing in responses from state and territory ministers or discussions at officials levels that suggest that there would be a basis there for not reaching a multilateral agreement. There are certainly no indications that that is a likely outcome.

Senator SIEWERT—In the media around 3 April there was speculation of \$200 million being on the table. I am asking about this because I do not necessarily believe the media. The minister made a statement that the offer was uncapped. So where did the \$200 million come from?

Mr Leeper—That is absolute speculation. The minister's offer was to match, fifty-fifty, state contributions to unmet need. There was no figure.

Senator SIEWERT—And that is for the same period as the next—

Dr Harmer—Of the agreement.

Mr Wallace—Over a period of five years, yes.

Senator McLUCAS—I have some questions on the Disability Advocacy Program. There are two measures in the budget that I want to talk about. The first is \$12.2 million over four years. There are four elements that are hoped to be achieved by that increase in funding. For next year it is \$2.8 million. How will that money be used?

Mr Wallace—As you stated, there is \$12.2 million provided for in the budget—a 20 per cent increase over the next four years for the National Disability Advocacy Program. On the core components of that, the outcomes sought with that additional funding are to increase access to advocacy services for those most in need; to increase the coverage of advocacy services, in particular in regional and rural areas where there is limited coverage at the moment; to introduce a third-party quality assurance system; and to ensure that people have better access to information about the availability of advocacy services.

Senator McLUCAS—Yes, I can read that in the budget papers, Mr Wallace. I am trying to ascertain what the split of that money will be and in particular—and from memory there are 72 NDAP programs across Australia—how much each service will receive.

Ms McKenzie—The decision has not been made about individual services, but I can give you a split of their components.

Senator McLUCAS—Thank you.

Ms McKenzie—\$9.1 million has been approved to fund some of the unmet demand for individual advocacy services, at \$2.6 million; to improve access to advocacy services—

Senator McLUCAS—I am sorry, you are going a little fast. The \$9.1 million is over the four years. I am trying to look at the split of just the \$2.8 million next year.

Ms McKenzie—Just the \$2.8 million. I was going over the whole period.

Senator McLUCAS—Just next year, if you would.

Mr Wallace—I have that, Senator. In 2007-08 there is a component of \$360,000 to begin the process of implementation of the quality assurance system, \$300,000 to improve access in rural and remote areas and a portion of departmental funding to enable a communication and consultation process amounting to just over \$2 million. There has been a decision taken with the introduction of the new budget funding and the process of reform that a higher level of investment in departmental staffing is appropriate to ensure that we have the best possible process of communication and consultation with the sector.

Then in the out years the significant proportion of funding lies in funding to address increased individual advocacy and better access in rural and remote areas. So in 2008-09, an amount of nearly \$3 million; in 2009-10, \$2.7 million; and in 2010-11, \$2.75 million. The reason for the slightly increased figure in 2008-09 in administered expenditure is that there will be a greater level of assistance provided in that first year to services with the costs of third-party certification through the QA process.

Dr Harmer—Did you mean 2007-08 or 2008-09?

Mr Wallace—No, sorry, I mean 2008-09; so the dip in administered expenditure in 2009-2010 and 2010-2011 relates to a lower outlay on assistance with the costs of quality assurance because those two years will involve surveillance audits rather than the initial audit process.

Senator McLUCAS—So are you telling me that the \$2 million allocated in the 2007-2008 year will diminish over time?

Mr Wallace—That certainly will diminish over time. I am referring to the administered expenditure in my last description. But certainly the departmental expenditure diminishes significantly in 2008-2009 once the communication and consultation process around the additional budget measure goes into a period where it is less intense.

Senator McLUCAS—Sorry, Mr Wallace, I am not tracking this properly. Can we just do them element by element? In terms of the quality assurance objective: for 2007-2008, I think you said \$2 million will be departmental expenditure, out of that \$2.8 million?

Mr Wallace—Yes, \$2.13 million.

Senator McLUCAS—Is that departmental expenditure?

Mr Wallace—That is right.

Senator McLUCAS—What will that figure be in 2008-2009?

Mr Wallace—It will be \$293,000.

Senator McLUCAS—2009-2010?

Mr Wallace—\$147,000.

Senator McLUCAS—And 2010-2011?

Mr Wallace—\$511,000

Senator McLUCAS—The big start up cost is setting up the system?

Mr Wallace—As well as the process of consultation and communication.

Senator McLUCAS—I notice in the document that was handed up yesterday there is disability advocacy services marketing as part of the campaign program. Is that money there included in that \$2 million or is that separate?

Mr Wallace—The element around increased communication I understand is in the departmental allocation.

Senator McLUCAS—How much is that, for interest's sake?

Mr Wallace—I have an amount of \$700,000.

Senator McLUCAS—So \$700,000 for advertising?

Mr Wallace—I do not think it would be characterised as advertising. On the intent of that element of the measure: one of the pieces of feedback that we had—through the social options paper, and through the further discussions the department has had with the sector subsequent to that and with the disability sector—is that awareness of the availability of advocacy services is quite patchy. Sometimes those who perhaps have the highest need for assistance with advocacy services are either unaware of the existence of advocacy itself or are unaware of how best to access it. Some of the services have names from which it is difficult to determine that they might provide an advocacy service. And there is difficulty in accessing phone numbers et cetera. So the intention of that funding is not advertising as much as—and a decision has not been taken about the format of that, other than to say the outcome sought is that individuals in highest need would have a better awareness of the availability of advocacy. That is something the department is looking to talk further with the sector about in a series of consultations we are proposing for June this year, the intention there being to communicate to the sector the nature of the further budget funding and to talk to them about the process of rolling that funding out.

Senator McLUCAS—Thanks for that. In terms of the objective of improved coverage of disability advocacy services in rural and regional areas: in 2007-2008 that is \$300,000?

Mr Wallace—That is correct.

Senator McLUCAS—And in 2008-2009?

Mr Wallace—It is \$700,000 although I do not have the indexation figure on that, so it is \$700,000 expressed in 2007-2008 dollars.

Senator McLUCAS—Okay; it is base funding. In 2009-2010?

Mr Wallace—It remains \$700,000 in 2009-2010 and 2010-2011.

Senator McLUCAS—And the \$300,000: how is that proposed to be used in 2007-2008?

Mr Wallace—There has not been a decision taken on how to allocate that funding as yet.

Senator McLUCAS—So it is not departmental expenditure?

Mr Wallace—No it is not; it is administered expenditure.

Senator McLUCAS—Administered; so that will go to programs?

Mr Wallace—Yes that is right.

Senator McLUCAS—Are you intending to share it amongst the 70-odd providers?

Mr Wallace—There has not been a decision taken on how to allocate that funding as yet.

Senator McLUCAS—Will people have to apply for it?

Mr Wallace—A decision on that has not been taken yet either.

Senator McLUCAS—How did you come to a figure of \$300,000?

Mr Wallace—It was part of a process of developing a budget submission and some analysis on levels of additional assistance that we thought would be appropriate on the basis of a range of sources of information. The decision about how best to distribute the additional funding through the budget measure is something that the department will provide some further advice to the minister on. We have been asked to undertake some further discussion with the sector before that decision is taken.

Senator McLUCAS—The first objective of the program was to assist in meeting some of the unmet demand for individual advocacy. You tend to use the shorthand 'most in need'. Is that equivalent?

Mr Wallace—In terms of the funding allocation, yes, I am translating that element into some of the feedback we get from the sector. When I say 'the sector', I mean not just the disability advocacy sector but the disability sector more broadly. That there is a level of unmet demand for individual advocacy was borne out again in the social options paper. When we are looking at assisting those most in need, I guess that relates to the understanding we have that there is a range of people in high need—not necessarily in crisis but certainly in high need—that require additional support and are unable to get it at the moment. So yes, I guess it is shorthand.

Senator McLUCAS—How much is that in 2007-08?

Mr Wallace—There is not a separate allocation for that in 2007-08. There is \$850,000 in 2008-09. Again that is expressed in 2007-08 dollars. That is continued in 2009-10 and 2010-11.

Senator McLUCAS—I misunderstood something you said earlier. You said there was \$3 million in 2008-09 and \$2.7 million and \$2.75 million in the out years following that for something else which I do not have the heading for.

Mr Wallace—There is a further component that we have missed there—increasing funding for family advocacy—which is, similar to the funding to meet unmet demand, beginning in 2008-09. There is an amount of \$850,000 continued in 2009-10 and 2010-11.

Senator McLUCAS—But there is nothing in 2007-08?

Mr Wallace—No.

Senator McLUCAS—Thank you. It will be interesting to see what we can buy for \$300,000 to reach out to rural and remote communities. It might be a telephone line.

Mr Wallace—I will take that as a comment, senator.

Senator McLUCAS—It is a comment. How do the figures you have just given me compare with an announcement from Minister Scullion of \$600,000 to expand individual advocacy services in rural and remote areas? Is that the total of that money over four years?

Mr Wallace—No; that is in addition to the budget announcement. That decision was taken late last year.

Senator McLUCAS—It is money that has already been announced.

Mr Wallace—That is money for this current financial year.

Senator McLUCAS—So that is old money; not new.

Mr Wallace—Yes.

Senator McLUCAS—Is the competitive tendering for NDAP on track?

Mr Wallace—I understand that, as part of the consideration of the new budget funding and in light of further discussions both the minister and the department have had with the sector, there has been a decision taken to engage in a further process of consultation with the sector. That will focus initially on improving our understanding of what is already being provided by the disability advocacy providers through the vehicle of their service improvement plans, to look at the development, as we have been, through the reference group and consultative group of a series of key performance indicators linked to the national standards and to the development of some standard policies and procedures. The intention is that those elements of the reform will be rolled out progressively and that a decision on the timing of the competitive assessment process will be taken following the further process of consultation and discussion with the sector.

Senator McLUCAS—In terms of the time line, could you give us an indication of what is proposed? I understood that tendering processes were to start in about October, but I think you are telling me that it is different now.

Mr Wallace—Certainly the proposition was that a competitive assessment might take place in the last quarter of this year. As I said, given the subsequent announcement of the further budget funding and further process of discussion that both the minister and the department have undertaken, there has been a decision that the timing of the competitive

assessment will be determined based on the further discussion with the sector that will begin in June, with the department undertaking a process of consultation in each capital city and in a number of regional locations.

Senator McLUCAS—It is quite interesting that that is happening, given that we are in an election year and that it was quite a tricky subject for the minister. That is one of my comments, Mr Wallace; you do not have to respond to that.

Senator Scullion—In response to the comment, what I have done is actually respond to the disability sector. You can imagine rolling out some budget measures at the same time as going to a competitive tender. We have said that, at a time that I am satisfied that they understand that process—it may well happen before an election—and the disability sector are satisfied that they understand completely the comprehensive rollouts or the implementation of some of the budget measures, then we will be in a position where they feel they can go to a competitive tender. We are continuing to consult with them with regard to the formation of that draft tender. If there is any suggestion that this is some sort of cynical avoidance, that is not the case, because it is certainly outside of the scope of the election process as I see it.

Senator McLUCAS—You are confirming that there will be a competitive tendering process?

Senator Scullion—Indeed, there will be a competitive tender.

Senator McLUCAS—I am glad that is on the record.

Senator Scullion—The competitive tender will happen when the consultation processes reveal that the disability sector believe they understand completely the recent implementation of the budget measures and they are confident that they are in a position to go to competitive tender.

CHAIR—Okay. I take it there are more questions in output group 2.2—general questions as opposed to mental health questions. Is that correct?

Senator McLUCAS—I have some more questions on 2.2. Chair, can I just raise another issue. Yesterday I asked Minister Scullion if he could describe his areas of responsibility separated from Minister Brough's. Minister Scullion was going to provide a letter that describes that. Has that occurred? I was not in the hearing all day yesterday.

CHAIR—Minister, I thought you read into the record what your responsibilities were.

Senator Scullion—Indeed, but I also indicated that there is a notional letter that arrives that describes the differential. I understand that is on the website, but I will be able to confirm that when we resume after the break.

Senator McLUCAS—If we could confirm that. Thank you.

Proceedings suspended from 12.35 pm to 1.38 pm

CHAIR—When we concluded for lunch we were still in output group 2.2, Support for people with disabilities. Are there any questions taken on notice for which answers are available at this point?

Dr Harmer—We will have quite a few later on this afternoon. There are a lot that we took on notice from Senator Crossin yesterday afternoon on Indigenous issues and a range of others.

Senator McLUCAS—I would like to ask Mr Wallace about the Auslan booking service underspend. Do you have that information?

Mr Wallace—I do have some preliminary figures, which I may need to clarify in writing. The original allocation was \$5.2 million. There was a transfer approved of an amount of \$2.7 million. I understand that earlier in the year there was a transfer approved for \$230,000, leaving a remaining allocation of a little over \$2 million, but I will seek to clarify the exact figures and we will try to table those today.

Senator McLUCAS—So that \$2.7 million has moved to the employment assistance program for case management and general operational funds for business services.

Mr Wallace—Yes, that is right.

Senator McLUCAS—When was the \$230,000 moved?

Mr Wallace—I do not have the time that that was approved with me, but we can provide that information. It moved to the disability employment assistance appropriation.

Senator McLUCAS—Why did that happen? It is a small amount of money; it is unusual.

Mr Wallace—I am not aware at this stage, but we can provide that on notice.

Senator McLUCAS—I cannot imagine a shortfall in moneys in the employment strategy.

Mr Wallace—I am not aware. I will need to take that on notice.

Senator McLUCAS—Am I right to read from this document which shows the advertising that there are really only two elements that are related to disabilities: the marketing of disability business services and the advocacy service marketing programs?

Mr Wallace—I do not have that piece of paper in front of me, but I am not aware of other—

Dr Harmer—I think they are probably the only two. That is comprehensive, so if they are the only two there, they are the only two we have got.

Senator McLUCAS—The reason I am asking that question is that sometimes from the names of things it is not absolutely evident what the program actually is.

Dr Harmer—What you have there is a range of things. There is one campaign, which is the women's campaign. There is a range of communication strategies, or marketing strategies, around programs, some of which are for information. I think everything we are doing is covered on that. The reason we produced this was so that we could give senators the opportunity to ask questions when the individual officers were here.

Senator McLUCAS—Mr Wallace, you did indicate that \$700,000 in 2007-08 is being allocated—sorry, can you tell me which year we are talking about? This is for the disability advocacy services one.

Mr Wallace—For the disability advocacy program, my recollection was that there was an amount of \$700,000 in 2007-08 for communication.

Senator McLUCAS—How is that money going to be spent?

Mr Wallace—As I mentioned before the break, the intention is that there will be a process of consultation with the sector in June of this year, in the capital cities and several of the major regional centres, to talk with the sector about the broader issue about people's awareness of advocacy services and how best to use that funding.

Senator McLUCAS—Does that include the rebadging of services as well?

Mr Wallace—There has not been a decision taken that there would be money spent on rebadging.

Senator McLUCAS—I thought there was a direction from the minister—it might have been the former minister actually—that all of the services had to carry the national disability advocacy program label.

Mr Wallace—The letter that the minister referred to before the break that he is providing to the disability advocacy providers indicates that, subsequent to this budget decision, there would be a further process of discussion about how best to achieve the objectives of the reform, and that will be one of the items for discussion. Whether that involves badging or labelling or not is a matter still for consideration.

Senator McLUCAS—How much is allocated to the marketing of disability business services?

Mr Wallace—I am not aware that there is a specific allocation for that at this stage. We are in the process of providing some advice to the minister in consultation with the sector and through national disability services, what was ACROD, about what activities might be useful in best promoting the services provided through business services, but there has not been a decision taken on that at this stage.

Senator McLUCAS—Is there an ongoing awareness program that will be funded under that label?

Mr Wallace—No, there is not an ongoing program.

Senator McLUCAS—I thought there was a website.

Mr Wallace—There is a website, BizAbility. One of the elements of a communication strategy is around the merits of business services for potential customers, and looking at enhancing BizAbility would be one of the elements that we would put forward in our advice to the minister. In particular, one of the elements that was considered when the website was initially developed, was the capacity for on-line purchasing, which is a function which has not yet been enabled, so that may be one of the components of the package.

Senator McLUCAS—There must be ongoing costs with maintaining that website, or are they just departmental costs?

Mr Wallace—There would be ongoing costs, but they are not separately appropriated; there is not a separate budget for them.

Senator McLUCAS—So they are costs that are met from departmental expenditure.

Mr Wallace—My understanding is that the cost of the communication effort would be met through departmental expenditure.

Senator McLUCAS—They are not managed in-house, though.

Mr Wallace—No; on occasions those services would be contracted. There was a contracted provider for the development of the BizAbility website.

Senator McLUCAS—When will we know what we spend on the business services marketing will be?

Mr Wallace—Once a decision has been taken by the minister.

Senator McLUCAS—I asked some questions on notice about the evaluation of the Commonwealth disability strategy, which commenced in 2004 and was completed by the end of 2005, and was to be released as soon as possible. It was finally released on 8 November 2006. I asked a series of questions that went to the next phase of dealing with that strategy and I got very unsatisfactory answers, such as ‘advice is being prepared for the minister’. Why is it that the committee cannot have a notion of what the government is actually doing about their Commonwealth disability strategy—that we hide behind ‘advice is being prepared for ministers’?

Mr Wallace—As you have noted, the evaluation report, which I think was prepared by Erebus International, was released in November last year. Since that time the department has been undertaking a series of discussions on the way forward with the CDS, consistent with the themes in the evaluation. We have had discussions with the federation of disability organisations. Minister Scullion, through Minister Brough, has asked for some advice from the National Disability and Carers Advisory Council on ways in which to give effect to some of the recommendations in the Erebus report. Some of the key themes in the report were that the reporting required under the current CDS is largely process and compliance driven, rather than outcome based. We have been negotiating with the sector as well as with the Australian Public Service Commission on ways in which we can make that reporting more meaningful. We have also been talking to the sector about ways in which the sector may be involved more in an educative role with Commonwealth agencies around how best they can give effect to their responsibilities under the CDS. That information is feeding into advice to the minister, but a decision on the formal way forward from government has not been taken at this stage.

Senator McLUCAS—I will leave that to one side. The International Convention on the Rights of Persons with Disabilities was signed on 30 March. I think I am right in saying that I put out a press statement to say that I commended the government for doing that. Can you give the committee an understanding of what the processes will be from the initial signing of the convention through to its ratification, and what work FaCSIA is undertaking to lead that?

Mr Wallace—As with the process of negotiation through the special sessions of the UN and then the process of briefing the Australian representative at the UN through the General Assembly process, FaCSIA and the Attorney-General’s Department will jointly be involved in taking forward the ratification process. The Attorney-General’s Department is taking the lead on that. There is a standard process of treaty making whereby there is extensive consultation with state and territory governments, focused on the extent of compliance of their existing legislation with the new convention. Similarly, there will be a process of investigating

Commonwealth legislation to ensure that there is a compliance as well, prior to proceeding to a decision as to whether or not to ratify.

As with the process through the ad hoc sessions, there is also an intention, as I understand it, to continue to involve the non-government sector in the process of informing government about the ratification process. So at each of the ad hoc sessions there were two non-government representatives as part of the Australian delegation. We continue to envisage an active role for what the UN folk term 'civil society' in the ratification process. As part of that, I am attending a session being convened by the Human Rights and Equal Opportunity Commission, I think in June, to explain to the non-government sector the forward process for ratification and their involvement in it.

Senator McLUCAS—So A-G's have the lead agency role. What sort of support does FaCSIA provide into that process, in a practical sense?

Mr Wallace—We are certainly jointly involved in briefings of the Joint Standing Committee on Treaties. We are jointly involved in communications with the sector. We are jointly involved in putting forward briefings to ministers and advice—as a general rule, certainly since I have been involved, there have been single pieces of advice provided to relevant ministers—and certainly jointly involved in the process of communication with the sector.

Senator McLUCAS—I think it is fair to say it is early days and there would be quite a way to go on that.

Mr Wallace—The ratification process often takes quite some time, yes.

Senator McLUCAS—In terms of funds allocated for the young people in nursing homes project, question on notice No. 113 allocates the total amounts committed over five years. Can that be broken down into this current year, 2007-08 and the out years?

Mr Wallace—I do have that information. I am not sure whether I have it with me. I have brought the allocations by state. I am not sure that I have brought the allocations by year with me.

Senator ALLISON—I have.

Senator McLUCAS—You have? I will put it on notice to you then, Senator Allison!

Mr Wallace—I thought we had responded to a question from someone on that in the past.

Senator McLUCAS—Senator Allison, is that broken down by state and by year?

CHAIR—Would you state your full name and the capacity in which you appear today please?

Senator ALLISON—Not by state—only the Commonwealth contribution, not the state contribution, which I do not think is available.

Mr Wallace—That effectively gives you the state contributions across the years, other than in two jurisdictions. In the ACT there is a slight mismatch between the Commonwealth and state contributions in years 1 and 2. The amount of funding the ACT originally indicated that they wanted in year 1 changed, but not at a point where we could change it prior to additional estimates, so that amount will be made up by the ACT in the second year. In South Australia I

understand their contributions are slightly higher in a couple of the early years, and the Commonwealth's contribution slightly higher in a couple of the later years.

Senator ALLISON—Combined, Health and FaCS is \$6.2 million in 2006-07, \$15.3 million in 2007-08, \$29.3 million in 2008-09 and \$39.4 million in 2009-10.

Senator McLUCAS—Mr Wallace, could I ask, on notice, for a table which indicates the Commonwealth contribution by year and by state, and which also disaggregates each of the Commonwealth contributions into the DOHA contribution and the FaCSIA contribution?

Mr Wallace—Yes, I think we can do that.

Senator McLUCAS—In terms of the current year, can we have an update on implementation of the program?

Mr Wallace—As I think you know, at the time of the last hearings all states and territories had signed bilateral agreements. The predominant activity for most jurisdictions in this first year is assessment. There have been procurement processes in a number of jurisdictions which are looking at establishing new facilities. In your state of Queensland I understand there have been two tender processes, which I think is resulting in three facilities being build.

Senator McLUCAS—That is right.

Mr Wallace—In Victoria I understand there has been at least one new facility commissioned. We had a discussion on this issue at the meeting of officials last week in Adelaide and we were given brief verbal updates by states and territories. There is a requirement that a full report be given to the Commonwealth by each jurisdiction after July of this year—in effect, for some jurisdictions only four to six months worth of actual implementation, but 12 months from the potential implementation date. So we will be in a much better position to give a clearer understanding of progress after we have received those reports from states and territories. Other than that, what I am going on is the informal discussions we have had with jurisdictions at this point.

Senator McLUCAS—Mr Wallace, in terms of that report, has the Commonwealth asked the states and territories to report on a series of headings?

Mr Wallace—There has been a performance reporting framework agreed. The framework was agreed in advance of signing bilateral agreements, and the detail of some of the indicators has been resolved subsequent to that through the Institute of Health and Welfare. The intention is that there be both a quantitative and qualitative element to the reporting. We are looking at the quantitative element being based on the existing national minimum data set for the Commonwealth State Territory Disability Agreement, using, to the extent possible, some common definitions there. For the qualitative element, we are looking to allow states and territories to give more of a sense of the colour and movement of the way the program is being implemented in their jurisdiction.

In addition to that, albeit that it will not be available soon, there has been a commitment as part of the performance reporting framework to some measurement of outcomes, and a commitment to the development and measurement of some quality of life indicators. This is an issue that we have taken up, partly but not wholly, in response to the ANAO's audit where they noted that we had very little understanding of outcomes achieved for people with

disabilities through the CSTDA. We saw this agreement as an opportunity to start a new program on the right foot by having both an understanding of the numbers of things provided, and also a sense of trying to capture the outcomes that achieves for people. We are working with states and territories on developing those indicators.

Senator McLUCAS—Is there a document that describes the full performance reporting framework, that the committee could have a look at?

Mr Wallace—There is a document. I cannot see any reason why we would not be able to provide that.

Senator McLUCAS—Thank you. The Australian Healthcare Associates survey, which is a survey of people currently in residential care who are under the age of—was it 65 or 50?

Mr Wallace—It was 65.

Senator McLUCAS—Is that work finished?

Mr Wallace—Unfortunately, the answer is no. The report has been considered by officials. A draft final report was circulated to officials—and I am going from memory here—last month, I think. There are some edits being made to the report on the basis of feedback from jurisdictions, and then the process generally would be that that report would be fed through the Community and Disability Services Ministers Advisory Council and then to ministers to make a decision on release.

Senator McLUCAS—I think it is fair to say that that is taking much longer than was predicted.

Mr Wallace—It has taken longer than expected, yes.

Senator McLUCAS—The difficulty with that is that that is the document we need to have in order to make decisions about appropriate relocation. That will inform decisions about alternative housing arrangements and care arrangements.

Mr Wallace—We certainly view it as an important element of that information. States and territories in the main have contacted all young people in residential aged care initially under the age of 50 and are undertaking individual assessments of their care needs. That will also provide a very rich source of information and I understand in most jurisdictions that process is well underway. The Australian Healthcare Associates work is obviously important, and as a group of administrators we saw merit in continuing that work despite the announcement of the COAG measure which came after the decision to commission that report initially. We certainly think there is value in continuing it, but there are a range of other sources and information as well guiding what types of care needs people have and what types of support they will require.

Senator McLUCAS—Does the Australian Healthcare Associates document indicate potential costs for alternative accommodation?

Mr Wallace—I do not think it goes to the issue of costs, no.

Senator McLUCAS—Thank you. Is the research report by the old National Disability Administrators called ‘Younger people with high clinical needs’ completed?

Mr Wallace—I might check this because I am not exactly certain. I understand that the report has been completed but it is yet to be provided to ministers. I will take that on notice, if I can.

Senator McLUCAS—Is the process that, once it has been provided to ministers, it is then up to the ministers whether or not it will be released publicly?

Mr Wallace—That is right.

Senator McLUCAS—How many people have moved out of residential care under the program to date?

Mr Wallace—I do not have an accurate figure on that. I am aware that there are some but I do not have a figure. Because the Commonwealth has not had a reporting requirement of the states and territories yet I cannot provide an accurate figure.

Senator McLUCAS—I think you provided us with a figure in February.

Senator ALLISON—It was three, wasn't it?

Senator McLUCAS—I thought it was two, but I could stand corrected.

Mr Wallace—I think in February I might have mentioned that there were 'at least' and whichever the number was that was accurate. I do not think I said that I knew how many but I will check the *Hansard*. I said 'at least' a certain number. I do not have an accurate figure on the number of people who have moved, I am sorry.

Senator McLUCAS—That is fine. Senator Allison, I have one other issue to address but I am sure you want to talk about things.

Senator ALLISON—I will carry on then. Will the \$5.7 million in the 2006-07 budget be spent by the end of June?

Mr Wallace—Yes, it will. The very significant proportion of Australian government funding is transferred directly to the states, and the full amount of that money will be transferred to the states.

Senator ALLISON—And have they spent it?

Mr Wallace—We will certainly be expecting that they will and we will be requiring them to equip what they have spent.

Senator ALLISON—Is that the case as well with the \$14.8 million programmed for 2007-08? At what point will that be handed over, as it were?

Mr Wallace—The funding, as I understand it, is transferred fortnightly or monthly—I cannot recall which now—on the basis of an agreed program. So for each year the total amount would be paid—and I think it is monthly—in 12 equal instalments to the states and territories.

Senator ALLISON—In the last estimates we asked questions about the extent to which the department and the states understood how much it was going to cost for each person. I know there will be variables between them depending on their level of support needed, but have you a better grasp of what \$14.8 million next year, \$28.8 million the year after and so on will buy by way of alternative accommodation?

Mr Wallace—What we do have is a set of agreed targets with the states and territories about what that funding can be used for and what we expect them to achieve for it.

Senator ALLISON—So can you provide the committee with those targets?

Mr Wallace—Some, if not all, of that information I understand was provided in question on notice No. 90 from the previous estimates hearings. As you are aware, there are three components to the program: the first component being looking at assisting people in residential aged care to move out of residential aged care; the second being diverting younger people who might be at risk of moving into aged care and stopping that from occurring; and the third being to assist those who choose to remain in residential aged care or for whom an appropriate alternative cannot be found to have a better range of services and assistance. The minister has provided in response to question on notice No. 90 ranges in the targets for each of those three areas.

I might say also that above that there is a target that each jurisdiction has agreed to in terms of a net reduction in the numbers of young people in residential aged care over the course of the five years, which is a function of the first two elements of the program and also a function of I guess estimates of inflows and outflows of people within that target range. The total targets in terms of net reductions across the five years of the program indicate that between 425 and 690 people will move over the course of the five years.

Senator ALLISON—People who will or will not move?

Mr Wallace—A net reduction over the course of that period of I understand between 425 and 690.

Senator ALLISON—And these are under-65-year-olds or under-50-year-olds?

Mr Wallace—Certainly our expectation is that the predominant focus will be on the under-50s. In some jurisdictions there are very small numbers of people under the age of 50 so they have taken a decision that they will also focus on those under 65. It is certainly the expectation that the majority of people will be people under the age of 50 but not exclusively.

Senator ALLISON—So altogether that would represent about half the population under 50?

Mr Wallace—There is a total of I think 1,013, on my most recent numbers, of young people who are under 50.

Senator ALLISON—So the midway point would be about half that?

Mr Wallace—Yes, that is right—between 425 and 700.

Senator ALLISON—Up until what year?

Mr Wallace—At the end of the fifth year.

Senator ALLISON—So \$260 million will account for—actually, it is a bit hard to work out those figures. I am still trying to figure out what that means in getting people out of nursing homes.

Mr Wallace—In terms of the total number of people provided assistance, the range is between 853 and 977 across the three elements of the program.

Senator ALLISON—The sticking point for years with the states was what happens after people who need a higher level of support than is offered in nursing homes are shifted into alternative accommodation. Has that been resolved and if so how?

Mr Wallace—This program is certainly an acknowledgement that there are a group of people for whom it is very difficult to find appropriate alternative accommodation in the general disability accommodation system. This program allows for the provision of services beyond the scope of the existing CSTDA to those clients in terms of clinical care and other assistance.

Senator ALLISON—But only up until the period of the 2009-10 budget?

Mr Wallace—The COAG announcement made jointly by the Prime Minister and premiers in February 2006 indicated that, subject to satisfactory achievement through the course of the five years of this program, it was the intention of all parties to continue the program.

Senator ALLISON—So if we are reducing the number of under-50-year-olds in nursing homes by 50 per cent by 2010, will there be a similar program out to 2015 for the remainder of the under-50-year-olds?

Mr Wallace—I guess I can only reiterate that the Prime Minister and the premiers indicated that assuming the program operates successfully over the course of the first five years all parties intend to continue it, yes.

Senator ALLISON—Okay. Just so I can understand what the arrangements are so far in terms of support in whatever the accommodation is, what is the process for a person with a disability? Is there a cap on the services they can receive? What are the arrangements for those who are already there?

Mr Wallace—Sorry, those who remain in aged care or—

Senator ALLISON—The three or the 10 or however many there are who currently have been moved into alternative care as part of this program?

Mr Wallace—There is no cap placed on the amount of funding that can be used for any one individual by the Commonwealth. I am not aware of the amounts of funding or the nature of services for those folk who have already moved at this stage. We will be awaiting some of those details in the first report from the states and territories. From the perspective of the agreements we have with the states and territories, there is no particular limit on the amount of funding that could be made available for an individual.

Senator ALLISON—So the Commonwealth has no cap but the states may impose a cap?

Mr Wallace—It is open to the states to take decisions on the day-to-day operations of the program. As to whether or not individual jurisdictions take decisions about limits on the amounts of funding, I am not aware that that has happened but equally I am not aware that there is anything in the bilateral agreements with the states that would prevent them from taking that operational decision.

Senator ALLISON—What work has been done to look at the likely cost of those supports as part of these agreements? I do not think the survey would do it, but are they informed by the likely disabilities that people might have that would fall into this category?

Mr Wallace—A piece of work was commissioned at Minister Brough's request around the middle of 2006, if I recall correctly. It was a request for information process which received I think 79 submissions from quite a diverse range of people—from peak groups, from existing service providers, from aged-care providers, from individuals. A range of suggestions were put forward about potentially appropriate models of care and accommodation continuing for this demographic. That information was put into a summary report and is published on the FaCSIA web site. I cannot direct you to it if you are looking for it now.

Senator ALLISON—Will it tell me the answer to my question?

Mr Wallace—It provides information on a range of different models and provides some information on a range of costs that might be associated with those models. As you have I think pointed out in some of your earlier questions, there will be quite varying care needs depending on the nature of a person's disability, whether it be a physical or acquired brain injury or a combination of a range of things. So there is not a single average cost or a single model with a cost that we would put forward as the appropriate response, but it does give a sense of the range of different models that might be appropriate and it does present some information on cost.

Senator ALLISON—By the way, is the agreement with the states that has been struck now available to the parliament?

Senator McLUCAS—I think we got it on notice last time.

Mr Wallace—Yes, that was provided. I think it was attached to question on notice No. 90.

Senator ALLISON—Okay, did it include all the information about targets?

Mr Wallace—The answer to the question on notice provided information on targets. The bilateral agreement is the shell bilateral agreement so it is a sample without the state specific information in it.

Senator ALLISON—The state specific information would be that which has the interesting detail, would it not?

Mr Wallace—The state specific information includes the targets in each jurisdiction, yes. It has certainly been Minister Brough's position that he is very happy to provide copies of the bilateral agreements. State and territory ministers have expressed less willingness to make those available.

Senator ALLISON—Chair, I am wondering if the committee might put in a formal request to have those bilateral agreements provided to us. Minister Brough is happy for that to happen; the states may not be as happy but we can at least ask.

CHAIR—We can consider doing so, yes.

Senator ALLISON—I have one other thing. You mentioned two tenders for Queensland for procurement. The state presumably called for that tendering?

Mr Wallace—That is right.

Senator ALLISON—What was the nature of the tender? Is it about building a facility or is it about taking care of the whole provision of this service? How does it work?

Mr Wallace—My understanding is that there have been two procurement processes in Queensland. The first was to engage an external provider with the relevant expertise to do the assessment process, which is quite complex, taking into account the range of quite high support needs that this group of people will have. The second process was to procure two facilities. I understand there was an announcement from the Queensland minister of \$4.1 million in funding for a 16-bed facility in Brisbane and a 10-bed facility in Far North Queensland.

Senator ALLISON—I wrote down three facilities. Did I get that wrong?

Mr Wallace—I may have said that. If I said that, I was incorrect. In Queensland there are two; in Victoria there is one. That might have been the total of three I was referring to. In Victoria there had been an announcement of \$2.2 million for a 10-bed facility in inner Melbourne.

Senator ALLISON—So these will be privately run?

Mr Wallace—I do not have the detail of who the contractors are.

Senator ALLISON—Just from interest, a model which seems to work quite well in Melbourne is to attach one of these to an existing aged-care facility. Is that what these two facilities in Queensland are looking like?

Mr Wallace—I am not aware if that is the case with those two facilities in Queensland. Certainly in my discussions with a range of the states a number of them are exploring the possibility of having separate facilities but sharing some of what they call hotel facilities of aged care—so trying to ensure that there is a separation between the residential aged-care environment and the environment for this program but looking at sharing some of the economies of some of the other operations for the aged-care provider.

Senator ALLISON—Thank you very much.

Senator McLUCAS—Could I move to business services. What is the total budget in 2007-08 for business services?

Mr Wallace—This will take me a moment, Senator. I can give you an answer to a question you have not asked while I look for the answer.

Senator McLUCAS—I would really like to know that, Mr Wallace. What was the question?

Mr Wallace—I can tell you how much has been allocated in 2006-07.

Senator McLUCAS—Yes, that is a good start. I wanted to ask that as well.

Mr Wallace—I thought you might. There is a total allocation for disability employment assistance in 2006-07 of \$168,358,911.

Senator McLUCAS—On top of that there is the money from the \$2.7 million plus the \$230,000. Am I right to add that in?

Mr Wallace—There are a range of other components. There is the Business Services Assistance Package, which is in addition to that.

Senator McLUCAS—So that is the total for the disability employment support program. Is that what it is called? Can you separate it out for me, please?

Mr Wallace—I can. So the Business Services Assistance Package allocation is \$32,449,348.

Senator McLUCAS—And that is the money that is allocated for case based management?

Mr Wallace—That is funding allocated for a range of purposes following the full capability review process. This was part of the \$99 million announcement of the government, I think in the 2003-04 budget, around promoting viability in business services. So a range of that funding has been used to assist with the full capability reviews that you would have heard about from Miss Windsor in the past. Decisions have then been taken on assistance to be provided for business services that include assistance with wage top-ups, assistance with equipment, assistance with refitting occupational health and safety issues et cetera with the purpose of ensuring that they are running efficiently in a viable business environment. There is \$5.3 million for targeted support. That is the funding provided for workers with very low productivity who have been through a case management process and taken a decision to be involved in a non-employment option.

Senator McLUCAS—So that would mean a day care service or something?

Mr Wallace—Often a service provided by the same provider but not in the employment setting, yes.

Senator McLUCAS—Thank you.

Mr Wallace—\$12.24 million for advocacy. The information and access programs, a total of \$9.19 million, which includes postal concessions, print disability and captioning services.

Senator McLUCAS—That is the fight with Australia Post.

Mr Wallace—Pardon?

Senator McLUCAS—That is the argument we have with Australia Post.

Mr Wallace—The Postal Concessions for the Blind.

Senator McLUCAS—Yes. How much is that Postal Concessions for the Blind element of that?

Mr Wallace—The budget in 2006-07 was \$7.5 million.

Senator McLUCAS—Okay.

Mr Wallace—The national Auslan booking service, which I have referred to before, which had an initial allocation of \$5.19 million but which has subsequently been reduced; \$1.5 million in total for the complaints resolution referral service and the National Abuse and Neglect Hotline. So a total within that appropriation of \$228,935,307.

Senator McLUCAS—And just so I get my language right, what is that line called?

Mr Wallace—That is called the disability employment and other services appropriation.

Senator McLUCAS—Thank you. And the first item you read out to me was \$168 and some million.

Mr Wallace—Yes.

Senator McLUCAS—What was that one for?

Mr Wallace—It was effectively for case based funding.

Senator McLUCAS—That is case based funding.

Mr Wallace—And associated payments.

Senator McLUCAS—Thank you. Could you give me the figures for 2007-08 along those same lines? Is that possible?

Mr Wallace—I do not have those figures with me, but what I can tell you is that the appropriations are subject to a two per cent growth component, indexation at wage cost index 2, but that has the efficiency dividend applied to it.

Senator McLUCAS—So this one has an efficiency dividend.

Mr Wallace—Yes.

Senator McLUCAS—Of how much?

Mr Wallace—1.25 per cent, I understand.

Senator McLUCAS—Yes. So in terms of funds that go to business services directly, we are talking about the case based funding amount and the second item you read out, which I just wrote down as ‘business services’.

Mr Wallace—The predominant components are case based funding, Business Services Assistance Package funding, targeted support funding.

Senator McLUCAS—Yes.

Mr Wallace—There are a range of supplementary payments available but which are contained within the disability employment assistance component.

Senator McLUCAS—Okay. The budget for 2007-08 is essentially those amounts plus two per cent minus 1.25 per cent.

Mr Wallace—Senator, I do have the budget estimate here, although I need to make a note on comparability. The budget estimate for services for people with a disability is \$246,367,000.

Senator McLUCAS—You cannot disaggregate that for me at the moment?

Mr Wallace—I do not that have here, no. In effect, in managing the appropriation we make some estimates of the amounts of funding that will be used for case based funding. But as you would appreciate, we do not control all the variables of the funding that is handed out within that appropriation. So we make an estimate but we need to vary that across the year. That relates to the level of case based funding assistance that individuals who come through the door receive. I do not have a breakdown for the coming financial year.

Senator McLUCAS—But there would have been a notional breakdown done?

Mr Wallace—There will be a notional breakdown within the department, yes.

Senator McLUCAS—If you could provide that to us that would be great. I know that it is variable. I know the nature of this program, but that would be a good start. If I compare the PBS from 2006-07 with the PBS for 2007-08 it appears the number of people in business services is proposed to grow. Am I right to make that assumption?

Mr Wallace—There is an expectation that there will be a growth in expenditure in the appropriation.

Senator McLUCAS—Sorry, Mr Wallace, I mean the actual number of people estimated to be using the business service. According to my reading of the PBS, that increases by nearly 1,800.

Mr Wallace—There is a forecast increase. As I understand it, at present there are around 1,500 people with a case based funding place and the estimate for the next financial year rises somewhat from that. I am just trying to find that in my papers.

Senator McLUCAS—Last year's PBS says that the estimate is that 20,343 people are going to be using business services. I do not know that we have got the right language.

Mr Wallace—That is accurate. The 18,500 is a point in time figure rather than a full year figure.

Senator McLUCAS—So that is the total number of people who have been through a door of a business service across a year?

Mr Wallace—That is right. In the current financial year the total number who have been in a business service is from recollection a little over 20,000 and the estimate for next year is around 22,000.

Senator McLUCAS—So your figure of 18,500 is like an effective full-time figure?

Mr Wallace—Yes, it is a point in time figure rather a full year figure.

Senator McLUCAS—Thank you. When comparing the two PBSs it is proposed that the number of Indigenous users of the service will decrease. Is there a reason for that?

Mr Wallace—I have the current PBS in front of me which indicates a rate per thousand population in the Indigenous population of 1.3.

Senator McLUCAS—Which compares with last year of 1.6? I know they are not huge, but I would hate to think that was a trend.

Mr Wallace—The estimates in the PBS have been based on information derived from the FOFMS data on the number of people being supported. As you can see in the table, obviously their rates of pay, hours of work and a range of other characteristics are shown. On the basis of that current information in FOFMS, the expectation is that it would be 1.3 per thousand in the coming financial year. I am not sure whether that in part relates to an expectation that there would be a higher rate of employment in the open employment labour market. I cannot confirm that.

Senator McLUCAS—I will get to that in a moment. I wonder whether you would mind going back over the last five years and finding out what the estimated participation rate is for Indigenous people in business services using the per thousand figure and see whether there is a trend one way or other.

Mr Wallace—If it is in the published information we would be able to provide that. The accuracy of the information we have on a person's Indigenous status is not great as it is not great in a lot of programs. The extent of comparability over time I am not confident of.

Senator McLUCAS—I wonder whether in that same table of data you could compare the estimate as published in the PBS with the actual that you would have received through the information coming back from business service providers?

Mr Wallace—I will check whether or not we have that information available in the period before we had the online funding management system. What I expect has happened is that the nature of the information we have available relates to a broken time series. If we are able to provide that information in a comparable way, we will.

Senator McLUCAS—Could I ask for exactly the same data for another of the indicators which is the users of business services per 1,000 of the eligible population in outer regional and remote areas? That indicator is also decreasing from 2006-07 to 2007-08. What I am trying to find out is whether there is a trend appearing here.

Mr Wallace—Yes.

Senator McLUCAS—Thank you. Has there been any change in the actual number of services?

Mr Wallace—There are 219 services providing funded business services and a further 17 outlets providing targeted support, as I understand it. That is a slight reduction in the number of services from the previous year—it is down from around 230. I understand that that has not translated into a reduction in the number of outlets but I will check that information.

Senator McLUCAS—So 230 in 2005-06 or 2006-07?

Mr Wallace—In 2006-07, 219.

Senator McLUCAS—And 2005-06 was 230? We have raised this with you before. During the inquiry that we undertook you indicated to the committee that a person wanting to move from a business service to a disability employment network place could quarantine—that is probably the wrong word—their place in the business service for a period of time. What are the rules around that?

Mr Wallace—If a person wishes to leave their business service place to move to open employment or, I understand, to education for a period of time—that is, to undertake vocational education and training—they are able to have that place suspended for 12 months with, in effect, an automatic right of return. The area in which that sometimes becomes an issue is where a service running at full outlet capacity wants to fill that position with another worker. If at the time the worker who has departed for open employment or vocational education and training decides to return to the business service the business services can use what is called a stretch capacity. They are able to have a number of funded places above their funded outlet capacity. I think the stretch capacity is up to five per cent, I am going from memory here, of their funded outlet capacity.

Senator McLUCAS—Do you measure the number of business services that use that stretch capacity in any way?

Mr Wallace—We do. The answer is not a lot of them. About 60 per cent of business services are running under outlet capacity, that is to say that they have at least one funded vacancy. I guess for those services the stretch capacity would not be required. For the 40-odd per cent that are running at about capacity then that would be an option. It is not taken up a lot, in part because there are not a lot of people, to be frank, who choose to move to open employment for a period of time. It is not something that there is a great demand for. We also think there may be some issue with people's understanding of stretch capacity. Through the fortnightly newsletter we have with our funded providers, we have had a series of articles on assisting people to understand that there is this capacity that they can avail themselves of. It is fair to say that there has not been a significant increase in usage.

Senator McLUCAS—So how do you measure outlets that use the stretch capacity that is available?

Mr Wallace—The outlet needs to let the department know that it wishes to use stretch capacity.

Senator McLUCAS—So if I asked you how many outlets or how many business services have used stretch capacity over the current financial year, you could tell me that? I am not trying to ask you to do something that is not—

Mr Wallace—No, I imagine we can, Senator. Information we have in FOFMS is an agency's funded outlet capacity. If we had received an application and were paying an agency for a number of people above their outlet capacity, we can safely assume that they are using the stretch capacity. So we should be able to provide some information there.

Senator McLUCAS—Okay. If you could provide just the number who have used stretch capacity in the current financial year.

Mr Wallace—Yes.

Senator McLUCAS—My final question is: do we have any way of identifying the number of individuals who move from business services into the Disability Employment Network?

Mr Wallace—We do not always have good information, but we attempt to measure where people exit to from business services. A very small number move to open employment, but it is also fair to say that there are a number where we are not sure where they have moved to. I do have some information with me which might take me a little time to find. I have in mind a number of only around six or so per month—so very low—but I can find that information if I am—

Senator McLUCAS—Mr Wallace, rather than using the committee's time, because I think I have been a bit greedy, if it is not something like six per month, could you come back to the committee on notice with an answer in that respect?

Mr Wallace—Yes, I can do that.

Senator McLUCAS—Thank you very much.

Senator WEBBER—I have questions on mental health, although I am pretty sure my colleague Senator Moore will be coming as well.

CHAIR—Let us finish the general questions on 2.2 first. Have you got more general questions?

Senator McLUCAS—Just one more question. Do we measure the waiting lists at those business services that are at capacity?

Mr Wallace—The department does not manage waiting lists, no.

Senator McLUCAS—No, not manage; do we measure them? Do we find out how many business services have waiting lists and what the nature of those waiting lists is?

Mr Wallace—We only have information on the number that are running at outlet capacity.

Senator McLUCAS—And that is about 40 per cent?

Mr Wallace—Yes.

Senator McLUCAS—Thank you.

CHAIR—If there are no further questions generally on 2.2 rather than mental health, we will move now to mental health. Senator Webber.

Senator WEBBER—Thank you very much. Perhaps we could just start with a general question about how many people are actually employed specifically to deal with mental health issues in the department.

Dr Harmer—There is just a changing of the guard, Senator.

Senator WEBBER—That is fine.

Dr Harmer—Just for the benefit of officers coming to the table, your question is how many people are employed in FaCSIA working on mental health.

Senator WEBBER—On mental health, yes—specific mental health programs.

Mr Lewis—The answer is 50 at the moment.

Senator WEBBER—Is it anticipated that that will grow?

Mr Lewis—Yes. We are forecasting 54 at our peak. You will recall last time you asked me and I said 33.78.

Senator WEBBER—Yes, and I was fascinated by the .78.

Mr Lewis—You chipped me for not making it 34.

Dr Harmer—He went back and quickly filled in the other .22, Senator!

Senator WEBBER—Plus some by the looks! Can you give us an overview of how the interaction between FaCSIA and DOHA is going with the implementation of the COAG agreement?

Mr Lewis—As you know, there is an IDC that we sit on with DOHA, DEWR, AGs and a whole lot of other people. That is meeting less frequently now, as you would expect. At the last meeting it was agreed that that IDC in its present form would continue for at least 12 months because it has been found to be very useful for that relationship that you have just asked about in terms of how FaCSIA gets on with DOHA. We have had differences of opinion about how you approach mental health—

Senator WEBBER—That is very unfair, because they get to go second in this committee, so they get to read your answer first.

Mr Lewis—I know that. In fact, they are watching. They have assured me that they will be watching.

Senator WEBBER—I did notice that last time.

Mr Lewis—Well, I hope they are! We had differences of opinion but we have actually managed to resolve them, and I think to the benefit of both of our programs respectively. Examples of that include the connection between the day-to-day living programs, for example, and where the personal helper and mentor sites are. There has been a bit of a building on separate but collective allocation of sites and resources, which is a nice sign I think.

Senator MOORE—Can we talk about the money and then we will get on to the actual programs in terms of the programs for which FaCSIA is responsible, and they are just the three. Can I get an idea of what the overall expenditure has been up to date, how you are going against this financial year and at this stage, without breaching Treasury issues about the future, in terms of the spread from then on.

Mr Lewis—We are tracking exactly as forecast in the additional PBS last year except for two rephasings that we have undertaken, and you will see those reflected at page 81 of your current PBS.

Senator MOORE—Yes, I have that.

Mr Lewis—You will note that we are down from \$14.863 million to \$8.63 million or \$8.674 million there, because it is rounded up. That reflects a \$6 million shift, and a \$1 million shift rephased for a community based program and a \$5.2 million shift—sorry, all up six; it is rounded up to six. So it is \$5 million around about for the respite measure.

Senator MOORE—What is that all about? We had a full discussion last time about exactly what the program was. I am interested with these particular formats in the PBS—and I will talk with someone about that later—in that when there are such shifts why there is not an asterisk that actually at the bottom of the page tells you when there has been a change, because so far in FaCSIA we have had a couple of occasions where it has been really obvious once you have had the discussion exactly what has happened but you have to wade through it. From this particular process, you have had—

Dr Harmer—We can take those sorts of things on board. We operate pretty strictly on the department of finance guidelines for the production of these things.

Senator MOORE—That is why I have made a note to talk to Finance.

Senator WEBBER—Their guidelines are not made for people like me.

Senator MOORE—It is just when there has been such a straightforward process so much of the other formatting has this process, but not this one. You have to go through line by line. In this one we have had that figure of \$8,674 which, looking at last year's PBS, does not line up. So there has been these two phases—one of about \$1 million and one of about \$5 million. What is the story?

Mr Lewis—I think I foreshadowed at the last discussion that the larger amount is because in terms of the respite measure—and I heard you discuss respite obviously with Mr Wallace—one of the issues is the capacity of the sector to refer for mental health respite. The advice we got from the sector in consultation from our state colleagues—state government colleagues—and from DOHA was that we needed to reduce the amount of money we allocate in the first pass to the CCRCs, the Commonwealth Carer Respite Centres, to undertake the brokerage component of the respite program. So we split the money into two components which meant that the second component of money is to develop the respite capacity of the sector. To do that, we are going to go to tender. So we had not originally envisaged when the program was originally thought through that we would need to go to tender for that separate new element. As a consequence, we need the money early next year to fund that tender. So what we have done is we have split the money into 40 per cent to brokerage in the first pass and 60 per cent into the mental health respite development fund which will be the tender that you will see forthcoming.

With regard to the other amount of money—the million dollars from the community measure—we have embarked on two strands this financial year. You will remember we only had \$2.244 million originally of administered money to run it. What we have done is we have allocated the money to family relationship services in seven sites but, because they could not start as quickly as we would have liked, rather than lose the money we have rephased the money again—\$1 million—early into next year.

Senator MOORE—Okay. Can I find that explained anywhere? I certainly cannot find it on your web site. None of that information is there. If I am an interested person in this process—and there are many, as you know—where do I get the information about these decisions, all of which are worthy? How do I find out if I am tracking it through?

Mr Lewis—I will have to come back to Dr Harmer's response in terms of how we might put that in the annual report or have it thereto. The PBS will not reflect it, as you have commented. So one avenue is the annual report next year—

Senator MOORE—By which time it is all over.

Mr Lewis—That is right. It normally would not be on the web site. We have to go through the department of finance, and there is a whole process around how money is rephased. Obviously there have to be sound arguments as to why one would do that.

Senator MOORE—The rephasing of the money makes sense but it actually changes the nature of the program.

Mr Lewis—It does.

Senator MOORE—That is the kind of information that I am wondering how people can find it. On the web site—which I do like, and I think the information process on the web site is useful, as are the updates there—it does give you information but it does not explain how you have reallocated money, particularly the allocation with the respite, which was always contentious. Senator McLucas has gone, but respite also covers people with intellectual disabilities which was one of the core debates at the time.

Mr Lewis—That is right.

Senator MOORE—I am not convinced waiting for next year's annual report will in effect provide that information, but I do not have a suggestion otherwise, so I just put that out there.

Senator WEBBER—I know Senator Moore has some follow-up questions on respite, but there does seem to be some confusion about mental health respite versus respite for people with intellectual disabilities. That has been raised and Senator McLucas just raised it with me. From the sector that she deals with there are some concerns. So explaining what is going on next year is not going to address the concern.

Mr Lewis—In terms of the respite or the CCRCs themselves, we have just undertaken training for all 54 of the CCRCs which accepted the money. In addition to training them in how the program works, we provided a day and a half of mental health specific respite training. Mental health and intellectual disability was obviously covered, but the idea behind that was to inform the sector that what we were asking them to do was different from what they had hitherto been funded to do.

The response to that training was very positive. We worked with VICSERV, which is one of the nationally recognised PDRSs, or psychiatric disability rehabilitation services. I think we will probably need to undertake future engagement with the sector in that regard. I personally talked to a number of the CCRC providers about the sector capacity for referral, certainly through the formal consultations we discussed last time but separately as well. We have responded to their suggestion that we develop the sector in tandem with providing money for brokerage. They were overwhelmingly positive in terms of how that would be a good thing.

There is scope for next year and the following year to revisit the mix of apportionment to brokerage versus sector development depending on the take-up. Even having cut the brokerage allocation, if we do not get high usage of the brokerage money we would start to worry. We would need to think whether we should put more money into development. Alternatively, when we go to tender if we do not get a strong response from the market to develop these services then we would obviously think about something there in terms of how the money has been allocated. I put the question of mental illnesses versus intellectual disability to what was a collective of five state CCRCs. I said, 'If I am asked this at estimates, which I am going to be'—

Senator WEBBER—Which one did you leave out?

Mr Lewis—Well, this was a training centre in Victoria, and I think people from WA, Tasmania and Victoria were all present in one room at a training session. So for cost purposes we tried to consolidate the training.

Senator MOORE—So far you have only pissed off Queensland with that particular comment. I am sorry, you cannot win.

Mr Lewis—I cannot win.

Senator MOORE—We need a special centre.

Senator WEBBER—They are special.

Mr Lewis—They are special. Everyone is special. We will come to Queenslanders, I am sure.

Senator MOORE—And to the north.

Mr Lewis—And to the north. I said, ‘What am I going to say at estimates? I am going to be asked a question.’ They said, ‘This is not a new problem for us.’ Our front-of-house process at the CCRC level is one where we are quite skilled at working out whether this is a straight mental illness, whether it is a co-morbid issue or whether it is an intellectual disability. It is the back of house—the referral and the service provision—that is a bit more complex but we each have strategies to deal with that. I said, ‘That is okay for your first answer, but I am going to ask you a bit more about how that works over time.’ So that is where we sit with it.

In response to your question last time, we have not set quotas or rigid demarcations partly because we do want to see what happens in the market with this and how it plays out in terms of whether they can honour that commitment they have just made in terms of how they do business.

Senator MOORE—Have you completed your mapping program?

Mr Lewis—For respite?

Senator MOORE—Yes.

Mr Lewis—Yes, we did. We did that in conjunction with all the states. Part of that informed how we might go with the development money, because it tells you where the gaps will be.

Senator MOORE—Is that information public?

Mr Lewis—It has not been because we have done it on a bilateral state-by-state relationship. We would have to seek their permission—

Senator MOORE—Can you do that? When we were first discussing this whole process, doing a current up- to-date audit of what respite was available seemed to me to be a threshold step. The program was going to be mapped and so on but, in terms of whether that was going to be available, no-one knew.

Mr Lewis—Sure.

Senator MOORE—So can we have the question asked at least as to whether that can be made public?

Mr Lewis—Sure.

Senator MOORE—So you have a brokerage going. You have completed one round of training for the first lot of people, have you?

Mr Lewis—We have completed training for 54 out of the 55 CCRCs nationally.

Senator MOORE—You know what the next question will be.

Mr Lewis—Which is the one that did not say yes?

Senator MOORE—Correct.

Mr Lewis—Hume in Victoria.

Senator MOORE—Senator Allison may have a follow-up question on that. So you have done training for 54 out of the 55?

Mr Lewis—Yes.

Senator MOORE—You were talking about having a forum of interested people looking at the way forward with the respite, or was that wrapped up with the training?

Mr Lewis—That is part of the training session, but we offered to bring those people together to talk about how things are going and also to share learnings.

Senator MOORE—Given the rephrasing of that budget, under the new phased allowance you are on track with that process and then there will be a different allocation next year to match it up.

Mr Lewis—Yes.

Senator ALLISON—I think I probably missed the questions in April on respite, so I may be going over ground that has already been covered, for which I apologise. How are the 55 CCRCs distributed around the country?

Mr Lewis—They have been around for a long time. They are covered by—

Senator ALLISON—What does it stand for, pardon my ignorance?

Mr Lewis—Commonwealth Carer Respite Centre. Some of them will have ‘Carelink’ in their name as well. Some of them call themselves ‘Commonwealth Carer and Carelink Respite Centres’, so there is an extra ‘C’ in there. But they are under the Home and Community Care Program. They provide a range of services around respite, particularly disability respite. They are part-funded by DoHA, the Department of Health and Ageing, and by FaCSIA. We have had separate discussions with DoHA around overlap and management of data, for example, and how we get reporting happening without having to ask for additional imposts for these sites. So they are a nationally spread well-known source of—

Senator ALLISON—Do they cover all populations?

Mr Lewis—They do. They are national.

Senator ALLISON—With only 55 of them they must cover pretty big areas. Can you give me an example?

Mr Lewis—One of the regions where we had difficulty in New South Wales was where there were two sites but one label. Under that HACC region there were two CCRCs. The HACC regions may have one of two CCRCs in them to spread that load. In WA we met with one of the providers who was a bit reluctant initially to take on the brokerage money which comes to my point before about the issue of being able to spend it.

The explanation they gave about why they could not do that was that they felt that from their data they had not turned away anyone who to date was seeking respite and mental health services. We had a discussion about how they would know such a thing and they said, ‘We have great data that we have been collecting and here is how we do it.’ We said to them, ‘Here is our data derived from Centrelink records around carer populations. Even if you extrapolate out from a portion of that, given the figures you have just shown us, there is no way you can argue that you have not turned away someone. The likelihood is that you have. But because

you have not advertised as being someone that services around mental health respite, specifically, you may not have known.'

The only site that did not get up or did not take the money after our discussions with them about what we meant by brokerage was one in Hume. With that site it was not because they could not do the work or they did not think it was a good idea—

Senator ALLISON—It was because they did not have a problem.

Mr Lewis—No, the philosophy of their board did not align with expanding their service range into this area. But they did say that their board would revisit this issue soon. So the positive news is that they are likely to come back and say, 'Yes, we would like to be party to this.'

Senator ALLISON—Can I just come back to those population centres. About how many people would there be in each?

Mr Lewis—It varies significantly. They are all quite different. Under HACC funding and other different types of funding through Health and FaCSIA you look at the carer populations for people with a particular requirement.

Senator ALLISON—I am just thinking populations generally. It would be close to half a million, would it not?

Mr Lewis—Some yes. Some half a million and some a million. They range in the centres appropriately resourced for that.

Senator ALLISON—So no places have yet been established? What is the time frame for these to be in place?

Mr Lewis—No, they are running. We have given them an offer and most of them have signed up formally through acceptance and contractual engagement and customers are already accessing services.

Senator ALLISON—Where are these? Are they in motels?

Mr Lewis—They are Commonwealth Carer Respite Centres. They are offices located in towns or cities that have been around for a long time and that people know about. Centrelink knows about them. Other organisations know about them and refer people to them.

Senator ALLISON—I was not referring to the office but the places themselves.

Mr Lewis—The service places?

Senator ALLISON—The respite places.

Mr Lewis—Okay. For the purposes of the program, respite has been defined as hours rather than places. Traditionally you might think about an overnight stay or a week stay in an institution. It is actually a huge continuum. What we are saying is that if you are in a situation where you are caring for someone with a mental illness or an intellectual disability and you need a break, maybe for an hour or two to go shopping, visit a friend or to go and see a movie, then you can call on the Commonwealth Carer Respite Centre and ask them to arrange for a respite service which meets your needs. The service can be in your home or it can be in a centre.

Senator ALLISON—What centre?

Mr Lewis—The Commonwealth Carer Respite Centres have a whole range of services that broker services. So some of them provide services—

Senator ALLISON—What sort of places are these? Are they nursing homes or hotels?

Mr Lewis—Some of them have multifunctions. They might have a nursing home or hostel as part of it. Another might be an office that does not provide any service but they will refer you to someone who provides a service. It might be a qualified carer who meets their criteria for the particular service they are buying. It is a huge range of skill sets that they might be buying. It depends on what they need.

Senator ALLISON—So what is the experience so far? People are ringing up and saying what typically? Are they mostly asking for overnight stays or day places?

Mr Lewis—It was launched three weeks ago by Minister Scullion in the Northern Territory. From then we engaged in final details with some of those CCRCs who had not signed up yet. We have been getting reports coming in that customers are already signing up. We do not have data on the predominance in terms of preference or take-up yet. We will have it soon.

Senator ALLISON—And you are not expecting with this money that there will be any new infrastructure?

Mr Lewis—With the first brokerage money we are not expecting infrastructure, but with the 60 per cent development fund we are expecting new infrastructure. So that money might be spent on training people to be carers. That might be spent on leasing a house, for example, that might be a base that people could use for respite care in a particular community because there is no such thing available. It is not for the capital purchase of such infrastructure but to make it available is what we have in mind.

Senator ALLISON—How do you evaluate such a program when it is so ad hoc? That is word the comes to mind.

Mr Lewis—The first part or the second part?

Senator ALLISON—Both.

Mr Lewis—The brokerage or development?

Senator ALLISON—Both.

Mr Lewis—In terms of the brokerage I can give you a list of some of the things we will be looking at. In terms of brokerage for respite we will be looking at the national minimum data set which collects quantitative data on the amount and type of respite provided. That is the data set which is already in place and which DoHA uses. We will be looking at a combined CCRC narrative statement which provides qualitative information about activities undertaken to improve service provision and consumer or carer satisfaction with the services they receive. We will have combined progressive financial statements which indicate the CCRCs' position in relation to funding. We will also look at specific elements in the Mental Health Respite Program which relate to the 12 outcomes and to the national action plan around effectiveness and efficiency. We will look at the appropriateness of the respite support for families and

carers of people with a severe mental illness or psychiatric disability. We will look at the balance of how many people are accessing services in different categories. It will be coded. That is the first part.

We are working with DoHA to look at the overarching framework for measuring the national action plan which was the subject of some discussion at the last estimates. The mental health standing committee, of which I am a member, is a subcommittee of AHMAC and has been charged by the Prime Minister to look at a scoping study of how best to measure the effectiveness and implementation of the national action plan over the life of its implementation. As a consequence, at the next standing committee meeting we will be looking at recommendations arising from that scoping study. I am sure DoHA can tell you a bit more about that when they come here because they also sit on that committee. They will be talking about how best to measure overall implementation of the mental health action plan certainly at a Commonwealth level. The state directors of mental health will sit on that standing committee and they are going to be party to that discussion and scoping document as well. There are a range of layers of evaluation.

Senator ALLISON—It sounds like a nightmare. The Prime Minister announced that 15,000 families a year would be provided with these services. Now that you have done some work on the provision, is that still looking like being the case and, if so, are we going to see that ramped up over time? Have you got any figures on what this means?

Mr Lewis—I think we have answered a question on notice on this and I suspect, as I said last time, what I think will happen is we will have a vastly higher number of people who get service under this model, because the original model of 15,000 was predicated on that sort of placement model of a fixed period whereas what we have said is that the feedback from the communities and the consultation we undertook was that having an overnight stay is not always a preferable option for a family or a carer. Sometimes the option would be just to have some time out and to have it more frequently than to have a fortnight, say, once every six months. So we will be able to give you some figures on take-up rate and numbers of families helped, but I suspect it is going to be a lot higher than what was originally forecast.

Senator ALLISON—So how will you sort out the priorities? I understand that a priority access system has to be developed. How will that work?

Mr Lewis—The two target groups are older carers primarily who are looking after people with mental illness, so elderly parents and carers over 65. There will be other carers over 65 who are the primary carer of a person with a mental illness; carers of any age who care for people with a mental illness, psychiatric disability who require crisis or respite care, so unplanned respite; and carers aged 55 to 65 who live with and care for children including adult children with a severe mental illness or psychiatric disability. It aligns with other existing respite and governmental programs targeted to the elderly specifically, but as Senator Moore has asked it is for people with mental illness and intellectual disability, so we have not set a quota either way.

Senator ALLISON—Will there be a cap for individuals or families in terms of the number of services that can be provided?

Mr Lewis—We have not set a cap, but the funding is capped in terms of allocation.

Senator ALLISON—So does that mean that you run the program from July to February and then not for the rest of the year or—

Mr Lewis—No. I suspect what is going to happen is as we get the milestone reports coming in we will be able to shift money if we need to, because, as I said, some of the CCRCs have indicated they will have some difficulty in spending all of the money. So what we have done—

Senator ALLISON—This is because of lack of awareness?

Mr Lewis—No, lack of services to refer to potentially in some sites, which is why we are going down the second path of developing those services. So if we find in some sites at three or six or 12 months that the brokerage money is not being expended as we envisaged, then there is latitude there to shift the balance of the money to where the money is needed. But we would need to have substantiation that the program—

Senator ALLISON—Presumably you would only want that to work for a short period of time because you would be looking for each of these areas to be up to their full complement.

Mr Lewis—You would, and I asked this question again last week or the week before when the training was undertaken. I said to the providers, ‘So in a program of this sort when you go to market it and it’s new, you have to set some sort of quota or target in terms of volume through or throughput. Given that this is new, what is your advice on this?’ They said, ‘Look, we’ll be able to give you at six and, say, at 12 months a pretty good guesstimate of what our turnover will be and the type of turnover and we’ll then build on that for next year’s agreements.’ So we have had that specific discussion. It is a new program. It is a new approach specifically for those with mental illness and intellectual disability. So you can take the mapping advice from the states and you can take advice from other sources, as we have done, but you are still guessing a little bit about total take-up.

Senator ALLISON—So someone in one of these areas where there are not a lot of providers may request the service but be told, ‘No, there’s nobody putting their hand up for it. Sorry, we can’t service you.’

Mr Lewis—They may do that. If that is the case, then that will then give us a message about where best to target the development funds to build that capacity in that community, which is why we have done the mapping with the state governments around what they know exists now.

Senator ALLISON—And how are you overcoming the perennial problem of the states withdrawing their funds where the Commonwealth provides them?

Mr Lewis—We do not know that for a fact yet. I think we have discussed this openly through the COAG process. For the four key Commonwealth departments engaged in this, this has been a clear issue and a line of sight issue that we have put on the table at all of our discussions. It will be something that we review, but given that the money is only just starting to roll out I do not think that we can make too many assumptions yet. We will be watching it.

Senator ALLISON—Because Victoria, for instance, has, as far as I recall, a much more extensive program in respite and assistance to people with severe intellectual and psychiatric disabilities. Are they going to get as much as Queensland which does not?

Mr Lewis—They are getting it based on the carer population and the HACC formulas, which is the sort of formula base that is used for a range of Commonwealth funding allocations under the health system for example. You are caught between a rock and a hard place: do you arguably punish states which have been less active in this area and/or do you reward states which have been very active?

Senator ALLISON—So what have you decided to do?

Mr Lewis—We have apportioned the money as per the carer population and the broader parameters in the first pass, and we will be watching closely to see that that money does not cause—what happens in communities, and I hark back to a previous incarnation in the Stronger Families and Communities Strategy, is that we received very early and quite frequently feedback from communities about perception about state withdrawal of services and otherwise, particularly around early childhood and other areas. I suspect that this will be no different—that the community will make it very clear that they perceive this to be happening. We meet regularly—almost every month—with every state Premier’s department or first minister’s department and we have been working with them. There was a joint working group in each state around doing the mapping for respite and respite services as they currently exist, so we have a record of what was there. We did a similar exercise around the personal helper and mentor exercise about where the demand is to lie or what the services that will flow from that are. So we have a picture, which is I suspect what Senator Moore was asking about being available, of what is there at a point in time.

Senator ALLISON—I notice in your priorities that children with a parent with a mental illness are not here as a priority. What work have you done so far to look at the demand in this area and how you can meet it?

Mr Lewis—I misunderstand your question. Are you saying that—

Senator ALLISON—There are children who are carers by virtue of the fact that their parent has a mental illness. Children are not one of your top three priorities.

Mr Lewis—No, they are not.

Senator ALLISON—I am asking you where they fit in the priority scale and what work has been done to look at meeting their needs.

Mr Lewis—We have done the mapping, as I said, with the states around what exists and what does not exist. Our policy parameters are around elderly carers. We have not done specific mapping around children as carers to date. That is certainly something we can look at.

Senator ALLISON—I think it is fair to say that at our inquiry this was one of the more hidden problems because children typically do not go off and see CCRCs about their problem.

Mr Lewis—We can have a look at that. That is something we have not done to date.

Senator ALLISON—Thanks.

Senator MOORE—It is not only carers for intellectual and mental disabilities; it is general caring issues. So it is something we should look at.

Mr Lewis—To touch perhaps a bit on that, last estimates you asked about the mental health advisory group, which is an internal group within FaCSIA that meets to discuss cross-

program connections. That group stays. We have also had some other discussions at executive level within the department around mental wellbeing as a broader concept and the implications for a range of FaCSIA programs including around children and families and youth and other programs for using that lens as another way to look at how FaCSIA's programs interrelate in the mental wellbeing space. So it is not that we have not started down that path. We have started thinking about the broader parameters from policy directives set in the action plan, if that gives you some assurance.

Senator MOORE—With the respite, I am just double-checking in terms of the map. Was it a finding that the kind of information that your mapping process had exposed had not been done before?

Mr Lewis—Yes. There is mapping done and DoHA can probably talk about how that has been done historically. Certainly there is *Australia's health* and other reports on health specifically which do some parts of the mapping. But the type of mapping we did was around resource and capacity and demand and supply in quite a different way. What was good was that the leverage for us and for the states was the discussion around specific sites. We were able to focus at a geographic level to build that picture. So in a sense the Commonwealth investment through the action plan in specific initiatives has been very useful in being able to have that discussion because it has been a mutually beneficial discussion to have.

The two flagships in the action plan are collaboration and coordinated care. Some of the examples of some of the by-products of that discussion have been in Queensland. The Queensland government has just indicated it will employ 20 staff who will be called care coordinators specifically for that purpose. That is a great step forward, because it shows, in response to Senator Allison's concern, the shifting of the money. There is an investment happening at a state level which is complementing Commonwealth initiatives. In South Australia, they have just invested another \$40 million in stepped care, that is, intermediate care. They have produced a report around this about social inclusion and it is quite impressive. And that is over and above the COAG commitment, I understand. This is a good indication that the states are playing seriously in the space and investing some money.

Senator MOORE—Was the mapping process separately costed?

Mr Lewis—No, it was part of what we did—

Senator MOORE—So it was part of the overall budget?

Mr Lewis—Yes.

Senator MOORE—And has there been a commitment to maintain that, because it seems to me that one of the things that is lacking all round in this industry is benchmarking, so you have actually established some kind of snapshot about what is available that will not be all that relevant if it is not maintained.

Mr Lewis—What we asked each of the first ministers' committees to do was put in abeyance the small working group that we set up to do that mapping to be recalled as necessary.

Senator MOORE—As necessary?

Mr Lewis—As necessary. We did revisit with those working groups the respite issue, following discussion of the PHaMs issue and other issues. There is capacity, I suspect, to make that a standing body if that was useful.

There is another body called the Mental Health Information Strategy Subcommittee, which sits under the Mental Health Standing Committee which is looking at broader ramifications around data and mapping and how best to get a picture. So there is another opportunity there to talk about how they might—

Senator MOORE—The temptation is too—and I am not going to succumb to it.

Mr Lewis—Go on.

Senator MOORE—No, I am not going to succumb to that. We have the Mental Health Standing Committee, which is part of the COAG process, and then under that there is another group that is looking particularly at data collection.

Mr Lewis—There is the Mental Health Standing Committee which is a longstanding committee under AHMAC, the Australian Health Ministers Advisory Committee.

Senator MOORE—Which goes back to the 90s, does it not, that particular committee?

Mr Lewis—It has a subcommittee that is a Mental Health Information Strategy Subcommittee.

Senator MOORE—That is the one that we talked about in terms of the fact that there was not composite data anywhere and people are keeping different data sets, so is that one looking at—

Mr Lewis—That comes back to the question about scoping and looking nationally at scoping for monitoring, at least, initiatives under the umbrella of the COAG Mental Health Action Plan.

Senator MOORE—So you start specifically with this particular COAG initiative—

Mr Lewis—Yes.

Senator MOORE—But is there an expectation that it will flow out, because what we talked about before is that this is not the only mental health program on the planet. There are many others.

Mr Lewis—There are. I would hope so.

Senator MOORE—But at this stage it is focused on the COAG—

Mr Lewis—That is right.

Senator MOORE—Are there reps from every state on that?

Mr Lewis—There are. There are reps from every state and I have two staff who sit on that subcommittee.

Senator MOORE—And are they information specialists?

Mr Lewis—One of them is, the other one is a director managing the programs, so there are two.

Senator MOORE—The community based program initiative: is that one on track?

Mr Lewis—It is.

Senator MOORE—That is the one where there is a \$1 million change; is that right?

Mr Lewis—That is right. What we have done there is that in seven—and I will just find the sites for you. This comes to Senator Allison's point about broader agendas. We have worked with the families group within FaCSIA to look at an approach with family relationship support services under the family relationship support umbrella, to look at some of the family issues that might contribute or be a product of mental illness. To that extent we have provided some money to those centres in seven sites to assist with counselling or referral for mental health purposes.

Interestingly enough, in doing that we were talking about this with the Queensland government and they said, 'Oh, that is something we have been thinking about doing here, here and here because we think it makes sense as well'. So we have seven as a pilot, and it is a pilot and not a demonstration, to see how this might work. We will be looking to see whether the intervention or prevention engagement around family potential dysfunction—attributed to a mental illness or as a by-product of it— might be helpful.

Senator MOORE—So where are those—

Mr Lewis—The sites?

Senator MOORE—Yes, because I cannot find that on the web. I have found the other information, but I cannot find the location of those sites on the web site.

Mr Lewis—They are in Wide Bay-Burnett in Queensland, in Victoria they are in Ringwood, in the ACT in Canberra, in Western Australia in Midland, in Tasmania in Hobart proper, in New South Wales in Wilcannia-Forbes and in South Australia in Murray Bridge.

Senator MOORE—And they have been developed and they have been selected with the states as these—

Mr Lewis—No. Our state colleagues within FaCSIA have advised, but we have gone through the family relationship people—

Senator MOORE—Within FaCSIA, because my understanding of so much of the other work that you have done has been working very closely with the state departments and they have had a major say in how things in their state would operate, but this particular part of the program has not been so state focused?

Mr Lewis—With this particular element of the first part of the community one we have gone for this. It is quite a small amount of money comparatively.

Senator MOORE—To start with or overall?

Mr Lewis—Overall, across three years I think it is of the order of \$6 million.

Senator MOORE—I have a piece of paper somewhere but I cannot find it—45.2 over five.

Mr Lewis—No, that is the full allocation for community based programs. For this particular program, the family relationship one, it is \$6 million for the seven sites over three years.

Senator ALLISON—So it is not part of that community based program?

Mr Lewis—It has come out of the that bucket of money.

Senator MOORE—So it is like the pilot stage?

Mr Lewis—That is right.

Senator MOORE—Have they started?

Mr Lewis—They are signing up the agreements as we speak.

Senator MOORE—Minister, were you going to launch this one in Darwin? Is there a Darwin site?

Mr Lewis—There is not a Darwin site.

Senator MOORE—It would be difficult for you to launch it there, Minister. So in terms of process, you have these seven sites you are about to sign up. You will have the kind of contract and guidelines that you had for the other components. For how long will these seven sites be working?

Mr Lewis—Three years. And the reason why we took advice from our family relationship colleagues was we needed to pick sites where they thought there was the capacity, or the interest and/or the demand and supply around existing family relationship services so that they could build on that. What some of the states have said to me—and it comes to your question about the state engagement—is that they would be interested in more of this. We have said, ‘Well, when we go to tender soon for the balance of the other money under the community based program, then there will be scope for providers.’

Senator MOORE—Is that going to be what the full 30-whatever seven from 42.5 is going to be? Is that the rest of the money going out in one swoop?

Mr Lewis—We are looking at, I think, about 30 in the first—

Senator MOORE—Okay.

Mr Lewis—And then another quick tender not too long after. But there is a huge amount of latitude for—

Senator MOORE—This one is the widest. The description even at the start could mean anything.

Mr Lewis—That is right, yes.

Senator MOORE—It seems to me to be much more based on the stronger communities stuff that came out five years ago—that kind of program. But at least it is a number of years funding. So these are not one- year allocations. The seven you have selected so far are going to be funded for three years.

Senator ALLISON—What sort of projects are they?

Mr Lewis—I am just looking at the criteria. I am coming to that question. I knew you would come to that question.

Senator MOORE—Have you got some data you can give us on that program? It is just that that is not up on that web site yet.

Mr Lewis—Sure.

Senator MOORE—It would be useful to get that sent to us—how they were selected and what the criteria is for them. It was not tendered. So these were for Wide Bay-Burnett?

Mr Lewis—Yes. Why? I will get some advice to you, but we took advice from the—

Senator MOORE—From your state offices.

Mr Lewis—state office and the family relationship people who manage that program within our department—so the families group—about where best to do this work and why. Their advice was to do it in these specific sites.

Senator MOORE—Did they each get the same amount of money?

Mr Lewis—They did.

Senator MOORE—I cannot work that out.

Mr Lewis—We will provide that.

Senator MOORE—That would be good. Seven sites—if I can find out how much.

Mr Lewis—I will take that on notice.

Senator MOORE—Can you also provide information on how the funding that they are operating with now, including their other streams of funding—I am not sure what other streams of funding would go into a community centre like the Wide Bay-Burnett one, and I just happen to know that one—compares with whatever is going to come out of this?

Mr Lewis—Okay.

Senator MOORE—Senator Allison, did you have something else on that?

Senator ALLISON—I was just waiting for the examples of projects.

Mr Lewis—Okay. The criteria that we have are in broad categories: the relevance to the outcomes of the mental health community based program; the need for mental health community based programs in that local community; the benefits that the proposed project would have to the local community, including the long term; and the ability of the service provider to deliver the proposed project within that local community. So then we have a range of indicative criteria. We are just finalising some of this, because we have been focusing on the two first elements. But we are working through some of these and they are around things like: how does your project make a positive contribution to one or more of the mental health community based programs; what is the mental health need in the community, which relates to the target groups as listed in the action plan; identify the processes you will follow to identify, attract and engage in the target groups; how would you collaborate with other agencies in the community around mental health; what long-term benefits will your project create for a local community in the mental health space—

Senator ALLISON—I must say that I am not getting a clear picture. Could someone turn up with a proposal to fund the local footy team on the basis that playing football is good for your mental wellbeing?

Mr Lewis—We have not gone to tender yet.

Senator ALLISON—But it would not be ruled out? A project like that would not be ruled out?

Mr Lewis—No, in that specific example they would have to address all the criteria appropriately and show how they would meet the outcomes and policy intent of the program. If a footy team—and are you aware that in New South Wales the Australian Rugby League teams have initiated a program of training for their coaches around depression and mental illness—

Senator ALLISON—So it would have to be related to mental illness?

Mr Lewis—It has to. Yes, it is mental illness issues—

Senator ALLISON—Keeping the coherence of the community together, or whatever.

Mr Lewis—Yes, it is about mental health and mental wellbeing in the community. They would have to work through how they would do that and how it is connected to the policy intent. But it is not totally out of order. It is not totally out of the realms of possibility that a footy club could substantiate around the key criteria the fact that—

Senator ALLISON—Preventative programs, presumably, met the criteria.

Mr Lewis—Yes, promotion, prevention, information—

Senator ALLISON—I think you will get a lot of footy clubs applying.

Mr Lewis—If the footy clubs are doing something that is community based and preventing mental health issues, they have to explain it. I am not saying that footy clubs are what we are looking for necessarily, but they would need to explain what they are doing.

Senator ALLISON—So there are no caseworkers as such under this program?

Mr Lewis—This particular program, as Senator Moore has touched on, is a broader program—

Senator ALLISON—So does the community based program to help families coping with mental illness—the one that is \$45 million—involve caseworkers?

Mr Lewis—There may be projects that apply that have caseworkers.

Senator ALLISON—So it is a project based program as well?

Mr Lewis—Yes.

Senator ALLISON—And it will be a contracting out arrangement? There will be grants and so forth?

Mr Lewis—Yes, public tender and a public process.

Senator ALLISON—Okay. Is there a budget for travel and accommodation for the program?

Mr Lewis—For?

Senator ALLISON—Or does that depend on what the programs are?

Mr Lewis—It depends on what they are asking for. The realms are quite wide. You might get a project that asks to provide some sort of in-school or community based training program

that informs people about the dangers of mental illness and how to spot depression and what you might do about it. There is mental health first aid that is available that is currently in the marketplace. I understand—coming back to your footy club analogy—that is one of the elements of the training that the ARL is providing for their coaches. They are training their coaches in mental health first aid so that they can spot why eight out of 12 country football clubs have had suicides in the past six months.

Senator ALLISON—A recommendation of the inquiry was that we conduct lots more.

Mr Lewis—Yes.

Senator ALLISON—So mental health first aid would qualify for this program?

Mr Lewis—If it was in context around a community implemented mental health strategy, yes. It is about how they can explain their strategy. We are trying to give a bit of latitude for some creative community based mental health initiatives which focus on the target groups in the measure.

Senator Scullion—There are some in existence at the moment that are just like that. Like you, I see very much the value of mental health first aid and the ‘mate safe’ project, which is very similar. St George Illawarra has taken that up as a footy club—and it is really the community that they encompass and it is the mentors that they can provide in the community that perhaps we cannot. They have taken that up and I would have to applaud it. It is a very successful program. So I am hoping that if mental health first aid, ‘mate safe’ and the associated suicide prevention programs are being delivered in the context of mentors and people wanting to be associated with those programs they will continue to be quite successful. So I would hope that they would continue to deliver in that context.

Senator ALLISON—And there would be a gender consideration, I hope, in this program?

Senator Scullion—In fact, that actually has been taken into consideration in that particular program. While I do know that this is not just male specific—I understand that there are some others and I am happy to get back to you on notice—I do recall that I asked the same question, because I knew that it would be asked. I am happy to get back to you on how that is being dealt with, Senator.

Senator ALLISON—With all of these same questions being asked by so many before, all of these very open-ended, loose—‘it depends on what people apply for’, ‘it depends on the parameters that they put forward and we are looking for innovation’—deliver a nightmare when it comes to evaluation, I would have thought. How are you going to approach that with this program?

Mr Lewis—If you have a range of projects, which will range from between \$50,000 and \$2 million in the broad, each of the projects will have its key goals that are consistent with the program intent and the criteria. They will need to explain in their strategy how they are going to implement those and how they will be measured. So for each contractual relationship there will be specific measures for what they are trying to implement and whether they deliver on it consistent with the program intent. Then the other 12 outcomes overlaying that sit within the action plan. We will tease out which category they sit in in those outcomes—have they made an impact in the 12 that are listed in the national action plan? The mental health standing

committee has commissioned a process to look at a scoping framework for evaluating the action plan—and, again, I am only talking about the mental health action plan at this point of time—and these projects will sit under that at some point.

Senator ALLISON—Again I reiterate what we were told at our inquiry and that is lots of small projects, lots of evaluations of that sort of thing—tick the box; ‘I have met my goals and objectives’—but no real evaluation of innovative programs that work and no real science behind some of these service provisions. Also, a complaint we have heard everywhere we went was that there was a great reluctance to be involved in short-term projects because there would be the knowledge that the funding would run out after your two-year contract—or whatever it is—and so what is the point.

Mr Lewis—Yes. All of the COAG commitments are ongoing by both the Australian government and the state governments.

Senator ALLISON—How do you end a program which is not performing satisfactorily or which is—

Mr Lewis—In terms of the quantum of money you allocate to them and what they apply for, you ensure that they deliver what they apply for. In terms of the broader evaluation frameworks, I hark back to the broader action plan evaluation that will be taking place across all of the 19 measures, of which this is only one.

CHAIR—Senator Allison—

Senator ALLISON—Sorry, just one more question and I will finish.

CHAIR—Okay.

Senator ALLISON—Is there going to be some intelligent evaluation of these programs so that other regions will know that something is spectacularly successful, it should be adopted by others and we should look at this as a model and replicate it elsewhere? How much of this is going to happen, or will all of these reports of various programs be stuck in a drawer somewhere and no-one will ever know about them, other than those people directly engaged?

Mr Lewis—I hark back to the stronger families strategy. We set up a database which was accessible by all previous and all new projects to learn from each other, and we were able, through AIFs and other sources, to do some data analysis. There is nothing to preclude us doing that sort of thing. We have not gone down that path yet. We have been focusing on the two early phases, knowing that it is part of an overarching evaluation. I take your point that that would be a good thing, but we have certainly not precluded it.

Mr Leeper—We are 12 months into a process, Senator. Mr Lewis’s branch is run very hard and very fast, and it is delivering great results, but I am very happy to take the points that you have raised as food for thought into how we build the project from here.

Senator ALLISON—Yes, I do understand that. This is about making a point, I suppose, but I think mental health services are looking for some leadership and some good, well-researched, backed by proper evidence—evidence based, as we say—programs that work. If we are just relying on those who make applications based on very loose criteria, then frankly we are going to waste a lot of money.

Mr Lewis—I think we need to put this into context, though, Senator. There are three programs that FaCSIA has. One of them is \$284 million, which is the personal helpers and mentors program. One is \$224 million, which is the respite program. Both of these have quite clear approaches. I just went through the respite measurement. This particular one, the third one, is the community based mental health program. We had a very small amount of money to implement for that in the first financial year. We have implemented what we call a pilot with the family relationship centres, and there will be clear datasets around what family relationship centres do.

The other element which I have not got to in this year's funding is that we have asked the Mental Health Council of Australia to develop a training package for carers. We are going to take advice from them as to how they will implement that and then we will do a postimplementation review with them for a specific project. That one is not about an ongoing community application for money for projects.

Senator WEBBER—Can I intervene there. What kind of process is that going to be, though? Often those initiatives are all about developing a training program and consulting with a peak body et cetera. We can round people up and consult with them every time we decide we are concerned. Are we then going to implement the training, evaluate it and establish a long-term commitment?

Mr Lewis—Yes.

Senator WEBBER—Or in five years time are we going to give the same group of people more money and have another training program?

Mr Lewis—The Mental Health Council of Australia, as the peak body, has said, 'We think that issues around awareness, destigmatisation, carers understanding where they can go to for help and what things they might need to know when they are already looking after people with a mental illness would be useful. Why don't we put together a package for you? We will implement it and run it, and then we will work with you to work out whether this is useful.' That then becomes something you learn from.

In terms of the broader community based funding that Senator Allison is asking about, that, as a portion of the three programs and of the 19 measures, is relatively small but it is important. Its intent is to give some flexibility around some innovative community approaches to family and community awareness and management of mental health issues at the community level. We will have an evaluation framework around it, and I would be happy to talk to you more about it next time. We have not gone to market yet. We have not finalised the criteria, but it will be something that sits quite clearly within the series of overarching measurement frameworks about effectiveness of mental health intervention under the action plan.

Senator ALLISON—I am sure we will be hearing quite a lot from you as we proceed into the latest inquiry.

Mr Lewis—Sure.

Senator MOORE—I have a few more questions, Chair, but I am happy to break if you want to.

CHAIR—You have more on mental health?

Senator MOORE—Yes. We have not quite finished. We have only done two of the three programs.

CHAIR—I think the timetable is in free fall, but that is fine.

Proceedings suspended from 3.46 pm to 4.03 pm

CHAIR—The community affairs estimates hearing is now resumed. We are still in output group 2.2, dealing particularly with mental health.

Dr Harmer—I have quite a lot of people around for outputs 3.2 and 3.3. I am assuming that it will probably be after dinner before we get to those. Is that a reasonable assumption or not?

Senator MOORE—I do not have the list in front of me.

Dr Harmer—We have to finish off 2.2 and then do 2.3, 2.4, 2.5 and 3.1.

CHAIR—Yes.

Senator MOORE—It is looking like it.

CHAIR—I think that is a reasonable assumption. We have not got much in 4.2 and 4.3, conversely. I think that is a reasonable assumption.

Senator MOORE—We will make it work, Dr Harmer.

CHAIR—I would send those people away. When we get to the end of 3.1 we will finish for tea. We will come back after tea and, assuming we have completed what we were doing before tea, we will resume with 3.2.

Dr Harmer—Thank you.

Senator MOORE—Mr Lewis, I want to move on to the personal carers, but before that I want to clarify the community based programs process again because it is the one that I have not got in front of me. You are going to give me some information about that. For the other programs there was a tender process, even in the first round. Respite care went through the Commonwealth carers network, so we talked with them first and it was quite clear how that was going to operate. We rebalanced the money before we went out. We called for a process.

With the respite program it was quite a clear process of asking people to apply against clear guidelines before we actually allocated anything. I am concerned about how seven organisations have now got money for three years before anyone else got a chance to say, 'Hey, I am interested in that.' I want to know how we do that and whether that happens elsewhere. If this is not an unusual process, let me know. But, from my own experience, it does seem odd.

Mr Lewis—We looked at the amount of money available this year and we wanted to get some projects up which were consistent with the policy intent around the community. Through that process that we discussed last time, the Mental Health Advisory Group did some good linking between the families group agendas, the family relationship agendas and the mental health agendas which was consistent with the policy intent of the program.

We sought approval from the minister to go to the seven sites, on advice from our colleagues. We explained why those sites were the ones that should do the work. The process for the amount of money initially was not that unusual in the sense that these organisations are already engaged with us through a tender relationship. These family relationship organisations have already engaged with us through a separate tender process.

Senator MOORE—For another program?

Mr Lewis—For another program. This is an additional service impost for those seven organisations. In terms of their business engagement with FaCSIA, they are already engaged with us for a range of services. It was quite a reasonable step to add on some additional services that complemented those and that they were given some supplementary funding for those.

Senator MOORE—Without giving that to the market?

Mr Lewis—Without giving that to the market.

Senator MOORE—So if I were the ACME community centre in another part of Queensland I would not get a chance?

Mr Lewis—That is right. They will get a chance because we are going to go to tender for the balance of the money. They will get a chance to put their application in. It was a relatively small component of the total envelope we allocated as a pilot. It seemed to make sense. It was agreed to on that basis. We have discussed this issue with several jurisdictions. We have indicated that we envisage that there would be applications for similar programs at other sites.

Senator MOORE—I know that \$42.5 million in the overall scheme of things is not the largest amount of money. You said that you were going to go to tender for about another \$20 million, I think.

Mr Lewis—Yes.

Senator MOORE—Will the same amount of funding be given to all of them? Just because this mob have been in the first seven, will they get any more than someone who comes in in the second tranche?

Mr Lewis—As I said to Senator Allison, it really comes back to what the project bid is because some of them will say, 'We want to do X, X and X and for that we need this amount of money,' and others will say, 'We would just like to do this.' It really depends on what they ask for.

Senator MOORE—Who is going to make the assessment?

Mr Lewis—We will have a public tender process. There will be staff who assess it against criteria. There will be a probity adviser. There will be all the appropriate processes.

Senator MOORE—And it will be a separate tender group for the tender for this program?

Mr Lewis—That is right. We are going to be running three tenders from June to the end of August. There will be the PHaMS one that is current. There will be the respite one for the development funds. Then concurrent with the respite one will be the tender process for the community program.

Senator MOORE—And they are going to be three separate tender groups? Is there any common membership of those groups?

Mr Lewis—Many of the staff who staff those teams will be across the three. They will be involved in all three.

Senator MOORE—You will provide us with that list and tell us what the guidelines were?

Mr Lewis—Yes.

Senator MOORE—We will move onto personal mentors, which is one of the big spending programs and one that has got some of the media. How is that going to plan? My own view is that it is a little bit slower than we thought it was going to be?

Mr Lewis—Yes and no.

Senator MOORE—You cannot say that.

Mr Lewis—Yes and no. I will explain why. Why yes? We delayed going to market, as you discussed with us last time and you explored what the implications of that might be.

Senator MOORE—To the overall program.

Mr Lewis—Yes. We were funded for 100 personal helpers and mentors this financial year.

Senator MOORE—Is that 2006-07?

Mr Lewis—2006-07. We have 140 out there now operational.

Senator WEBBER—So there are 140 operating now?

Mr Lewis—That is what we have been told by our providers. They have been engaging them. There have been ads in the papers. That is what they are funded to do—the 140 of them. Some have their full teams already on and some are still waiting on a few staff to start. Because there was a slight delay, because we went through that exhaustive consultation process that we talked about last time and we actually wanted to engage providers early on, we can now afford 140. So if you have two months operation instead of three months operation you can spend—

Senator MOORE—So you were slower to start so you will be able to afford more within this financial year?

Mr Lewis—That is right. But the other implication of that is that next year we were going to rollout 300. We now need to rollout only 260 in the next phase. When I say yes and no, yes we delayed slightly giving the money out, but no we are not behind because we are actually ahead of what we forecast—the 300 for next year. That is the yes and no.

Senator MOORE—Can you do more? In the way the money is allocated—and we will not go through the process of talking about out years—are you limited to just doing 260 next year?

Mr Lewis—We can bring forward the process. We are funded for 260 next year. Our commitments that flow from this year encompass the 40 that we would have done as part of the 300. We are now committed in contractual terms.

Senator MOORE—Are you committed to people or to centres?

Mr Lewis—To centres.

Senator MOORE—So you are committed to the centre and that is how the funding goes.

Mr Lewis—That is right.

Senator MOORE—How they allocate the funding and how many bodies they have is that up to them? I did have the list before. Would one of the ones in Brisbane, for instance, commit that they are going to provide X carers or commit that they are going to provide care for a X number of people?

Mr Lewis—What we said was that we would anticipate that you would have five people and each of those would have a caseload of 12.

Senator MOORE—So it is people.

Mr Lewis—As to how they then do it, we have given them some latitude. The same thing then follows from how they use the money for lease costs or cars or whether they provide it at a base or they do outreach.

Senator MOORE—That is their call?

Mr Lewis—That is right.

Senator MOORE—But then they have to justify that to you on an annual basis in a report?

Mr Lewis—Yes.

Senator MOORE—Because on the web site you have got the guidelines and things, which I have read.

Mr Lewis—Yes.

Senator MOORE—So in terms of that you have got your first tranche in, you have advertised for the second lot now?

Mr Lewis—Yes.

Senator MOORE—And they are going to come on board at the next final year, by the time that tender goes?

Mr Lewis—Yes.

Senator MOORE—And then we will go down to the whole lot. What is the evaluation process for this?

Mr Lewis—You will see from the PBS there are some measureable PBS elements. In addition to that, there are some key elements for evaluation for this program. Again, coming back to Senator Allison's questions, this one is much more aligned to the outcomes specified in the national action plan. So there will be a tiered evaluation framework for it.

Senator MOORE—Is that going to be done by FaCSIA or will it be leased out?

Mr Lewis—We will do our own FaCSIA program evaluation around the parameters of the deliverables in the contract, but then we will also feed into this broader overarching thing that the national action plan will have. I am part of the team that is looking at engaging someone to do the scoping study as a consultant around how best to capture across the 19 measures—

Senator MOORE—Of which you are only accountable for three?

Mr Lewis—The three specific ones, that is right.

Senator MOORE—But you are actually part of the scoping team for the whole bunch?

Mr Lewis—Yes.

Senator MOORE—Do Health and Ageing have people on that as well?

Mr Lewis—They have.

Senator MOORE—Are there consumers on that scoping group?

Mr Lewis—Consumers sit on the Mental Health Standing Committee.

Senator MOORE—Yes, they do. I just wonder whether they float down to all the subcommittees that go underneath it.

Mr Lewis—A couple of consumers at the last meeting expressed that wish. We are yet to see the details of the contractual arrangement around the scoping. I can tell you more about that next time.

Senator WEBBER—If we are trialling a new service and we want people to assess it, I thought it would make sense to have the kinds of people we are targeting involved in the way that it is going to look and the way it is going to be delivered.

Mr Lewis—The Mental Health Standing Committee has two consumer bodies on it and they will look at—

Senator WEBBER—But that is way up in the—

Mr Lewis—It is.

Senator WEBBER—If I am running a service in Albany, what that glorified body that meets every now and then does is going to have very little bearing on what my service looks like.

Mr Lewis—Well, in terms of how we engage—

Senator WEBBER—Not that I want to denigrate what they do at all.

Mr Lewis—We have a range of other forums for consumers to talk about our specific programs. I cannot give a commitment in this forum for a broader consumer engagement around the 19 measures in the scoping. I cannot give a commitment to that here. That is something that will need to be discussed at the standing committee. Obviously, you will raise this with DoHA as well and they will take account.

Senator WEBBER—Yes. In terms of the demonstration sites, and we have that list and they are the ones that the minister launched the other day—is that right?

Mr Lewis—That is right.

Senator WEBBER—In terms of those, looking through they are all extremely well-established and known organisations across-the-board.

Mr Lewis—Yes.

Senator WEBBER—Was there any discussion with them along the way—and I have seen the guidelines package that is attached—about consumer involvement in their operations? Was that one of the threshold issues?

Mr Lewis—What we said to them was that we would expect that in the mix there would be peer support workers. We needed them to explain in their tender application how they were engaged with the community and the strategies they would use to broadly be part of the community around what they do. So in that sense, yes.

Senator MOORE—But what about their philosophy? Looking at them, they are all groups that would be the kind to have the whole business plan, the vision statement, all that stuff. They are that type.

Mr Lewis—Yes.

Senator MOORE—Was there anything in terms of looking at whether their philosophy matched the aims of the organisation?

Mr Lewis—Yes, it was one of the criteria that was specifically about their values and the value alignment.

Senator MOORE—How much money do they all get? How is the money carved up?

Mr Lewis—Over three years it is between \$1.2 million and \$1.3 million.

Senator MOORE—Each?

Mr Lewis—Each. In a remote site they get \$1.3 million; in an urban site they get \$1.2 million.

Senator MOORE—What is the definition of ‘remote’ for this purpose?

Mr Lewis—It is sites which are not urban. I can give you that definition. I can take it on notice.

Senator MOORE—What is Townsville?

Mr Lewis—Townsville is an urban one.

Senator MOORE—So Townsville would be urban. What about Launceston?

Mr Lewis—Launceston would be urban. I do not know whether I have the definition with me.

Senator MOORE—What about Peel, Rockingham and—

Senator WEBBER—No, they are part of the Perth metropolitan area.

Senator MOORE—Are they? They would be urban, then?

Senator WEBBER—They would be urban.

Senator MOORE—What about Katherine?

Mr Lewis—That sounds remote.

Senator MOORE—Let us deal with that before Senator Crossin gets here.

Senator WEBBER—It says ‘Katherine/Katherine urban’. What does that mean? It is No. 12.

Mr Lewis—I am just looking at the ‘remote’ definition.

Senator MOORE—Those remote definitions tend to vary a little bit from place to place, and I am just wondering how they work on this one.

Mr Lewis—I do not know exactly how much we have given Katherine. I do not have that in front of me, but I do have the Katherine/Katherine urban. I can see where you have listed that with the Red Cross. I will come back to you on that.

Senator MOORE—That would be great. So they are getting \$1.2 million or \$1.3 million per year?

Mr Lewis—No, over the three years.

Senator MOORE—And the next bunch will get the same depending on what they are? Or do they have a shorter life span if they are in the second stream?

Mr Lewis—Their contracts will overlap with the first lot so the \$1.2 million and \$1.3 million is over the whole contract period. There will be a different quantum in total because they have got a different life period of the contract.

Senator MOORE—So \$1.2 million over about three years.

Mr Lewis—It is about \$400,000 per annum.

Senator MOORE—And this is a five-year funding cycle for this particular component at this stage?

Mr Lewis—That is right.

Senator MOORE—So it could be that Parramatta, for example, could end their three-year planning and there could be another contractee; that is possible?

Mr Lewis—Let us come back a second and I will correct this. The three-year first initial contract with the first phase could well continue into another—

Senator MOORE—Be re-funded.

Mr Lewis—That is right. These are ongoing programs. I think I mentioned that a bit earlier. These are ongoing commitments from the Australian government and the state governments and have been classified as ongoing programs—

Senator MOORE—To a maximum of five years?

Mr Lewis—No.

Senator MOORE—I understand that they would be ongoing for five because there has been allocated funding to the program for five, but I cannot see how it can be an ongoing program if there is no commitment to funding beyond the end of the period.

Mr Lewis—They are not a lapsing program which means that in the forward estimates ultimately we would have to make a case at some point—

Senator MOORE—For continuation.

Mr Lewis—for continuation. That would be part of the normal budget process.

Senator MOORE—But they could not plan beyond three years, which comes back to the planning cycle.

Mr Lewis—But they know that a commitment was made as part of the action plan by the Prime Minister for ongoing program money. In terms of a contract period, you need to set a contract period where at least you think there will be some measurable effect. That gives you an opportunity or a watershed where you actually sit down and talk with each of those providers about how much they are spending, what the take-up rate is, what the future prognosis is, whether they want to continue doing the business. Many providers say, ‘We don’t want to continue doing this. It is a dead end. We are not getting where we want to be,’ or ‘It is not consistent with our organisation’s intent.’ You need a point in time when you review.

Mr Leeper—By 2009-10 the program is essentially fully operational. Whether a service chooses to remain in it and whether we would like them to remain ongoing becomes really a matter of ongoing program administration, and we have got skills in-house to help us manage those relationships.

Senator MOORE—But a core aspect is that there is no guarantee for Parramatta, or whatever the area is, who have got a three-year contract now. They are building this but there is no guarantee at this stage that that will go beyond three years for their service.

Mr Lewis—There is a guarantee that there is ongoing funding for this purpose. If Parramatta, like any other relationship—

Senator MOORE—Sure, they have to reapply, but there is no guarantee they are going to get it.

Mr Leeper—It is a limited budget. Would that mean at some point we might think there is a priority area somewhere else that was not yet funded and someone might need to be defunded? That is possible. But that is a hypothetical which is three years away at the moment.

Senator MOORE—But it is a core aspect of this kind of planning for these organisations. I forget the occasion but yesterday we had a situation where Dr Harmer did say that the people had to reapply. There was full expectation that the money would come but there is no guarantee. We have had a number of occasions across this department—not necessarily in this program area—where people had thought they would get ongoing funding but they did not. It is just that the organisations need to know that.

Mr Lewis—This is an issue whenever you go to market.

Senator MOORE—In every cyclical funding, I know that.

Mr Leeper—It is an unavoidable consequence of having annual appropriations capped, so at some point in the future it may be that the department has to rebalance the resources.

Senator MOORE—And all these organisations are experienced in that process?

Mr Leeper—Yes. That is part of playing in the space I should think, yes.

Senator WEBBER—Can I turn to the operation of these centres. Now that we are getting them established, how are we going to assess who is eligible to access the services?

Mr Lewis—There is a tool called the eligibility assessment tool which has been developed by the Australian Institute of Health and Welfare for us with advice from a stakeholder advisory group which includes consumers and—

Senator WEBBER—Good.

Mr Lewis—GPs and a whole range of other players. It is quite a large group. I think we talked a little bit about this last time. They had some concerns initially about the tool being used for both eligibility assessment and outcome measurement. So we put to one side the broader outcome discussion which we are going to revisit with them and more broadly revisit with appropriate stakeholders. But we have a tool. I sat through the training last week with New South Wales providers. It has 30 main data units which are around the PHaMS program specifically, but many of those elements complement what each of the respective states has come up with in their care coordination framework. What we have in addition to that is that every state has through the Mental Health Standing Committee signed up for some principles and key elements of care coordination within which this sits. I will give you that because it gives you some of the reasons why the tool needed to be very specific about entrance to the PHaMS program, but it complements each of the state's respective care coordination frameworks in state access to services.

Senator WEBBER—With regard to that tool, when we first met a very long ago and discussed the rollout of this program one of the things that attracted me was part of the early intervention, perhaps picking people up who are not picked up elsewhere in the crisis management system. Is that tool going to exclude people? That is my real concern. If you have a clinical tool, it excludes people until they get to be in a fairly critical state.

Mr Lewis—Sure. It is not a clinical tool.

Senator WEBBER—Right.

Mr Lewis—It is a tool to assist entry to the PHaMS program. We already know—I am going to have confirmation of this—that, for example, Macarthur Disability Services at Campbelltown have met with all of the local GPs and the local health centre. They had talked to me last week about having referrals already of notionally 53 people coming to them who are already diagnosed. The other issue that we talked about in our earlier discussions was what about people who are not diagnosed and want to come through?

Senator WEBBER—Exactly.

Mr Lewis—This tool allows those people to come along to be assessed using the tool which says that it is highly likely that the mental health related functional disability is attributable to a severe mental illness. But if that person has been out of the system or has never connected with the system—has never had a clinical diagnosis—it does not preclude them from engaging as a PHaMS client. What it means is that we will encourage them from day one, frequently and always, to get some clinical care, because the program is about recovery. It is about people taking a step to recovery around mental illness. One of the elements in recovery if they have a severe mental illness is clinical care. So it does not preclude people who have not yet had a clinical diagnosis in the first instance. It is not a clinical tool.

Senator WEBBER—That is very reassuring, and I hope that the health professionals read that bit of *Hansard*.

Mr Lewis—That has been a hard battle but—

Senator WEBBER—But you have won.

Mr Lewis—Well, we are where we are now.

Senator WEBBER—Good. Excellent. That is what I want to hear. In relation to the funding of these programs, does that cover infrastructure or is it purely for service delivery and staff?

Mr Lewis—No, it covers infrastructure, including vehicles, leasing and rental properties and so on. It is not for buying capital as such.

Senator WEBBER—Is that flat—that is, this is what you get in the metropolitan area and this is what you get in the regional area?

Mr Lewis—Their allocation in the money is, but then they have the latitude to work through what their fixed and variable costs are, coming back to that point about turnover of staff and how many. It is quite interesting in that I had to sign off on the leasing of the cars in terms of what they are doing. At some sites which are up and running they have gone for two cars and at other sites have gone for three smaller cars. So they are making considered decisions about their operational requirements, whether they will be outreach based or whether they will be—

Senator WEBBER—But it also reinforces the point I have tried to make to you before, particularly in regional WA, about costs. Albany is not cost prohibitive, but once you get to the north-west infrastructure is an enormous cost. It is good to hear that there is some flexibility there. I think I am pretty much done. I have a query just generally about the town of Esperance. Apart from that, I have no further questions on this specific program. It is about mental health but it is not—

Senator MOORE—With regard to advertising—

Mr Lewis—Advertising. How much?

Senator MOORE—With regard to advertising and education campaigns, is there a budget for that? It is not separate in the PBS.

Mr Lewis—What we have done as part of the initial rollout is we spent about \$20,000 on a range of— I think it is \$22,000—brochures, pamphlets and handouts. They are low key but are posters to badge the service and some small leaflets and things for people to get—

Senator MOORE—Can we get copies of those?

Mr Lewis—Sure.

Senator MOORE—I do not think we have had those.

Senator WEBBER—No.

Mr Lewis—Yes. We are giving them to the centres. We allocated a portion to each of the centres to use so their customers know who they are and what it is about and see the badging.

Senator MOORE—It would be good to see them. Also, were they produced in-house or outsourced?

Mr Lewis—Outsourced. We bought.

Senator MOORE—Can you give us a budget for that?

Mr Lewis—It was \$22,000.

Senator MOORE—And who did it?

Mr Lewis—Sure.

Senator MOORE—Just give us the standard details on those processes.

Mr Lewis—Yes.

Senator MOORE—With regard to the various consultations that have gone on and continue, what is the advertising for those? Are there newspaper ads telling people they are on, talking about it?

Mr Lewis—We have had two rounds of advertising to date. One was for the first tender round which was—

Senator MOORE—When was that?

Mr Lewis—When was it?

Senator MOORE—When was that? Have you got all of this on a piece of paper?

Mr Lewis—Yes, I will give it to you. I can give you a breakdown.

Senator MOORE—So you had that and that would have been earlier this calendar year.

Mr Lewis—Yes, \$113,000.

Senator MOORE—And that was for the tenders.

Mr Lewis—That was for a weekly ad in every major national paper and in local papers inviting people to apply.

Senator MOORE—How many local papers?

Mr Lewis—I can give you a list. I have a complete list.

Senator MOORE—Okay. So you can give me all of that. And that will give me who did it?

Mr Lewis—Yes.

Senator MOORE—And you have another one coming now, because you have the round for the second lot.

Mr Lewis—Yes, \$71,000.

Senator MOORE—Why is it cheaper?

Mr Lewis—Because we went fortnightly for the second round of ads, not weekly. In Melbourne you have *The Age*, but in every sort of suburban group you have another local paper.

Senator MOORE—Sure.

Mr Lewis—So what we did was we have gone for the major nationals for the cities and then we have gone for the urban local papers as well. We have not gone for all the smaller papers like the Hornsby local paper or all the other little papers in the urban centres, because the market is already aware that we were coming back and we have our web site and other forums. So we made a decision that was cost effective not to do it.

Senator MOORE—So the only two rounds of tenders that have gone out have been for the carers—

Mr Lewis—Yes, personal helper and mentors.

Senator MOORE—What about advertisements around the respite care?

Mr Lewis—We have not advertised.

Senator MOORE—No advertisements there?

Mr Lewis—No, because we went straight to the brokerage—

Senator MOORE—And how about the community centres?

Mr Lewis—We have not yet advertised.

Senator MOORE—Nothing at all?

Mr Lewis—No.

Senator MOORE—That is all?

Mr Lewis—Yes.

Senator WEBBER—This is more a general mental health question rather than a program question. I was hoping Dr Harmer would be here too, because it will impact on other parts of FaCSIA. It has been brought to my attention very recently—and I have been on this side of the country so I have not been able to deal with it at home—about some real concerns about people with mental illness accessing services in Esperance. I was wondering whether you have a network where you can find out a bit about that, particularly those people who have taken themselves off Centrelink.

Mr Lewis—Okay.

Senator WEBBER—I do not know whether there is an attitudinal problem and therefore people have been breached or whether they do not want to go to the office or—

Mr Lewis—Okay.

Senator WEBBER—I know they are not going to be picked up through this, although Albany is reasonably close to Esperance in terms of distances in Western Australia.

Mr Lewis—We will look into that.

Senator WEBBER—Thank you very much. Can you also bring it to Dr Harmer's attention in case it impacts elsewhere in the department?

Senator MOORE—Mr Leeper, in this table that we got with the communication responsibilities that we asked for, and Senator Stephens has been studying so closely, there is a heading under 'Communication projects' for the first group—for the three mental health initiatives.

Mr Leeper—Personal helpers and mentors and a new mental health program for respite care—

Senator MOORE—And the mental affairs.

Mr Leeper—Yes.

Senator MOORE—So does that mean there is no work program for the others in terms of planning for advertising or community events? Or is it that they are putting it in there with a pre-wish that some time down the track you might be wanting to do something?

Mr Lewis—The latter.

Senator MOORE—So there is no formal planning?

Mr Leeper—Basically, in Public Service speak what this shows to you is the areas of work responsibility for those three teams. So matters relating to personal helpers and mentors that require some input from our communications and media branch would be handled by the communities communication team.

Senator MOORE—So that does not mean they are working on anything.

Mr Leeper—It does not necessarily say that they are going to do work; it just means that if something comes up, Evan knows who he goes and talks to.

Senator MOORE—I have just a general question on the launch for that in Darwin. Was Senator Crossin invited for that launch?

Senator Scullion—I am unaware of that answer.

Senator MOORE—Can we find out?

Senator Scullion—Yes, I will find out. I would have to say that it is a pretty standard convention that we invite each other.

Senator MOORE—It has not been followed in mental health activities, and not necessarily in FaCSIA, but it has crossed over portfolios.

Senator Scullion—I can assure you that it would not be any deliberate mischief. It may in this instance have been error. I am just saying—

Senator MOORE—I do not know the answer. I am just putting it on record to find out. Could you find out for us and make sure that—

Senator Scullion—I will take it on notice.

Senator MOORE—For the process. We had a similar question earlier in the week with another portfolio about a launch of a hearing services activity where that process was not shared.

Senator Scullion—I would note just terms of what I am aware of. I do not think either the local member, Mr David Tollner, or Senator Crossin were present, but whether or not either of them were invited I will find out.

Senator MOORE—Or able to come. That happens. Thank you, Minister. I know that Dr Harmer is not here, but Mr Leeper, in his absence, we were able earlier in this program, with Mr Lewis and his team, to have briefings for people who are interested in this program. There

is genuine interest from a number of people about how this is going. I know it has to go back for ministerial approval, but I put it on record in this area that we would encourage full and more briefings in the process as it goes along. Some of that we can stimulate but perhaps Mr Lewis, if it comes to an important time in the cycle or a time when you have the ability and time to do it, you could initiate that back through either Senator Humphries, as we have the mental health committee now meeting again, or, from our point of view, through Senator McLucas? We would find that very useful.

Mr Lewis—I would need to seek—

Mr Leeper—As you have noted, yes, subject only to ministerial agreement, we are always happy to provide such briefings.

Senator MOORE—Thank you very much.

CHAIR—That being the case, I thank the officers concerned in this area and we move to output 2.3, Support for carers.

Senator McLUCAS—In the carers output 2.3, I do not know whether you heard earlier but Mr Wallace was very helpful in being able to give me the programs under—and I am not sure if the language is correct—the support for carers element.

Ms Emerson—Under support for carers, there are two programs. The first one is respite information services for young carers at risk and the other is Peer Support Groups for Parents of Young Children with Disabilities. There is another program which we actually funded under the Services for People with a Disability. That is a carers program.

Senator McLUCAS—And what is that one?

Ms Emerson—That one is the Respite Support for Carers of Young People with Severe and Profound Disability program.

Senator McLUCAS—Can you give me the budgeted figures for 2006-07 for those programs?

Ms Emerson—For the respite and information services for young carers at risk, the administered funding for 2006-07 was \$7.434 million and there were departmental costs of \$0.145 million, bringing a total of \$7.579 million.

Senator McLUCAS—Sorry, I did not catch the second figure.

Ms Emerson—Departmental costs for that year were \$0.145 million and the total was \$7.579 million.

Senator McLUCAS—And in terms of any unspent funds in that program?

Ms Emerson—Currently we are tracking to spend all of those funds.

Senator McLUCAS—Okay. The peer support program—

Ms Emerson—Administered funding for 2006-07, \$0.629 million, and the departmental funding, \$0.099 million, bringing a total of \$0.728 million.

Senator McLUCAS—And the status of that money?

Ms Emerson—And that one is also looking on track to be spent.

Senator McLUCAS—And the respite for young people with a severe and profound disability?

Ms Emerson—This was one of the budget measures. I have just got the funding in a few places because there was additional funding to this program—this budget.

Senator McLUCAS—Okay.

Ms Emerson—I will just find the 2006-07 figure for you.

Senator McLUCAS—Is that the ex gratia payment?

Ms Emerson—No, this is another one.

Senator McLUCAS—Keep going then.

Ms Emerson—Is it all right if I come back to that figure for you? I will find that.

Senator McLUCAS—Yes, thank you. Are there any other unspent funds against the 2006-07 budget that the committee should be aware of?

Ms Emerson—There are no unspent funds that I am aware of. It is committed.

Senator McLUCAS—Going to the carers one-off bonus, can you explain to the committee how that rolls out, just in a practical sense?

Ms Emerson—Certainly. Essentially, the government has introduced an interim one-off carer adjustment payment—I beg your pardon, the bonus. Essentially, there will be a bonus paid this financial year to people who are carer payment recipients. They will receive a lump sum bonus of \$1,000. Department of Veterans Affairs carer service pension recipients will receive a lump sum bonus of \$1,000. Recipients of carer allowances who also receive a wife pension, or the Department of Veterans Affairs partner service pension, will also receive a payment of \$1,000. Carer allowance recipients will receive a lump sum bonus payment of \$600 for each eligible carer receiver for whom they provide care. It is anticipated that the majority of these payments will be made before the end of this financial year and they will be made automatically because it is based on eligibility.

Senator McLUCAS—So, essentially, Centrelink will roll out the payment?

Ms Emerson—That is correct.

Senator McLUCAS—How is it received by recipients?

Ms Emerson—It is received into their bank accounts.

Senator McLUCAS—Just electronically?

Ms Emerson—Yes. Electronic funds transfer.

Mr Lewis—Centrelink would make the payments over a standard fortnightly payment cycle, because people get paid on different days in the fortnight. That would be done in the pay cycle ending before 30 June, I would imagine.

Senator McLUCAS—Can you tell me how many people there are who are on the age pension who are carer allowance recipients?

Ms Emerson—There are 75,000 age pension customers who receive the carer allowance bonus payment.

Senator McLUCAS—So 75,000 people receive carer allowance—

Ms Emerson—And are on the age pension.

Senator McLUCAS—and get the age pension. How many of those people would have been eligible for the carer payment?

Ms Emerson—None of those would be eligible for the carer payment.

Senator McLUCAS—Why not?

Dr Harmer—You mean the carer bonus, Senator?

Senator McLUCAS—No, the carer payment.

Mr Leeper—The carer payment is a pension-like payment. You either receive that or you receive another pension-like payment, but not both. So a person receiving—

Senator McLUCAS—Are you saying that you cannot be over 65 and receive the carer payment?

Mr Leeper—No. What I am saying is that you either receive an age pension or a carer payment, but you cannot receive both—

Dr Harmer—It is a choice.

Mr Leeper—because they are mutually exclusive.

Senator McLUCAS—I am not suggesting you should receive both.

Ms Emerson—Customers choose which payment they would most prefer to be on and they have the choice.

Senator McLUCAS—That is not what the secretary just said.

Ms Emerson—I think it is consistent.

Senator McLUCAS—I do not think that is what the secretary said.

Dr Harmer—No, they know the answer. I thought you were talking about the bonus. I misunderstood.

Senator McLUCAS—So customers choose which payment they are going to receive?

Ms Emerson—That is correct, and there are different responsibilities and are review points for different payments. There are different eligibility criteria especially for carer payments which they would have to satisfy.

Senator McLUCAS—How many people who are of age pensioner age receive the carer payment?

Ms Emerson—There are 9,100.

Senator McLUCAS—Who are over 65?

Ms Emerson—Who are over age pension age, so it is a slight—

Senator McLUCAS—Yes.

Mr Leeper—Women's ages are still rising for the age pension.

Senator McLUCAS—And how many complaints did the department receive from older people who could have received the \$1,000 bonus but did not because they were on the age pension as opposed to the carer payment?

Ms Emerson—I do not have that information, I am sorry.

Senator McLUCAS—Is that able to be provided?

Ms Emerson—Would you mean things like ministerial correspondence to date? Is that the sort of thing you would like to have?

Senator McLUCAS—I am sure there are other ways that you receive complaints.

Mr Leeper—The concerns in relation to the payments of allowances and bonuses may also be directed, in the first instance, to Centrelink, so complaints made to FaCSIA may not be the only source of subsequent complaints.

Senator McLUCAS—What input does FaCSIA have to Centrelink to advise them what to tell people when they become of age pension age, in terms of what payment they should receive? What sort of policy advice do you tell Centrelink?

Ms Emerson—There is policy advice, but I am afraid I am not familiar with what specifically is on the table at the moment. The full list of advantages and known disadvantages are given to the customer and I think they send them a letter, but I would have to check the detail of that to assure you of that.

Senator McLUCAS—I would appreciate it if you could provide me with a copy of that letter. Does it identify that, if a government in the future deemed it appropriate to pay a carer payment bonus and if you go onto the age pension, you will not get that?

Mr Leeper—We would need to take that on notice, Senator.

Senator McLUCAS—Thank you.

Senator Scullion—I am not saying that the information should not be provided, but I do not think it would be good to say that, hypothetically, if a government in the future were to do something we would provide information on that basis. I am sure the information should be provided. I just want to clarify that.

CHAIR—I take that point.

Senator McLUCAS—The point is that the officer is saying that you provide information and it is the customer's choice. It has certainly been put to me by very many older people that, when they become of pensionable age, age pension age, they are simply moved straight onto the age pension and do not have a choice or misunderstand the advice that the Centrelink officer provides them when they are asked to move on.

Senator Scullion—What I understand, Mr Chairman—and I may be corrected on this but I am on pretty confident ground—is that nobody is compulsorily moved. This is actually a process under which a signature is required to say, 'I am now moving from a carer payment circumstance to an age pension.' There is a process in between where information is provided.

In addition to that, it is my understanding that, should you find that to be the case—given that a carer payment is actually a discretionary payment of government, and it has happened

over four years and been well accepted—if somebody decides that they should not be on the age pension because perhaps there could be another carer bonus coming or something like that, they can move back onto the carer payment because it is an income supplement. As I understand it, the only issue is some ability issues. The issue is, of course, that that is never paid retrospectively. If they are effectively a carer payment recipient on the night of the budget or the announcement, whatever the media statement says at the time—I am not sure about previous years but in this previous budget it was on the night of the budget—then they are paid. If they are not, they are not. It is an easy way to differentiate that.

Senator McLUCAS—It is pretty indicative—

Senator Scullion—There have been plenty of opportunities over the last four years, I would have thought, in the wider community to have understood that that is the case. But, as I said, it is a discretionary bonus and, as such, it is perhaps a little difficult to predict.

Senator McLUCAS—Of those 75,000 people who are on the age pension and receive carer allowance, if they were to apply to get the carer payment, what is the estimate from FaCSIA as to how many of them would be able to transfer from the age pension to the carer payment?

Ms Emerson—I do not have that information. People have to be assessed on the basis of a full carer payment assessment.

Senator McLUCAS—But it would be more than 9,100 people, one would imagine.

Ms Emerson—If there were any new qualifications, yes. The current number is 9,100. If more people did choose to contest it and were successful, yes, that number would go up.

Senator McLUCAS—So there are a lot of people who could have got \$1,000 who actually got \$600 because of the way—

Ms Emerson—I do not know that we can say that.

Senator McLUCAS—I think you can.

Mr Leeper—The fact that they receive the carer allowance probably is a necessary but not a sufficient indicator of whether they would qualify for carer payments.

Senator McLUCAS—I agree with you, Mr Leeper. That is why I am trying to get a breakdown of the 75,000 people who do get the carer allowance and the age pension. A proportion of those people would be eligible for the carer payment, but because they are told by Centrelink that the—

Dr Harmer—They may be eligible, but we do not know.

Senator McLUCAS—A good proportion would be. According to the eligibility criteria, there would be a number of those people who have moved onto the age pension and thus do not get the \$1,000. They will, in fact, get the \$600. I see in the budget there was an announcement about fraud and compliance preventing carer payment debt. Is this in this outcome here?

Ms Emerson—It is handled by another area, but it depends on the level of the detail of the question. Actually, we have the officer here.

Senator McLUCAS—Thank you. This measure is meant to save \$40 million over four years. How is that measure meant to operate?

Ms Foster—The measure is expected to save \$38 million over four years. It is a refocusing of effort. At the moment, the effort goes into detection and recovery. The refocusing will be towards preventing future debt. We will be looking at characteristics of customers who have had overpayments. We will then apply those characteristics across the carer payment population and we will select customers who have similar characteristics to those who have had previous overpayments. So it is an exercise in risk profiling, I suppose.

Senator McLUCAS—What sorts of characteristics do carer payment fraudsters exhibit?

Ms Foster—We could be looking at issues around, for instance, earned income—whether or not they may be in employment, in which case we may have to ask them some questions about hours spent in employment versus care. The customers would probably fall into high-, medium- or low-risk categories, and the type of review will depend on whether or not they show as high, medium or low. The review could be a face-to-face interview or they could be asked to supply us with some details on a form, or they may get a phone call from Centrelink just to verify the current information.

Senator McLUCAS—Sorry, just to track back a bit, I understand your point that people who are working should not also be getting carer payment, which is an income replacement payment. How does the department ascertain who might be in that profile?

Ms Foster—We would be looking at issues such as income, for instance, and that would be a trigger for Centrelink to ask further questions of the customer.

Senator McLUCAS—How do you know what income they are on? I am not following you.

Ms Foster—For carer payment?

Dr Harmer—An audit was done by Centrelink on our behalf, not by FaCSIA.

Ms Foster—We would collect details about income from the customer.

Dr Harmer—If you want some more detail about how we would make that judgement, or how Centrelink would make that judgement, we will get some information from Centrelink.

Senator McLUCAS—I am just not tracking how you would know income other than the income that is being received from Centrelink.

Dr Harmer—Taxation information et cetera. We will take it on notice, Senator. Centrelink do it for us.

Senator McLUCAS—You said earlier, Ms Foster, a \$38 million saving over four years.

Ms Foster—That is right.

Senator McLUCAS—The document said 40.2. We are not going to quibble about two million, but is there a reason for the difference in figures?

Dr Harmer—It may be, and Ms Foster will be able to clarify, that there are some funding costs involved in the measure. I am not sure.

Ms Foster—The \$38 million is a FaCSIA-only amount.

Senator McLUCAS—And there is \$2.2 million to Centrelink. Okay. How was it predicted that that is the potential saving? On what basis did you come up with that figure?

Dr Harmer—We would have done some analysis on the basis that Centrelink gave us that number, and we have put a proposal together. We would be pretty confident because we have to convince the department of finance, and it is a difficult job convincing Finance that savings can be achieved in these sorts of measures. So we would be pretty confident that it is pretty accurate.

Senator McLUCAS—How many carer payment recipients does a \$38 million saving over four years turn into?

Ms Foster—We will be reviewing 50,000 recipients each year and we estimate that 5½ thousand customers may be affected.

Dr Harmer—Senator, I think we can give you a little information about how we might do it.

Mr Leeper—In last year's budget, the 2006-07 budget, there was a measure detecting incorrect carer payments which introduced a data exchange program between Health and Ageing and Centrelink to identify cases where carers or care receivers living in residential care facilities on an ongoing basis might therefore no longer qualify for carer allowance or carer pension. This measure builds on that data matching. In effect, it is a set of reviews focused on high-risk categories where people's circumstances change so fundamentally that their entitlement to, or the actual rate of, carer allowance or carer payment would change substantially.

Senator McLUCAS—And there was legislation to that effect, is my recollection. It was from DoHA.

Mr Leeper—I do not recall that information, sorry, but it is basically building on a previous year's initial measure. It was really based around some of those event changes.

Senator McLUCAS—All right. That is fine. For people caring for a child under the age of 16, I understand there are two types of carer allowance; is that correct?

Ms Emerson—There is carer allowance and then there is health care card only; is that what you are referring to?

Senator McLUCAS—Yes. Could you explain the difference between those two, please?

Ms Emerson—It is essentially a different intensity of care over the period. So there are two levels that are assessed. If there is that daily care requirement carer allowance, the payment and a health care card is available. But if there is a less intensive role then just the health care card is made available for the care recipient.

Senator McLUCAS—Do you have the numbers of people who are full carer allowance recipients and those who simply receive the health care card alone?

Ms Emerson—Yes, I do. Are you talking about carer allowance (child)?

Senator McLUCAS—Yes, please.

Ms Emerson—At June 2006 there were 106,622 customers receiving carer allowance (child)—the payment plus the card—and there are an additional 15,966 customers who received the health care card only. There will probably be another small number who receive the carer allowance in respect of an adult and a child.

Senator McLUCAS—Okay.

Ms Emerson—I am not sure if I have that figure here, I am sorry, but it is a relatively small number.

Senator McLUCAS—Disregarding that final group, of those carer allowance (child) recipients, which of those receive the bonus?

Ms Emerson—The 106,620-odd—

Senator McLUCAS—They receive the bonus?

Ms Emerson—Yes. And that number is actually larger because that is a June 2006 number, so there will be more people again.

Senator McLUCAS—What was the rationale for why the person who received the carer allowance (child) health care card only did not receive the carer bonus?

Ms Emerson—That was the decision of government.

Senator McLUCAS—That was the government's decision?

Ms Emerson—Yes.

Senator McLUCAS—Moving now to—

Ms Emerson—Senator, would you like me to give you one of those figures I promised before, without breaking your concentration?

Senator McLUCAS—Yes.

Ms Emerson—You wanted an allocated expenditure figure for respite support for carers of young people with severe or profound disability for 2006-07.

Senator McLUCAS—Thank you.

Ms Emerson—It is \$4.853 million.

Senator McLUCAS—And on track for full expenditure?

Ms Emerson—Close to.

Senator McLUCAS—What does that mean, sorry?

Ms Emerson—It means that I cannot give you a 100 per cent guarantee in that it might be slightly less than that, but I think it is on track.

Senator McLUCAS—Slightly less in dollars or—

Ms Emerson—Within five per cent.

Mr Leeper—Within five per cent, Senator.

Senator McLUCAS—Five per cent?

Ms Emerson—Yes.

Senator McLUCAS—Thank you for that. The budget announced an interim ex-gratia scheme payment. It is called the carer adjustment payment.

Ms Emerson—That is correct.

Senator McLUCAS—What are the eligibility rules for accessing the ex-gratia payment?

Ms Emerson—Families will be able to apply for assistance through this payment where, following a catastrophic event, the child aged not six years is diagnosed with a severe illness or a major disability due to accidental injury and the child has significant care requirements—and by that we mean probably requiring full-time care from the carer for a minimum of, say, two months following the incident—the child's carer qualifies for carer allowance in respect of the child; the carer is not eligible for carer payment; the carer or their partner is not eligible for an income support payment; and the carer is able to demonstrate a very strong need for financial support during the adjustment period immediately after the catastrophic event. I do have a fax with that on it if you would like it.

Senator McLUCAS—No, that is fine, thank you. When were these eligibility rules devised?

Ms Emerson—The ones I have just read out have been in place since March-April. They form the basis of the eligibility for payment.

Senator McLUCAS—So they were in place in early April?

Ms Emerson—That is correct.

Senator McLUCAS—And how did they come about?

Ms Emerson—They came about following the announcement of the payment by the Prime Minister and the minister in late March.

Senator McLUCAS—Was that late March?

Ms Emerson—Yes, 23 March.

Senator McLUCAS—In terms of the \$6.5 million terminating 30 June 2008, that is after the election—this was the minister, not you—how many people was that expected to assist?

Mr Leeper—The maximum payment available under the scheme is \$10,000. We would not expect that all grants would be \$10,000. The numbers would vary. Were all of them to be \$10,000 then that is around 500 grants.

Senator McLUCAS—What sort of analysis has the department undertaken to work out whether that is the appropriate number of payments to fulfil the need that has been identified?

Ms Emerson—It has certainly been very difficult to do analysis for exceptional circumstances, but we looked at the available data from the Australian Institute of Health and Welfare and other morbidity statistics to see what sort of incidents and how frequently significant incidents occurred for that particular age group and of those what the carer load might be and whether or not people would be likely to qualify for the carer payment itself. We worked through some examples to come up with a figure which we have certainly indicated we may need to revise.

Senator McLUCAS—You may need to revise—

Ms Emerson—We may need to revise advice on that.

Mr Leeper—It is provided as a fixed figure in the portfolio budget statements but we will monitor early and closely trends in the grants of these payments. In the event that it appears that the amount of money is insufficient we would provide advice to government. They would then need to take a decision about how to respond to that advice.

Dr Harmer—It is very difficult to make an estimate of how many people are going to qualify under the criteria.

Senator McLUCAS—You do not just pick a number out of a hat. You work out how many children get diagnosed with a catastrophic event and you work out how many of their parents would be ineligible for CP et cetera. I understand all that. The question I am asking is: once you had done all that analysis did you actually come up with the number of 500?

Ms Emerson—The number of 500 is a credible figure given the sorts of parameters we have. That would be the minimum number because the maximum amount of payment is \$10,000. There is an intention to actually have a range of payment sizes. Therefore there would be a number greater than 500 that would be able to be given a payment.

Senator McLUCAS—Who does the assessment—Centrelink?

Ms Emerson—Partially, in terms of being able to assess whether someone is eligible for the carer allowance and not eligible for the carer payment. But at that point an application is actually forwarded to an independent panel which will assess on a case-by-case basis each application and will make a recommendation.

Senator McLUCAS—Are those panels in existence or do they have to be set up?

Ms Emerson—We have set up a panel specifically for this and we are working with them at the moment.

Senator McLUCAS—How many panels are there?

Ms Emerson—There is one panel. We have a chair and two members currently working on that. Depending on the amount and the volume of claims and claim practice, we may extend that. We may also contract in additional expertise if there is particular expertise needed that is not on that panel.

Senator McLUCAS—How much did the panel cost to establish?

Ms Emerson—It is a work in progress but we have a contract with the chair and one of the members of the panel.

Dr Harmer—We will take that on notice.

Ms Emerson—I do not have all the figures here.

Senator McLUCAS—I would like the total cost of establishing the panel.

Dr Harmer—We want to get that right.

Senator McLUCAS—Who is the chair of the panel?

Ms Emerson—Ms Linda Webb.

Senator McLUCAS—What is her experience in this area?

Ms Emerson—She is currently a consultant. She has a lot of government experience. She is a former senior public servant. She also has experience with the pharmaceutical appeals area and a few other related pieces of work. She is experienced in assessing.

Dr Harmer—She has been in an ACT government department dealing with community services et cetera. She has considerable experience in disability matters.

Senator McLUCAS—Who are the other two members?

Ms Emerson—Margaret Kilpatrick, a former Centrelink employee.

Mr Leeper—She is a former Centrelink SES officer with substantial program delivery experience in the area of payments. She understands the practicalities of how to administer rules and find her way through as such. She is a very professional operator.

Ms Emerson—And familiar with carer issues.

Senator McLUCAS—In asking these questions I am casting no aspersions on these people.

Ms Emerson—The third member of the panel is a medical practitioner. If it is okay I will not give her name just at the moment.

Senator McLUCAS—She is a GP?

Ms Emerson—That is correct.

Senator McLUCAS—How many applications have been received by Centrelink for ex gratia payments since March?

Ms Emerson—We have not received any applications per se but we have received registrations of interest. Centrelink are pursuing those by sending out information and forms where that is in order. I gather that is sitting at about 1,300 at the moment.

Senator McLUCAS—So 1,300 people have expressed interest in two months?

Ms Emerson—Yes. Essentially a lot of that came fairly closely upon the announcement of the scheme when there was probably not very much detail available to people to judge whether or not they would be in the ballpark for it. So that includes a lot of people who are well outside the intended scope of the payment.

Senator McLUCAS—Certainly.

Ms Emerson—Including adults.

Senator McLUCAS—If something happens you put in an application to see what happens out of it.

Ms Emerson—That is why Centrelink is actually pursuing people's interest with them—to give them that sense of whether that is a realistic sort of application.

Dr Harmer—And see whether they want to continue with an application.

Senator McLUCAS—How many of those registrations of interest have actually turned into formal applications?

Ms Emerson—None as yet. We are in the process of finalising the application form and sending that out to people over the next couple of weeks.

Senator McLUCAS—I turn to the fact that not everybody will get \$10,000; it may vary. On what basis do you make a judgement that this person with this catastrophic event is more needy than someone else who has had another different catastrophic event?

Ms Emerson—That is a judgement that we are asking the independent panel to make. They are establishing their principles around doing that at the moment.

Dr Harmer—They are principles against the backdrop of the criteria and conditions that Ms Emerson outlined before.

Mr Leeper—What we are asking the panel to do is to form a consistent view of the merits, as it were, of different applications. The delegate will, however, be a FaCSIA officer. So the panel will not be making a decision but we are looking to them to manage the process of assessing the applications to give a reasonably consistent outcome in terms of recommendations to a delegate.

Senator McLUCAS—Is there an opportunity for appeal?

Ms Emerson—Not a formal appeal process, but people will be welcome to provide new information or if they actually believe that they have a case that has not been well considered to make that case again.

Senator McLUCAS—I am concerned about someone in that sort of circumstance being able to manage another bureaucratic process.

Ms Emerson—It mirrors the sort of process that Centrelink has as a standard, but because it is a process that is outside of the normal suite of Centrelink programs it is actually a decision made within FaCSIA on the recommendation of an independent panel. We will mirror that sort of process within our organisation.

Mr Leeper—At a minimum the panel would review its original decision or recommendation to the delegate. In the event that the panel grossed to more than just the three people we would probably find a way of having someone not associated with the original examination review that inside the panel arrangement before providing further advice. At the moment we are not in that space because the panel is just three.

Senator McLUCAS—Can you provide the committee, if they even exist yet, the guidelines that the panel might be using to make judgements about the quantum of payment? Have those guidelines been established yet?

Ms Emerson—They are actually the work of the panel at the moment, so if we could perhaps take that one on notice.

Senator McLUCAS—When they are complete, if you could provide that to the committee that would be useful.

Ms Emerson—Yes.

Senator McLUCAS—When is the form expected to be completed?

Ms Emerson—We were hoping to get that finalised within the next couple of days and Centrelink would hopefully be mailing it out, say, by about the second week of June.

Senator McLUCAS—To 1,300 people plus some more?

Ms Emerson—Probably not 1,300 because I think many of the initial expressions of interest were actually quite a long way off the intended target group, including adult carers or people who were already receiving carer payment. So a number of people will certainly be contacted, but they may not choose to pursue a claim.

Senator McLUCAS—Have you done an initial split of the 1,300 people yet?

Ms Emerson—Centrelink has been working through that data. I do not have all of that here at the moment.

Senator McLUCAS—But might you be able to say that it might be 60-40 or fifty-fifty?

Dr Harmer—We probably do not know that, Senator. After the initial registration of interest, Centrelink have been contacting the people and giving them more information about their likely eligibility. Following that discussion, the people who registered will make a decision about whether they want to pursue an application or not and we have not got that information.

Senator McLUCAS—Is it proposed to do any sort of information or advertising program associated with the ex gratia payment?

Ms Emerson—No, it is not. We were using the usual means of dissemination of information—the callback approach—to people who have already registered interest, a personal approach. But that is all.

Dr Harmer—We believe an existence of the payment will be fairly well known already amongst the relevant community.

Senator McLUCAS—I am not sure it would be, to be frank, because the disability sector is quite different from your target group. Your target group are people whose child gets diagnosed with leukaemia at age three or who has a terrible accident. They are not naturally connected with the disability sector.

Ms Emerson—One of the issues though is that, because of one of the criteria for eligibility for the carer allowance, a lot of people will actually be initiating some contact. The carers associations certainly are going to have plenty of information about this, and some of the associations that deal with families of children with a disability through the Australian Association for Families of Children with a Disability are going to be promulgating more information about it, as will a number of the other specialist disability groups that have a lot of children as part of their client group.

Senator McLUCAS—Moving off the ex gratia payment, I understand that the eligibility criteria for the carer payment allowance is being reviewed.

Ms Emerson—That is correct; carer payment (child).

Senator McLUCAS—Carer payment (child)?

Ms Emerson—Yes. The minister announced the broad-ranging review of carer payment (child) in March 2007. The announcement of the carer adjustment payment was coincident with that, because it was seen as an interim payment while the carer payment review was actually taking place.

Mr Leeper—That is the reason in effect why the budget papers make only a provision for the adjustment payment in 2007-08. Our expectation is that the work of the carer payment (child) review task force would be completed in sufficient time to allow the new recommendations from that task force to be considered by government in time for the 2008-09 budget process. So that is the absolute reason why we have only provided one year's funding for the carer adjustment payment. Our expectation is that government will have a chance to consider what it might wish to do with the payment following the work of the task force.

Senator McLUCAS—But a carer adjustment payment recipient is a person who cannot get the carer payment.

Dr Harmer—Under present arrangements, but that is why we are reviewing it, Senator. So it may be that the group doing the review may make recommendations to government which will change the eligibility.

Senator McLUCAS—Okay. Can you explain to me the process for the review. It was announced in March. What is going to happen?

Ms Emerson—That is correct. There has been a task force established headed by Tony Blunn and nine other members from the community.

Senator McLUCAS—Which you could hand up to me rather than read out.

Ms Emerson—Which I could hand up to you rather than reading out.

Senator McLUCAS—Thank you very much.

Ms Emerson—I will do that. The task force has now met. It had its first meeting a couple of weeks ago and issued a discussion paper which you may have seen advertised on the weekend with a call for submissions.

Senator McLUCAS—Yes, I did.

Ms Emerson—So we have that discussion paper available on the FaCSIA web site. We have an email address and a 1800 number which people can call to get a copy of it, and we hope it will be distributed through a number of sources. We will have plenty of paper copies available also. It is not a long document, but it is actually encouraging people to talk of their experiences if they have been caring for a child with a disability and also to comment on the assessment processes and eligibility criteria or make any other comment or if they have anything that they want to say about carer payment (child). So it is supposed to be inviting that. We will do analysis of it and add that to the considerations of the task force.

Senator McLUCAS—Is Centrelink advising those recipients of carer payment (child) or care allowance who would be caring for a child—

Ms Emerson—The planned intention is that we will write to all carer payment (child) and care allowance (child) recipients and inform them of the review and the opportunity to comment or to participate in focus groups.

Senator McLUCAS—Are the terms of reference on the web site?

Ms Emerson—Yes, they are. They are also in the discussion paper.

Senator McLUCAS—When is it meant to report by?

Ms Emerson—We are expecting it to report by the end of November, which will give us enough time to actually complete the consultations and analysis.

Senator McLUCAS—Do the terms of reference also go to the question of the nature of the form being very much based on medical diagnosis as opposed to analysis of care need?

Ms Emerson—That is certainly one of the dimensions that comes up in the terms of reference.

Senator McLUCAS—I have to say it has been an issue I have been pursuing for some time, so I cannot be critical of that.

Ms Emerson—In fact, one of the requests of the task force in considering the issues is to determine the most appropriate mechanism for assessing the care requirements of children under 16 years with severe illness and/or disability, including examining options for amending the existing carer and medical eligibility criteria to reflect current medical, technological and carer approaches and practice.

Senator McLUCAS—Thank you. Very quickly, I want to go to special disability trusts now. At the February estimates we talked about the Special Disability Trust program. Could we get an update on the number of trusts that have been established to this point in time?

Ms Emerson—Dr Hartland will answer.

Dr Hartland—As at 18 May, 11 trusts have been established.

Senator McLUCAS—How many are being processed, if that is a more appropriate word?

Dr Hartland—On 18 April we did a little census of the information we had to hand. At that point we had received 1,400 phone inquiries. Beneficiary status had been granted for 92, rejected for four and was still being assessed for 83. Of that group at that point, trust status had been granted for eight with four still being assessed. That gives you a sense that there is a bit of a wave of beneficiary status. That is much greater than trust status at this point. We think that is because most of those inquiries are around people who wish to establish testamentary trusts.

Senator McLUCAS—Could you explain that to me please?

Dr Hartland—Trusts that will be created out of a will.

Senator McLUCAS—I understand.

Dr Hartland—So they are not seeing the need at this point to develop a full trust and therefore claim gifting exemptions.

Senator McLUCAS—So they do it when they decease.

Dr Hartland—Yes.

Senator McLUCAS—Can we go to the forward estimates for the program. In the 2006-07 budget papers what did we have for the special disability trusts?

Dr Hartland—I do not have that. Do you have that, Lee?

Senator McLUCAS—It is forward estimates. For 2006-07 it is \$19.7 million. Is that correct?

Ms Emerson—I do not have those figures. I am wondering whether you are talking about the appropriations that they would—

Senator McLUCAS—Yes, you are right.

Ms Emerson—That is what makes this quite complex to work through.

Senator McLUCAS—Okay, let us start from the beginning. In October 2005 the government announced a \$200 million package that would make it easier for parents of children with severe disabilities to establish trust. That was then clarified in estimates that this was in fact \$230 million, as of mid-January 2007. Can you tell me over what period that is being allocated and how much in each of the years, please?

Ms Emerson—That \$230 million was over four years, from 2005-06 through to 2008-09.

Senator McLUCAS—So how much was allocated in 2005-06?

Ms Emerson—1.021. In 2006-07, it was 31.833. In 2007-08, it was 79.605.

Senator McLUCAS—And 2008-09?

Ms Emerson—In 2008-09, it was 116.717.

Senator McLUCAS—What are the elements for each? In the start-up year I dare say that it was about information, but could you go through what the elements are for each of those amounts of money over the years?

Ms Emerson—On the figures I have in front of me, mediation and counselling was one package of support that was provided. Is that the sort of break-up you would like?

Senator McLUCAS—Yes, please.

Ms Emerson—Okay. For mediation and counselling, the figures were 0.016 in 2005-06; 1.554 in 2006-07; 1.736 in 2007-08; and 2.186 in 2008-09, totalling—

Senator McLUCAS—Of that, how much was expended in 2005-06?

Ms Emerson—Sorry, I will have to take that on notice. I do not appear to have that in front of me.

Senator McLUCAS—Do you have it for 2006-07? Where are we tracking on that?

Ms Emerson—That expenditure is not complete yet.

Senator McLUCAS—I understand that, but we are not far away.

Ms Emerson—I cannot give you that at the moment, I am sorry.

Dr Hartland—The expenses that relate to these special appropriations through either age pension or DSP we do not track in quite the way that your question seems to be implying.

Senator McLUCAS—Right.

Dr Hartland—When we do an estimate of expense in special appropriations, we adjust the whole appropriation. We do not then go back and adjust and see whether we have expended that amount by individual measures.

Senator McLUCAS—Thank you, Dr Hartland, for that. That does help me. Ms Emerson, there are a number of elements in each of the programs. I wonder whether you could take on notice and provide us with that breakdown that you were going through.

Ms Emerson—Yes.

Senator McLUCAS—Let us go to the total—taking your suggestion, Dr Hartland—appropriation for each of the four years.

Ms Emerson—So by each component?

Senator McLUCAS—Not by each component because I was going to ask how you are tracking by each component, but Dr Hartland says that you do not measure that.

Ms Emerson—The first set of figures I read out to you were the totals for each year across all of the components.

Senator McLUCAS—Oh, yes. In the 2005-06 year, of \$1.021 million—I know it is not a lot of money in the scheme of the federal budget—how much was spent?

Ms Emerson—I think I will have to take that on notice, I am sorry, Senator. I do not have that in front of me.

Senator McLUCAS—For the 2006-07 year, incomplete as we agreed, how much of that \$31.8 million has been spent?

Ms Emerson—Again, I will have to take that on notice. Some of the elements are actually administered in other parts of the department. For example, mediation and counselling are done through our Family Relationship Services Program, and I would have to gather information from them and also talk to Dr Hartland about the special appropriations.

Senator McLUCAS—I am trying to get an indication of whether that measure is being spent at the level that it was proposed given that we have 11 trusts established.

Ms Emerson—I will have to get back to you on that. The things I could probably talk to you confidently about at the moment are the expenditure we have had in producing some of the assistance to carers around the trust booklet and the translation into other languages which is currently being done for the new booklet, but we will have to take the rest on notice so I can give you accurate information.

Senator McLUCAS—Could you give us some information on what the money has been spent for? The other important question is what happens to money left in that allocation at the end of the financial year? What happens to those funds?

Dr Hartland—The special appropriations—so the appropriations for age pension or DSP—are not like the annual appropriations. There is not a bucket of money that is somehow unused. The special appropriation expends what it expends. There is no unused money that can then be spent—

Senator McLUCAS—Are you saying that the Special Disability Trust goes into that category?

Dr Hartland—The cost of the gifting exemptions and the exemptions from the asset test of the money in the trust is a cost to the special appropriation. The funds in the trust are the property of the trust, and whether or not they are spent is a matter for the trust.

Senator McLUCAS—That is right. It is not of interest to us. It is the money that was allocated by the Commonwealth—\$230 million over four years—that I am interested in knowing has been spent or not.

Dr Hartland—With the special appropriation funds, it is not a matter of whether you have spent it or not; it is a matter of whether your estimates are tracking in the way that you expected. With the special appropriation, you do not get money that you could spend on something else if you wished because it was unspent.

Senator McLUCAS—I understand what you are saying.

Ms McKenzie—I think the other thing to take into account is that, of the \$229 million that was made available for this measure, \$204 million was for the special appropriation that Dr Hartland is talking about, and another \$13 million was for the appropriations that relate to DVA. When you are talking about the departmental appropriations, the money that we have to spend on the trust, we are really talking about a sum of about \$11 million.

Senator McLUCAS—That is the administrative element to the trust—

Ms McKenzie—That is the mediation and counselling, future care information pack and the consultations and research.

Senator McLUCAS—So most of it is forgone revenue; is that a better way of describing it?

Ms McKenzie—Yes.

Dr Hartland—No, forgone revenue is a taxation term. Most of it is a higher expenditure in relation to pension outlays than would otherwise be the case.

Senator McLUCAS—That is what I meant.

Dr Hartland—I just did not want to have to explain to Treasury why I had made a comment about forgone revenue.

Senator McLUCAS—Okay. Back to special disability trusts: have there been any revised forward estimates for the program?

Dr Hartland—No, we have not revised our estimates. We have some information about the amount of assets that have gone into the trusts, but we have not sought to try to estimate how much that means for the special appropriations at this point.

Senator McLUCAS—Dr Hartland, I am getting it; it is coming along. There is the administrative money which comes to \$11 million or so. Is there a document that you can point me to or an explanation that would explain the increased costs and how that relates to the amount of money that is actually in the trusts?

Dr Hartland—I can have a go at explaining it.

Senator McLUCAS—I am a bit worried about time and I wonder if there is a document that you could provide the committee that would do the split. Basically, the question I am asking is: how did you come to \$230 million?

Dr Hartland—I do not believe we have a document that does it quickly. I think I can try to explain it very quickly. There were two means test consequences of the trust. The first is that someone on an age pension is allowed to put money into the trusts and therefore, in effect, gift it away. Normally, that gift would be held against them as an asset for a number of years. The exemption means that will not be done, so there is a cost to the age pension because they are higher than otherwise would have been the case because of this aspect of the trust.

Also, once the money is in the trust it is not assessed as an asset against the person who is the beneficiary of the trust. Without the trust measure, it would have been done and, again, if that person is on DSP or another payment, expenditure is therefore higher than would otherwise have been the case. So those are the two parameters of the design of the trusts which meant that the special appropriations were estimated to be higher than they would otherwise have been.

Senator McLUCAS—Now that we have 11 trusts established, I am trying to ascertain how we can get to \$31.833 million in this current financial year. I cannot see how 11 trusts being established will provide enough exemption or provide enough people to become eligible for DSP in this current year. So how much have we spent?

Dr Hartland—As I said, we have not calculated how much the trusts are in effect costing us, given what we know about their nature at this point. But it is true that if you look at 11 trusts and therefore a maximum of 11 beneficiaries and perhaps somewhat more people who have gifted, it is unlikely we think that it would be \$31.3 million this year.

Senator McLUCAS—Can I suggest a cheaper way of doing it would have been to cut up the \$31 million by 11 and just give it in a cheque. I do not think that is the intent of the policy, but do you understand what I am trying to ascertain. If the budget from last year shows that \$31 million was going to be spent on this measure and it has not been, then I need to know what the difference is.

Dr Harmer—I am not sure we have revised the estimates.

Dr Hartland—As I said, we have not revised the estimates. It is actually quite a complex calculation even for an individual to get a precise estimate on what their pension would have been had not something occurred. Needless to say, the bottom line is that we have not done it at this point. It is true that we are below where we anticipated we might have been on the basis of the original estimate.

Senator McLUCAS—Can you provide me the cost to the Commonwealth to date—

Dr Harmer—We will give you an estimate of what we believe we will spend this year. It will be clearly below the current estimate but, as Dr Hartland said, it is not a matter of money being unspent; it is a special appropriations and demand driven program. So it will not be lost.

Dr Hartland—We will see what we can do. We will have to talk to our Centrelink colleagues about what, say, \$50,000 in a trust actually means because it might mean different things for someone who has different levels of assets or who has had different events occur to

them. It actually can be quite complex even when you are looking at one person. I guess 11 is not a great deal more than one when you are dealing with two million age pensioners, but we have found that these things can be a little bit tricky to estimate. We will certainly have a look.

Senator PATTERSON—The problem is that if you did not have a reasonably high estimate when you did not know how many people would avail themselves of a trust you could have had a situation where you had people with an open-ended program—which it is, open-ended in the sense that people who qualify can have a trust—and it would have been appalling had they not been able to set a trust up because you had underestimated it. It is better to overestimate what the cost would be and ensure that everyone who wants to set up a trust can do so.

I think Senator Boyce would agree with me—I will not put words in her mouth, because it is not hygienic—that these people are taking a long time to think it through and they are seeking advice. We have been to seminars with up to 80 people at them where they are still thinking it through. I went to a school the other day where people did not know it was available. They are not in organised groups though. We all have to make an effort to advise people that they are available.

Senator McLUCAS—I am just trying to track the money, Senator Patterson.

Senator PATTERSON—It was hard to argue because the estimate was high, but it would have been terrible to have them not be able to set up the trust because we had not guesstimated correctly. I would rather see an overestimate than an underestimate in that program.

Senator BOYCE—Dr Hartland, are the majority of the trusts that you currently have before you trusts of different natures that people are seeking to turn into special disability trusts, or are they brand new?

Dr Hartland—I might have to take this on notice but I think from what I see in front of me they would be new trusts. That is an assumption from the way the information has been presented to me.

Senator BOYCE—I get the sense that it is going to be some time before people pick up on the idea of establishing special disability trusts and that a lot of people who have already set up trusts really have not begun to see how they might benefit from them, how the changes would help.

Senator McLUCAS—Can I ask the question in another way. How many people were predicted to take up and have a trust established in those original estimates that were done when the announcement was made back in October 2005?

Ms McKenzie—Unfortunately, we do not have that information available. I do not think anybody here was involved with that costing but we can certainly get that information.

Senator McLUCAS—Thank you. That would give me an indication of what was the expected take-up and we can then work out what the actual take-up is.

Dr Harmer—I think what Senator Patterson said is correct because she was there at the time and she was an advocate for this. We probably made sure there was sufficient and we have overestimated the numbers in the early stages because it is more complicated I think.

Ms McKenzie—But we also at this stage are not sure that most people are going to want to do the testamentary trusts rather than establish these other kinds of trusts. At this stage we are still feeling our way.

Senator McLUCAS—That would be helpful actually. There is too small a number to do a split.

Ms McKenzie—Much too small.

Senator McLUCAS—I will leave that there. The very last issue I want to talk about in relation to carers is the evaluation of the respite and information services for young carers. I was told in February that there was no formal evaluation proposed at that stage.

Ms Emerson—We are still planning to have an evaluation. It will probably be in the second half of this year in time for its normal future contracting arrangements and everything like that. So it is on the books as opposed to something we have already started.

Senator McLUCAS—So when does the program end?

Ms Emerson—It is an ongoing program.

Senator McLUCAS—It is an ongoing program, so it will continue to be funded while the evaluation is occurring?

Ms Emerson—That is correct.

Senator McLUCAS—But the contract is currently ending in 2008?

Ms Emerson—I think we are negotiating it year by year just at the moment.

Senator McLUCAS—Okay. How does the department propose to undertake the evaluation?

Ms Emerson—We are literally developing that at the moment.

Senator McLUCAS—Thank you.

Ms Emerson—I have two more figures to give you about the carers of young people with a severe and profound disability program. The figures I gave you before were for the administered dollars, which was \$4.853 million. There is a figure for departmental costs of \$0.936 million, giving us a total of \$5.789 in 2006-07, and project expenditure, I have been informed, will be within 5.2 per cent of the allocation, if not better.

Senator McLUCAS—So the expected expenditure—

Ms Emerson—The expected expenditure within 5.2 per cent. So around that five per cent mark, which I mentioned to you.

Senator McLUCAS—So 5.2 per cent of \$4.78 million.

Ms Emerson—If the committee wishes, I could also answer a question from Senator Stephens from earlier on—special benefit? I would like to confirm that, at the end of June 2006, there were 6,841 customers. You also asked about drought-affected farmers on special benefit. I have been informed that currently there are no people in that position. That is because most appear to normally qualify for a drought related payment through AFFA.

Senator MOORE—Because of other commitments in other estimates, what we are requesting to do is, if we have finished with carers, we change the program to start output 3.1, Support for families, between now and dinner at 6.30. Then when we come back after dinner at 7.30 we return to do youth and women and then we return to the program as requested. Is that okay with everyone?

Dr Harmer—While the new group are coming to the table, I have a few answers to a few questions on notice that we took. Senator Siewert is not here but yesterday she asked a question about why we had not answered a question. I think it was 3075 about the Tiwi Islanders. My people have discovered that the question was actually asked of the minister for environment and water resources, not our minister. We have a copy of the question, but it was not asked of our minister. So that is one. Senator Moore asked our international people about how much we have allocated for publicity on social security agreements. I have that answer here.

Senator MOORE—Thank you.

Dr Harmer—I have an update on Australia's international social security agreements by country. I have a question on the Cape York digital network from last night—three questions on the Cape York digital network.

Senator MOORE—Was that from Senator Bartlett?

Dr Harmer—It was. There were a number of questions from Senator Siewert on the section 19A lease over the township on the Tiwi Islands—around the flow of funds, the \$5 million. There are the questions related to Senator Crossin in terms of Wudapuli and the other outstations near Wadeye. She was asking about keys and garbage bins and things like that. There is a composite answer to that question. There is an answer to a question that you asked, I think Senator Moore, on why we do not provide forward estimates et cetera. We have gone back through the history—

Senator MOORE—To the *Hansard*, thank you.

Dr Harmer—and got the answer there that Senator Minchin provided in answer to a question last February. Finally, a question, I think, asked by Senator Crossin about the ARIA funding across the forward estimates year; I have that as well. I have also the breakdown of the projects under the SAP innovation investment group.

Senator MOORE—Thank you. How many do you have left now?

Dr Harmer—I do not know, but I just make the point, given that I can put it on the record while they are coming, that because we in FaCSIA do this, we get the ones that we can do rather quickly out of the way. Our figures might look bad in terms of meeting the initial deadline whereas possibly others do not do this and can get the easy ones more quickly.

Senator MOORE—That is possible, Dr Harmer.

CHAIR—Have we finished support for carers yet? We have. Great. We are now moving to support for families, 3.1. The officers concerned are here. Thank you very much. Senator Stephens?

Senator STEPHENS—Thanks for your patience. If we could just start first up with the family tax benefit system. Can you tell us how many families currently receive family tax benefit part A?

Dr Harmer—I am just getting you a figure. I am sure they have the information there. They are looking through their folders.

Senator STEPHENS—That is okay.

Mr Hazlehurst—As at the end of April, there were 1,770,695 customers receiving family tax benefit A by fortnightly instalment.

Senator STEPHENS—And how many families currently are receiving family tax benefit part B?

Mr Hazlehurst—As at the same date, there were 1,377,676 families receiving family tax benefit part B. I should make the observation that some or both of those groups get both. So if you are looking for the total number of families who were entitled to either of those two, it is 1,835,055.

Senator STEPHENS—Thank you. You said that of the family tax benefit part A recipients, 1.77 million receive them fortnightly. Do any families receive family tax benefit part A as a lump sum?

Mr Warburton—Yes.

Senator STEPHENS—Can you tell us how many families receive it as a lump sum?

Mr Warburton—I only have a total figure for families receiving lump sums, Senator. We can take it on notice, if you want it. I just have a total figure for lump sums across FTB A and B.

Senator STEPHENS—What is that total?

Mr Warburton—There were 97,770 who received a lump sum of FTB through the tax office. This is for the 2005-06 year.

Senator STEPHENS—Thank you.

Mr Warburton—So it is not strictly comparable with the figures that Mr Hazlehurst just gave you because they were instalment figures at the end of April.

Senator STEPHENS—Sure.

Mr Warburton—The number of families receiving lump sums through Centrelink was 24,745 in the 2005-06 year and then there are a range of other customers who receive combinations of instalments and lump sums—in the order of 13,000 customers.

Senator STEPHENS—Can you explain to the committee what some of those other requirements might look like?

Mr Warburton—You could, for instance, receive instalments for part of the year while you were on income support and then effectively have them stopped and claim the remainder of your family tax benefit at the end of the year—arrangements like that.

Senator STEPHENS—Does that happen very often? You said 13,000 cases last year.

Mr Warburton—I think that number gives you a reasonable indication of how often that happens. That is out of a total of 2.2 million families who receive family tax benefit in total. So it is by no means one of the common arrangements.

Senator STEPHENS—Sure. So of the families receiving FTB A, how many receive the maximum rate?

Mr Warburton—To give you a completely correct answer, I would have to take that on notice. I can tell you that at the end of April there were 647,188 customers who were in receipt of income support. They would have automatically been receiving the maximum rate. If you just hang on one moment. I just need to clarify something with one of my assistants.

Senator STEPHENS—Sure.

Mr Warburton—The issue is resolved, Senator. I just gave you a figure of 647,188 and told you that they were on income support and hence were automatically on the maximum rate. The caveat that I should have added there is that not all of those people are on the maximum rate because some of them have their rate reduced because of maintenance, so I am about to give you two more figures.

Once you have taken that into account, the number on the maximum rate, because they are on income support and do not have maintenance, is 441,358. The other group who are on the maximum rate by virtue of their income, not by virtue of being on income support, is 195,378. If you add those two last figures, you get the number who are on maximum rate, taking into account both reductions due to income and reductions due to maintenance.

Senator STEPHENS—How many customers would be receiving only the base rate?

Mr Warburton—The maximum basic rate or also the tapered basic rate?

Senator STEPHENS—Both.

Mr Warburton—Can I give them to you disaggregated, Senator?

Senator STEPHENS—Please.

Mr Warburton—Those who are on the base rate are 525,027. Again, these figures are at the end of April. Those who are on the taper range for the base rate are 90,766.

Senator STEPHENS—Is there a part rate as well?

Mr Warburton—Yes.

Senator STEPHENS—Is that what you refer to as—

Mr Warburton—We refer to that as a ‘broken rate’. Essentially, they are in the range between receiving maximum part A and hitting the base rate, as it were. There were 517,685 customers.

Senator STEPHENS—Who are the group that you have below the base rate on page 130 of the portfolio statement?

Mr Warburton—Sorry?

Senator STEPHENS—The 87,000 that you have here as customers below base; who are they?

Mr Hazlehurst—That is an estimate for 2007-08 of those on what Mr Warburton described as the tapered base rate, so they are beyond the end of the base rate.

Senator STEPHENS—Thank you.

Mr Warburton—That would be an average figure during the year, rather than an actual point in time figure.

Senator STEPHENS—What is the current annual taxable income for family tax benefit A families? What is the taxable range?

Mr Hazlehurst—For the maximum rate?

Senator STEPHENS—Yes.

Mr Warburton—Sorry, Senator. Are you asking us what is the average actual taxable income of families on family payments, or are you asking us what is the income threshold before the income test applies?

Senator STEPHENS—Actually, both would be helpful. First of all, if you can take me through the income thresholds and then the average annual income.

Mr Warburton—The income threshold for part A is 40,000. All the basic parameters of the payment can be found in the various publications put out by the Family Assistance Office, so all those basic parameters.

Senator STEPHENS—But the average taxable income?

Mr Warburton—I am not sure that I have that figure with me, Senator. Senator, we have answered questions like that on notice before and provided that sort of information to the committee.

Senator STEPHENS—Recently?

Mr Warburton—I am pretty sure it would have been following the November Senate estimates. If you would like to go on, I can get one of my staff to have a look to see if they can get you a question number.

Senator STEPHENS—I would appreciate that, thank you. In relation to the FTB part A, how many families receive payments for children under two years of age?

Mr Warburton—I do not have that figure to hand. We have only got our children disaggregated by, essentially, the rate structure. I have a number for children under the age of 13, children 13 to 15, 16 to 17, 18 to 20 and 21 to 24. Those are the only disaggregations I have.

Senator STEPHENS—If we can work with those disaggregations and then perhaps you can take the question about children under two on notice, please.

Mr Warburton—At the end of April, the number of children under 13 was 2,567,892; 13- to 15-year-olds, 573,837; 16- to 17-year-olds, 168,654; 18- to 20-year-olds, 126,440; and 21- to 24-year-olds, 11,399. That gives you a total number of children of 3,448,222. That is, again, instalment customers.

Mr Hazlehurst—Senator, if you would like the answer to the average incomes question, we can refer you to question on notice No. 284 from supplementary estimates November

2006. You may recall that that was the question on notice that combined the answers to a range of frequently asked questions which will now be updated in each annual report as a supplement to the annual report.

Senator STEPHENS—Thank you.

Senator MOORE—Is it the same for this year?

Mr Hazlehurst—That is correct.

Senator MOORE—From this annual report?

Mr Hazlehurst—The 2006-07 annual report.

Senator STEPHENS—We are talking about the number of children. You are saying that those figures relate to the families who receive instalment payments. What about children where their families are receiving a lump sum payment? Do we have additional children whom we need to take into account?

Mr Warburton—That is correct. In total the figures we use for the program are 2.2 million families and 4.2 million children. We believe that those claiming lump sums through the tax system have slightly fewer children. That broad distribution across the age groups is likely to be a reasonable estimate.

Senator STEPHENS—Do you actually have this in a table that you could provide to the committee?

Mr Hazlehurst—We do not have such a table with us today but we are more than happy to provide that information about customer numbers on notice.

Senator STEPHENS—Thank you.

Mr Warburton—On that question, we have a database called the reconciliation database out of which we produce all of our aggregate data. We do not have children in that database so we cannot give you a definitive answer on this. We have it quite accurately for instalment customers, but essentially we rely on estimating it for the total population.

Senator STEPHENS—How many family tax benefit part B families are single income families?

Mr Hazlehurst—I think we would need to take that question on notice. What we can tell you is the split between partnered and single households that are in receipt of the family tax benefit. But that is obviously not the same thing as whether they are a single or a dual income family.

Mr Warburton—Can I check what the question was. Did you ask for the number of part B customers who were single?

Senator STEPHENS—Single income and dual income.

Mr Hazlehurst—I think we will have to take that on notice.

Senator STEPHENS—Thank you. Is the department aware of how many families who would otherwise be eligible for family tax benefit part A are ineligible on the grounds that their child receives the youth allowance?

Mr Warburton—We would have to take that on notice.

Senator MOORE—That is achievable though.

Mr Warburton—That is tricky.

Senator MOORE—Finding out about the data that you collect—whether you be able to give us that answer.

Mr Hazlehurst—We can certainly tell you the number of people who have children in that age range, but the income tests are different. We will have to take it on notice and see what we can provide.

Senator MOORE—Thank you.

Senator STEPHENS—Are you able to tell us how many family tax benefit families have an annual income of more than \$250,000?

Mr Hazlehurst—That is another one of the standard questions. In that answer that I referred to before, question on notice No. 284, you will have the most recent income ranges. Are you focusing on family tax benefit part A or B?

Senator STEPHENS—B.

Mr Hazlehurst—For both A and B those figures are provided in that answer to that question on notice.

Senator MOORE—And that is the most recent snapshot?

Mr Hazlehurst—Those figures relate to 2005-06, the most recent completed year.

Senator STEPHENS—Can you tell the committee the current average amount of overpayment of family tax benefit part A and part B?

Mr Warburton—As at 30 March 2007, over 1.8 million families had had their 2005-06 family tax benefit reconciled. Over 1.6 million or 87 per cent of those families received a top-up. Around 129,000 or seven per cent had had an overpayment. Over 112,000 or six per cent did not have a payment change.

Senator STEPHENS—On the basis of that analysis I asked you for the current average amount of overpayment. Are you able to provide that?

Mr Warburton—Yes, I can. It is \$1,813.

Senator STEPHENS—\$1,813.

Mr Warburton—Sorry, \$1,099. That was the average overpayment for the 128,738 customers.

Senator MOORE—What was the other answer? What was the \$1,813 figure for?

Mr Warburton—\$1,813 was the average top-up.

Senator MOORE—I knew there would be an answer. We may as well get that out of the way seeing it was on the same page.

Senator STEPHENS—That was going to be my next question.

Mr Hazlehurst—You might be interested to know that in March 2006 the average overpayment was \$1,142 and the average top-up was \$1,605. The top-ups have gone up and the overpayments have gone down.

Senator SIEWERT—I want to turn to the family relationship centres. You may recall that last estimates I asked a series of question on this. I want to ask some follow-up questions to the answers that you gave both then and to questions on notice. I also want to ask about some of the budget initiatives. I will ask a couple of questions in relation to the effectiveness of the reviewing indicators for success of the family relationship centres and the program.

I understand that you are saying that 90 per cent of service provider agencies actually meet the FRSP approval requirements, which is good. Of the estimated 10 per cent that are not deemed to be meeting the approval requirements, are these new providers or existing providers? What are you doing to address the quality issues that have been identified?

Ms Fleming—The 10 per cent that are not currently meeting their service requirements are normally not meeting them in part, so there are some elements to which they are transitioning. I would have to take on notice how many are existing versus how many are new providers. I do not have an answer to that question at the moment. Most of them have action plans that we are monitoring to ensure that they are meeting their obligations.

Senator SIEWERT—If you cannot answer that one, you may have trouble answering the next one, so I appreciate it if you have to take it on notice. How many of the providers receiving FRSP for the first time have undergone an assessment against their approval requirements?

Ms Fleming—I am sorry, Senator; could you repeat the question?

Senator SIEWERT—How many new providers receiving funding for the first time in the financial year have undergone an assessment against their approval requirements?

Ms Fleming—It is my understanding that as part of the selection process all providers are assessed against the approval requirements as part of the selection process. So the answer to that would be all of them.

Senator SIEWERT—Okay. When you are looking at your effectiveness indicators, how are you developing those measures?

Ms Fleming—At the moment we have a performance framework development exercise that commenced in 2004-05 and there has been a series of consultations both by the department and a consultant that we have engaged called RPR Consulting that has been working with the sector to develop an agreed list of performance indicators and we are about to pilot some new indicators in July.

Senator SIEWERT—Did you say some new indicators?

Ms Fleming—Some new indicators to test them with the sector in addition to the ones that we already have.

Senator SIEWERT—Are they then treated as draft indicators while you are testing them?

Ms Fleming—They are not measured as part of the funding performance. They are actually testing whether they are robust enough to actually work or they need modification. They are telling us what they think they will tell us.

Senator SIEWERT—Do they include some longitudinal assessment?

Ms Fleming—The consultations with the sector largely confirmed the indicators that we already use through the Family Relationship Services Program, but the new indicators that we are attempting to trial are around case complexity.

Senator SIEWERT—So what you are saying is that there is already enough longitudinal assessment?

Ms Fleming—Perhaps you could explain to me what you mean by longitudinal assessment.

Senator SIEWERT—Okay, in terms of how effective is the provision of services into the long term. Are they fixing the issues into the long term or are we having recurrences?

Ms Fleming—Some of the data that we commenced collecting in 2006-07 under the new FRSP Online system we think will better position ourselves to make those judgements around whether we are having an outcome impact over time. But of course it is early days and we are in the first year of that collection process.

Mr Hazlehurst—Senator, if I might just add, I suppose the obvious thing to say is that unless people come back to the services and we have some way of linking a previous contact they have had with the service a longitudinal assessment is pretty difficult because the services themselves will not be funded to ring people up two years later to find out how they are going. So with the new arrangements, as Ms Fleming has suggested, around FRSP Online where we will actually be able to track records across the service system we will be in a better position to do exactly what you are talking about.

Senator SIEWERT—I remember our very long conversation last time, which I am going to move on to in a minute.

Mr Hazlehurst—Indeed. I am sure.

Senator SIEWERT—I appreciate what you are saying. Can we go to FRSP Online. The last time we talked, we talked about the privacy impact assessment that you commissioned. I am looking for an update obviously on that because we spent quite a bit of time on it last time. As I understand, it has started.

Ms Fleming—Since we last spoke, a privacy impact assessment consultant was appointed and that consultant has engaged with the sector.

Senator SIEWERT—When you say ‘engaged’, they have met with presumably representatives of the sector?

Ms Fleming—That is correct.

Senator SIEWERT—Have you had any feedback about whether that consultation was effective or whether it has been sufficient to actually engage enough with the sector?

Ms Fleming—We have not yet received a final report from the consultant. However, I understand that the consultant has had sufficient dialogue with the sector to form a view around the project. I am reluctant to pre-empt the report because we have not yet received the report, but I think it would be fair to say that the consultant has found that consistent with general findings the privacy issues are in place but there are some areas where the department might look a bit more closely at some of the elements of the implementation of that system.

Senator SIEWERT—Okay. I will come at the question from the other side. You said the consultant is happy with the consultation that has taken place. Is the sector happy with the consultation that has taken place?

Ms Fleming—I have not had any issues raised with me from the sector directly to say that they are not happy with those consultations to date.

Mr Hazlehurst—If I can just add, the process in very broad terms was that there has been engagement from the beginning with a reference group from the sector of people nominated by the industry representative bodies. The consultant also met with the industry representative bodies to receive feedback around the concerns that had been expressed.

Senator SIEWERT—Okay. Could you tell me how many resources have gone into the assessment process, or how much it has cost? Let us be blunt.

Ms Fleming—Into the 2006-07 assessment process?

Senator SIEWERT—Into the privacy impact assessment process.

Ms Fleming—I can advise you that we have appointed a consultant. The consultant and the cost of the consultancy; is that what you are after?

Senator SIEWERT—Yes.

Ms Fleming—Bear with me for one minute. The consultant is Integrity Information Solutions and it is my understanding that the consultancy cost around \$35,000, but I can come back to you with an exact figure. I do have an exact figure. I just do not have—

Senator SIEWERT—That would be appreciated if you could come back. When is the report due to be submitted?

Ms Fleming—My understanding is that we should receive the report in the next couple of weeks.

Senator SIEWERT—Is it going to be available to the sector and the community?

Ms Fleming—It is my understanding that we made a commitment that the report would be available to the sector.

Senator SIEWERT—Okay, thank you. On the same issue, we had a big discussion about the voluntary nature of the data collection last time also. You provided us with the form. I must say that I do not think that the form was as explicit as it could have been that it was voluntary, but you actually undertook to talk to the service providers to explain it. Have you done that and how did you do it?

Ms Fleming—The review of the form is part of the PIA assessment. It is my understanding that that might be one of the areas where the consultant considers we might be able to make some modifications.

Senator SIEWERT—I appreciate that, but in the meantime I understood from our conversation last time that you were going to reinforce with the sector providers that it was a voluntary process.

Ms Fleming—We are in regular contact with the industry representative bodies as they are generally configured and we have reminded them that there are voluntary fields attached to the form.

Senator SIEWERT—Do you have any details on how many people are actually not filling in the data, that they do not actually want their details on the form?

Ms Fleming—Senator, it is my understanding that most people are completing the form. There is only one area of the form that is not being completed and that is mother's maiden name. It is my understanding from the data that we have collected to date, which is not complete because there is a backlog issue with the system, that 35 per cent of people are completing the voluntary maiden name area.

Senator SIEWERT—Thirty-five per cent are completing?

Ms Fleming—Thirty-five per cent are completing and 65 per cent are electing not to complete.

Senator SIEWERT—Is that the only section that is not being completed?

Ms Fleming—That is correct.

Senator SIEWERT—So it is just that?

Ms Fleming—It is the maiden name, which is a voluntary field.

Senator SIEWERT—There are other voluntary fields, as well? Sorry, I forgot to bring the form with me.

Ms Fleming—That is the field in the core registration data that is voluntary. The rest are compulsory, but the maiden name on the form is voluntary. That is an area where I think there will be some comments from the consultant.

Senator SIEWERT—Is that actually broken down? Is there any noticeable difference between, for example, Aboriginal and non-Aboriginal people from the linguistically diverse groups? Are there specific trends coming out of that data?

Ms Fleming—I do not have analysis to that level of detail with me. I think it is more a provider based issue, but I have to do the analysis.

Senator SIEWERT—Is the online service fully functional now?

Ms Fleming—No. There are two phases to the functionality of FRSP online. The basic FRSP online data collection system is functional. Some providers use their own system. For example, with Relationships Australia, some of their providers use a system called Four Disks. We are still trying to upload from the Four Disks system into FRSP online, so it is what they call an import and export of data. There are some technical issues that we expect to be

finalised in the next four weeks so that we will meet the July reporting deadline for 2006-07. There is a second phase to FRSP online which is some of the reporting functionality. People will be able to get on-demand data from a service provider. At the moment it will be static reports produced every so many weeks.

Senator SIEWERT—When is that due to be completed?

Ms Fleming—We are hoping to have the on-demand data completed by December 2007.

Senator SIEWERT—Was that the original—

Ms Fleming—I think we are a little behind time, Senator.

Senator SIEWERT—How much is a little behind time?

Ms Fleming—I would have to take that on notice to be exactly clear about the original reporting schedules.

Senator SIEWERT—That would be appreciated. Is there going to be any training connected with this?

Ms Fleming—We have provided training to all of the service providers. All service providers were offered face-to-face training and there has been one-on-one telephone training as well.

Senator SIEWERT—Is that for both stage 1 and stage 2?

Ms Fleming—It will be for stages 1 and 2. We have only completed stage 1.

Senator SIEWERT—Because it is not finished, but there will be service training provided for stage 2 when it is completed?

Ms Fleming—Yes.

Senator SIEWERT—Thank you. Can I slip in one more question before dinner, and that is me done.

CHAIR—Okay, sounds good.

Senator SIEWERT—When I say ‘done’, I will put a few questions on notice. I understand there is some concern about the cost methodology that has been used by the department. You still have not released, as I understand it, the report that was done into cost methodology.

Ms Fleming—Yes.

Senator SIEWERT—I understand that is causing some concern in the sector. Is that a correct understanding of both: that you have not released the report and that there is some concern?

Mr Hazlehurst—We are in a position to release the report now. Some parts of it, having taken advice, are commercial-in-confidence. There is some appendices in particular that are commercial-in-confidence. I think it would be fair to say that, within the sector, from time to time we get feedback that services would appreciate more money for the services that they provide. If that is your question, the answer to that question is yes.

I guess we would go back to comments we have made previously to the committee, which is that we monitor closely the capacity of the sector to deliver the services that we are asking

of them. The most recent significant change around that was in 2004-05 when there was the 30 per cent increase across the board in funding without the requirement to see additional clients.

Senator SIEWERT—The second part of my question you have answered. You have answered both parts. I suspect at the next estimates I will come back once the report has been released and tackle this one again. When will you be releasing that report?

Mr Hazlehurst—The minister gave his agreement to release the report last week, so we will be putting it on the web site imminently.

Senator SIEWERT—That would be appreciated. In fact, I do have another question, since that one got answered so quickly.

CHAIR—I fell for it again. I always get sucked in.

Senator SIEWERT—In relation to the child support reforms, can you give us an update on how the 2006-07 funding has been allocated and the extent to which Child Support Agency clients are being assessed for counselling and dispute resolution services? Should I ask that one under child support, because it is connected to the family relationship centres as they are picking up some of that work. That is why I asked it here, but I am happy to ask it under the other.

Mr Hazlehurst—It is probably easier for us to answer that when we get to child support.

Senator SIEWERT—Okay. I was not sure because I am interested in it as it is related to the family relationship centres. I did not know where to ask it.

Mr Hazlehurst—Now you have signalled your interest in that area, we will make sure that we are on top of it.

Senator SIEWERT—Thank you. I will try to make sure that I can get back from the other committee.

CHAIR—We still have more questions on families, I understand, so we will resume with that after dinner. Can I check to see whether we want to move, after we have dealt with families, into youth and women, or whether we want to move to child support and child-care support? So that the officers concerned know where they are coming from.

Senator MOORE—If we move to youth and women after dinner, that program can be completed and the personnel can leave, and then we can return to families.

Dr Harmer—That would probably be our preference, given the expectations of the staff who have been waiting around. Probably it will be in that order.

CHAIR—So after dinner our program will be to finish 3.1, and then to do 2.4 and 2.5.

Senator STEPHENS—This is not what you said.

CHAIR—Sorry, straight after dinner?

Senator STEPHENS—Chair, we were just having a discussion that our general intent was to do youth and women, if they were able to come on after dinner, and then we go back to families just to accommodate senators in other committees.

CHAIR—Thank you; they cannot. All right, I got that.

Dr Harmer—Senator, can I just clarify: we are not going to finish families before we go to women?

CHAIR—No.

Senator MOORE—Sorry, there is a large chunk to do with families.

CHAIR—I assume that is not too inconvenient for the people concerned.

Mr Hazlehurst—Senator, we were going to be here all night.

CHAIR—Do not say that.

Senator MOORE—We are not going to be here all night.

Dr Harmer—Well, I have news for Mr Hazlehurst.

CHAIR—He is an officer who will go far in the department. After dinner we will go immediately to 2.4 and 2.5 in that order. When we finish that, we will go back to finish 3.1, families. Then we will resume with program 3.2, child support, and carry on through the program as printed. I assume there will have to be either some time limits exposed or some expectation we might run out at the end. If we are going to be in that position, I would rather try to signal to the areas concerned that they will not be required early in the evening.

Senator STEPHENS—I appreciate that.

CHAIR—It is not possible at this stage, is it, to indicate whether we are unlikely to reach 4.2, 4.3 or 4.4? I would hate to get to 9.30 or 10 o'clock and tell them then that they will not be required at all.

Senator MOORE—Chair, I cannot make that call before nine. By nine, we will be able to know whether we will get to them or not, but I cannot make that call at this stage.

CHAIR—Okay. Well, that is the program. I think it is all understood. The committee will suspend now until—

Senator CROSSIN—Sorry, Chair, I have just come from questioning IBA. Dr Harmer, IBA tells me that all the matters I raised yesterday—where you were not sure whether it was your responsibility or IBA's responsibility—you have sorted out overnight and all of the matters I raised are your responsibility and those matters will have been tabled today in this committee.

Dr Harmer—Yes, Senator.

Senator CROSSIN—You have just given them to us now, have you?

Dr Harmer—Yes, we have. If they said that, it is not quite accurate. What it was is that some of the things were IBA's responsibility and some of them were ours, as we discussed last night. But we thought that the way that would be most helpful was to sort it out and provide a composite answer, which is what we have done.

Senator CROSSIN—And the budget that was negotiated with people out there was actually done by your 4.2, supporting financial management group? You were going to find that out for me as well.

Dr Harmer—Sorry, I do not recall the question—oh, no, we have dealt with the issue of the advice to the families in that answer.

Senator CROSSIN—Is that output 4.2? If I want to ask questions about it, is it 4.2?

Dr Harmer—Sorry, I cannot remember which output it is but the answer to the question about who provided the information and advice, without seeing the form, is in the answer we have provided.

Senator CROSSIN—I just need to clarify this; it is really important. Dr Harmer, if that is FaCSIA, when I asked you questions about this yesterday you were unsure (a) if it was FaCSIA—

Dr Harmer—Yes, I did not know.

Senator CROSSIN—or (b) what output it was.

Dr Harmer—The answer is provided in the answer that has been tabled, Senator.

Senator CROSSIN—Well, is that output 4.2? I am wanting to know if there is still a capacity for me to ask people questions about that this evening.

Dr Harmer—Senator, I have been here all day and I have been given the answer to the questions to table and I have tabled them. As far as I am aware, they dealt with your questions about the housing, the contracting, the keys, the security, the advice on finances et cetera.

Senator CROSSIN—Okay. So all I am wanting to know is: I want to ask public servants questions about—

Dr Harmer—I will try to find the answer to that—

Senator CROSSIN—the financing. Is that output 4.2?

Dr Harmer—I will try to find that out for you in the break, Senator.

Senator CROSSIN—There are stacks of people sitting here. Can't somebody answer that question?

Dr Harmer—I do not think we have the 4.2 people here yet, because they are not expecting to be here until well after dinner.

Senator CROSSIN—Okay.

CHAIR—The committee will suspend for dinner.

Proceedings suspended from 6.38 pm to 7.38 pm

CHAIR—Before dinner we were dealing with output group 3.1. We are now due to start on output 2.4, Support for youth, and 2.5, Support for women. Before we do that, though, I would like to clarify what other witnesses we will require for the rest of the evening. We may not need witnesses in output group 4, but that depends on whether information can be supplied for Senator Crossin's purposes in output group 4.2. Would you like to seek that clarification, Senator Crossin.

Senator CROSSIN—Mr Harmer, are the officers from 4.2 the right people to answer my questions about financial management and budget rearrangements for tenants in Aboriginal housing?

Dr Harmer—It depends on the nature of the questions, Senator. They are likely to be able to be helpful. Whether they can answer all of your questions, I am not sure. If you want them here, I can make sure they are here.

Senator CROSSIN—I specifically wanted to know if FaCSIA were involved in developing the budget that people at Port Keats have had input into—that is, own personal budget.

Dr Harmer—I cannot remember the full answer to the question that we have provided but, from memory, I think that they may have been involved in the early stages, so they may be able to answer some questions about the early stages of the process. If you wish, I can make sure they are here. I do not think they were responsible for the whole process but I think they may have been responsible for some early stage discussions with families. If they cannot deal with it, we will have to take it on notice.

Senator CROSSIN—They are the last bunch of questions I have. If they cannot deal with it, I am at the end of the line, because you are telling me that no-one else can. No-one else is telling me that they can deal with it.

Dr Harmer—We will do our best to answer your questions. Can I seek clarification. I will need the people from 4.2 here later in the night?

CHAIR—Yes, you will. I am proposing that we deal with the printed program as it stands, from 2.4 onwards, but we will not require witnesses from 4.3, Community recovery, or 4.4, Partnership and delivery.

Dr Harmer—Thank you very much for that. That will mean that I do not have to have them on stand-by.

CHAIR—That is right. We hopefully will be able to move through all these areas in enough time to allow some examination of witnesses in all the remaining areas. We might need to think about allocating times to ensure that we do that, but it is our intention to get all the way from 2.4 to 4.2 this evening. On that basis, let us begin with questions on 2.4, Support for youth. Senator Moore.

Senator MOORE—Thank you for your patience. How many people are there in the unit at the moment? It is a joint unit, isn't it, handling youth and women?

Ms Prince—Yes. We have 51 staff in the Youth Bureau and we have 53 staff in the Office for Women at present.

Senator MOORE—Do they share work, Ms Prince, or are they clearly defined?

Ms Prince—No, the Office for Women comprises two branches and the Youth Bureau is one branch.

Senator MOORE—In terms of the Youth Bureau, can we have details for 2005-06 and 2007-07 of the programs that are administered by that branch. I put here 2007-08, but I am wondering whether we will get to that.

Ms Beauchamp—Does this relate to the question that you indicated previously in terms of programs? You were wanting programs that are funded by the Youth Bureau?

Senator MOORE—Yes.

Ms Beauchamp—They are in the portfolio budget statements.

Senator MOORE—And the funding?

Ms Beauchamp—The funding for each of the programs is there.

Senator MOORE—2007-08?

Ms Beauchamp—That is in the portfolio budget statements, and it starts on page 107.

Senator MOORE—On page 82 of the PBS—all of the programs that are covered by output 2.4 are also listed in the PBS?

Ms Beauchamp—That is correct.

Senator MOORE—The page?

Ms Prince—What is on page 82 are the departmental costs relating to those programs, correct.

Ms Beauchamp—The administrative appropriations are on the page before that.

Senator MOORE—Yes. There is nothing that is not there?

Ms Beauchamp—No.

Senator MOORE—That covers all of the Youth Bureau?

Ms Beauchamp—That is correct.

Ms Prince—When we say there is nothing that is not there, we administer the National Illicit Drug Strategy, which is usually under outcome 3.1.

Senator MOORE—That comes out of your—

Ms Prince—We administer it, but it is in the other output structure.

Senator MOORE—We have had a little bit of this discussion before but in terms of process, I am very much aware that with youth programs there is a lot of cross-agency and cross-departmental activity, as there is with so many things. Can you give us details of cross-portfolio, interdepartmental committees or mechanisms that coordinate youth policy or examine and look at the way particular policies impact on youth.

Ms Wilson—We have an interdepartmental committee on youth, which comprises a number of agencies across the Australian government. There are a number of subcommittees within that structure.

Senator MOORE—Is that committee set out anywhere in a diagram, Ms Wilson—how it works and who is on it?

Ms Wilson—I would have to take that on notice.

Senator MOORE—I think that would be easier all round.

Dr Harmer—We could probably give you the departments that are involved. I do not think we would be wanting to give you names of the departmental officers.

Senator MOORE—That is fine.

Ms Wilson—I am not sure that we could provide that tonight.

Dr Harmer—We will give you that later.

Senator MOORE—That will be fine. You can provide me with a diagram that shows which departments participate in that youth committee. Is that a formal PM&C committee? What is the status of the youth committee?

Ms Wilson—No, it is not a formal PM&C committee.

Senator MOORE—How does it get together?

Ms Wilson—It is convened by the Youth Bureau.

Senator MOORE—So you are the lead agency?

Ms Wilson—Yes. There was a Secretaries Advisory Group on Youth, which was replaced by this interdepartmental committee, with officers at a different level than secretary level.

Senator MOORE—What level generally are the people that attend this committee?

Ms Wilson—Generally branch manager level or executive level 2.

Senator MOORE—Underneath that committee, you have a number of subgroups, you said, which I would like to see as well.

Ms Wilson—Yes, certainly.

Senator MOORE—Do they have a particular function?

Ms Wilson—Yes. There is a subgroup which looks at youth statistics.

Senator MOORE—Is that a data collection committee or a data scrutiny committee?

Ms Wilson—It is more a data analysis committee. It started off being a youth indicators group, so they were looking at particular indicators and the data available around those indicators, and they have now taken on a broader role to look at statistics on young people across the Australian government, where available.

Senator MOORE—The others?

Ms Wilson—There is a policy and program working group and a youth development working group.

Senator MOORE—Are they the only three?

Ms Wilson—From collection, there may be more.

Senator MOORE—In terms of the process, participants at the key group then feed into the others. Is it the same personnel or do they actually pull people in at other levels to fill those subcommittees?

Ms Wilson—No, they are not specifically the same people, because some agencies have people working specifically on those things, such as statistics, that would not generally be part of the high-level interdepartmental committee.

Senator MOORE—How long has this structure been in place?

Ms Wilson—For under 12 months.

Senator MOORE—And the expectation is that it will continue? Do the people on it believe that it will be an ongoing process?

Ms Wilson—Yes.

Senator MOORE—To whom does it report?

Ms Wilson—The branch manager of the Youth Bureau is the chair of that committee.

Senator MOORE—That is you, Ms Prince?

Ms Wilson—Generally it is Ms Prince, but it is myself at the moment, yes.

Senator MOORE—That is your position?

Ms Prince—Yes.

Senator MOORE—The one that you are acting in, Ms Wilson?

Ms Wilson—Yes.

Senator MOORE—That particular structure reports to you, and then where does it go? The information that you find, the projects that you are working on, where do they go from there?

Ms Wilson—Any of those projects that needed to go further would be reported either to the FaCSIA executive or to ministers, depending on the content.

Senator MOORE—Is there a design brief for this particular group?

Ms Wilson—There are terms of reference for each of the subgroups and for the interdepartmental—

Senator MOORE—Can we have all that as well. When you give us the form, that would be really useful to have that, because at least with the previous entity, the secretary's group, it was feeding through to the heads of the department and we had an idea of what the intent was. To compare that would be very useful. Is there any funding allocated to these groups?

Ms Wilson—A small amount of departmental funding to support secretariat work.

Senator MOORE—How often do the groups meet?

Ms Wilson—They have met twice since September. The intention is that they will meet three or four times a year.

Senator MOORE—So the core one meets three or four times a year and then determines a work plan for the others. Is that right?

Ms Wilson—That is correct.

Senator MOORE—Minister, I know you gave me a piece of paper before that said what the responsibilities were, but are you the minister for youth?

Senator Scullion—I am, indeed; proudly, the minister for youth.

Senator MOORE—I respect that, Minister. In terms of the process, have you attended any of these meetings to have a chat?

Senator Scullion—Indeed I have.

Senator MOORE—Is it an expectation from you that that will be an ongoing link; a ministerial link direct to the discussions?

Senator Scullion—I am sorry. In terms of clarification, which discussions are you referring to?

Senator MOORE—The discussions of the youth structure that we have just had outlined to us. What was the name of the committee?

Ms Wilson—Interdepartmental committee on youth.

Senator Scullion—No, I have not participated. I thought you were referring to another forum. I have not participated in an interdepartmental committee, as one would expect. Ministers are generally not involved in interdepartmental committees.

Senator MOORE—Some visit from time to time. That was my question.

Senator Scullion—Indeed. In the future, should I find it necessary, I will be visiting.

Senator MOORE—Okay.

Dr Harmer—It is possible, but quite unusual, for a minister to attend an interdepartmental committee meeting.

Senator MOORE—It has happened, Dr Harmer.

Dr Harmer—It probably has. I have been involved in a lot and I have not actually witnessed it myself.

Senator MOORE—It has. I am just checking because we have a new minister and a new structure. I thought there could be some interrelationship there. I take it, Minister, we are moving on to the National Youth Roundtable, which is perhaps what you thought I was talking about.

Senator Scullion—Indeed.

Senator MOORE—How many National Youth Roundtable recommendations have been made, how many have been accepted, and how many have been implemented since the inception of the National Youth Roundtable? And can you remind me when that happened.

Senator Scullion—Mr Chairman, perhaps I can offer some guidance before you get the answer to the question. If we put the answer to the question in a particular recommendation, one needs to recognise that each of the recommendations is distributed not only to every minister at a federal level but to every minister or jurisdiction over time. These recommendations very much, I am sure, affect a policy, but to identify whether or not that recommendation has been accepted across Australia is difficult, and it is very difficult for the department to give some sort of a clear answer about the nature of that recommendation. The background is that these are circulated widely and, I am very confident, have an influence on policy across Australia.

Senator MOORE—We note that, Minister. However, the people who participate in the National Youth Roundtable are encouraged to work together and come up with recommendations.

Senator Scullion—Indeed.

Senator MOORE—They are widely publicised. My understanding would be—and I have never been a member; I am way too old—that, in terms of process, I would expect the people

who are there have an expectation that their recommendations will go somewhere, and I am wanting to see whether you have kept a record of the number of recommendations that have come out of the National Youth Roundtable—and I know that they are all listed at the end, so I am sure you have—and what has happened to them.

Ms Wilson—I do not have the number of recommendations on hand so we will have to provide that on notice.

Senator MOORE—That would be good.

Ms Wilson—Each year the recommendations—well, this is the practice currently—are compiled and sent to every Australian government minister, all the Australian government departments, as well as state governments in the relevant portfolios for those recommendations. We have a compiled list of the correspondence for those.

Ms Beauchamp—Can I also add to that, in terms of context: producing the report and recommendations is not the only purpose of the roundtable. It really is to understand the process, develop leadership behaviours; understand how the policy process works as well. Once the reports and recommendations are made by the roundtable, then it does go to the relevant agencies within the Commonwealth and sometimes through state and territory jurisdictions and it is then included in consideration in the policy mix. It is not just the reports themselves that are of value; it is really what the roundtablers are getting out of it in terms of their experience.

Senator MOORE—Taken. However, my own expectation would be that an essential part of that whole process would be to know what happens to the recommendations that are made. Granted there is all this developmental activity and learning how the process operates, but surely, Ms Beauchamp, you would agree that an essential part of all that would be to know what happened to the recommendations. I would think that is a natural flow. You have explained to me the process of what happens to them in terms of circulation; you have noted that they are taken into account for policy discussion. How do we know that? I know there were some very good ones recently about drugs but I will just take as a safe one that the driving age be 15. How do the people who worked on that recommendation know that the state ministers of transport around the different states, as you have described, have received that recommendation and it has been considered? What is the process for feedback?

Ms Wilson—The correspondence that goes to the relevant ministers is published, as well as the correspondence that is returned from those ministers and departments, and young roundtable members have access to those pieces of correspondence to show the consideration.

Senator MOORE—Is it only by internet, Ms Wilson, or is it personal distribution? Is it an internet interaction?

Ms Wilson—I am not sure. We have that compiled but I think we publish a very small amount for roundtable members. But the recommendations are on the internet each year.

Senator Scullion—Mr Chairman, what is happening now is that I will be personally writing a letter supporting the recommendations and supporting the scrutiny of the recommendations, whatever they are, and commending the work of the Youth Roundtable to all the relevant ministers in the states and territories and to the government organisations.

Senator MOORE—Is that a new innovation, Minister?

Senator Scullion—I am not sure about what has happened in the past, but I have had long discussions with members of the Youth Roundtable and some of those discussions have related to the recommendations. From those discussions I will be doing those things that I have mentioned. You do not just get recommendations arriving in a blank envelope. I am sure that there would have been some annotation of that nature in the past but that is really for those with more history than I.

Dr Harmer—I can comment a little bit. The minister has only been the minister responsible for youth for a relatively short time and he has been an extremely active minister in the period since he has taken over that function. In my relatively limited experience in this area, he has certainly been the most active in engaging with young people and following through.

Ms Prince—I think your question quite possibly is also going to the influence that the work that these young people do has beyond the Youth Roundtable.

Senator MOORE—Sure.

Ms Prince—We have been starting in this year in particular, and I think last year, to gather—as you know, they undertake projects; they have a residential where they actually form those projects. Prior to that we have been inviting Commonwealth agencies to nominate hot topics and things that they would appreciate young people having a look at. What I am trying to say to you is that the opportunity is coming in at the front end in terms of policy options and topics on which government agencies would like to have particularly the input of young people. That has certainly been happening this year.

The other thing that happens as the young people go and do their projects is that they travel around the country and meet all sorts of people including politicians and departmental people. I know that Senator Scullion has been instrumental in facilitating the introduction of some of the current Youth Roundtable members to politicians and to others who will provide them with expert advice, so essentially you are getting a two-way process going on there, where through meetings and their investigations and so on they can actually influence policy in a subtle way as well as be influenced by the stakeholders that they are talking to.

Senator MOORE—Given that, can I get some indication on notice of the outcomes of recommendations that have gone through. You would be aware of a statement put on *The World Today* in May 2007, that of more than 200 recommendations made by National Youth Roundtables, only six recommendations have been accepted. I am sure the department has a response to that, but when that kind of bald figure is put into the media, it makes people question. I would be interested in a response from the department to that statement.

Dr Harmer—Each year in the budget the government through various ministers receives submissions from non-government bodies and business groups et cetera with recommendations about what should happen and their priorities. These are from people who are geared up to do this. I am not sure what the strike rate would be for their recommendations to government, but six out of 200, as I think you said, if you do the analysis is three per cent. I would be surprised if many of the bodies make recommendations to the government on the budget would have a strike rate of much above three per cent.

Senator MOORE—I think that is the kind of discussion that needs to be had in terms of how it all works and the process.

Ms Prince—That is one of the conversations we do have with young people when they first come into the program, particularly in latter years. I suspect that the commentary that you have provided to us possibly came from somebody who might have been in the Youth Roundtable in the earlier years.

Senator MOORE—It could well have done. This was a media comment in terms of discussion about the role of youth in decision making, which I think is relevant in itself.

Dr Harmer—It is a fairness test, the number of recommendations. We will give you that figure.

Senator MOORE—Sure. If the statement has been made that six have been accepted—and I know that you are going to give me that feedback—I would like to get some details on what has been accepted and where it has gone. My reading of the different discussion points in the last round was much more involved in social policy aspects. There was some tremendous stuff about petrol sniffing in there and there could be an argument to say that some of that has gone into policy, so that would be the process.

Senator Scullion—It is important, if you consider any recommendations—and I know the passion which most people at the table will feel about the report we have previously been working on—that have come from this committee, to recognise that whilst sometimes in letter and verse they have not been able to say they did exactly that, but often the spirit of the recommendation is taken into consideration or partially.

You make a good point, Senator: it is difficult to look at a list of recommendations and say, 'This has been accepted,' or 'This has not been accepted.' I am not interfering with the question, but you will have to take that into consideration when provided with the answers. Whilst I accept what Dr Harmer says in regard to how the business or other lobbies come to government with recommendations and the fact that it might only be specifically recognisable in letter and dot that that has been accepted, I think you will find the number is higher if you look at the spirit and the nature of the recommendation with a lot of the work that has been done in that area.

Senator MOORE—That is exactly what we are trying to find, Minister. A recommendation may say one thing but you may be able to trace where that has had impact on policy. Until we see it all down, we will not know.

Ms Prince—I have a few examples of where the government has actually specifically sought the advice of the Youth Roundtable. One of those was for the Anzac dawn services at Gallipoli. You will remember a year or two ago there was some interest—

Senator MOORE—About the music and the environment, yes.

Ms Prince—The overnight engagement process.

Senator CROSSIN—Is that the one where you would not let John Farnham sing?

Senator MOORE—I do not know whether that was Ms Prince's delegation.

Ms Prince—I do not think I personally would have been responsible.

Senator CROSSIN—That would have been that government in New Zealand, I think.

Ms Prince—We will not talk about John Farnham. They have given some advice on the communication strategy for APEC. They have also been involved in some discussions around the future of the Aboriginal Tent Embassy.

Senator MOORE—So they are stimulating topics.

Ms Prince—They are quite important.

Senator MOORE—There is a quote here from the Australian Forum of Youth Organisations. On their website it says:

The department is working with the Minister for Community Services to ensure all our consultation mechanisms fit well with the department's role and structure and also align with the direction the government is taking. We are hopeful that we'll be able to announce future plans for engaging the youth development sector shortly.

Is that one that you are aware of?

Ms Prince—No, we are not aware of that.

Senator MOORE—My question about what progress has been made with these plans would seem to be meaningless.

Dr Harmer—Where are you quoting from?

Senator MOORE—The Australian Forum of Youth Organisations' website. You are not aware of that.

Ms Prince—It is their website not ours, Senator.

Senator MOORE—Bear in mind that the department referred to is yours.

Ms Prince—It would depend on what date that was.

Senator MOORE—I do not have the date and I am not going to waste your time.

Dr Harmer—We will be checking it out.

Senator MOORE—That would be very good.

Dr Harmer—And we will be living up to their expectations as much as we can.

Senator MOORE—It seems to link with evidence that the minister and the department have given about looking at further engagement between the areas and making it more proactive, so I will refer that to you. It seems dumb to keep talking about a quote that you do not know. What is the current funding for the year for the Youth Roundtable?

Ms Beauchamp—An allocation of around \$560,000.

Senator MOORE—How many participants?

Ms Prince—Forty-four, I think.

Senator MOORE—I know the last time your unit came before estimates we had a discussion about Indigenous membership. I knew you would be ready for that one. What is the current membership?

Ms Wilson—There are currently 12 Indigenous members.

Senator MOORE—Twelve out of 44?

Ms Wilson—There were 14. Due to illness, two have not been able to continue their engagement this year. One of those members will be returning next year.

Ms Prince—We have maintained the same proportions as we had prior to the joining up of the two groups.

Senator MOORE—When they combined?

Ms Prince—Correct.

Senator MOORE—Thank you. I have a couple of questions on Reconnect and then that will move to Senator Crossin with women. What is Reconnect's funding estimate for 2007-08? It is in there, but can you reconfirm it for me?

Ms Wilson—It is \$22.954 million. That includes \$2 million for the Newly Arrived Youth Support Services.

Senator MOORE—What do you mean, newly arrived?

Ms Wilson—That is a humanitarian or family entrance.

Senator MOORE—That is for refugees? That is under the immigration definition of newly arrived?

Ms Wilson—Yes, that is so.

Senator MOORE—Do you do that in partnership with Immigration? Is that a cross-departmental function?

Ms Wilson—We consult and work with the Department of Immigration and Citizenship on that initiative in terms of program and policy development but it is not a joint program.

Ms Prince—It is appropriated to us.

Senator MOORE—And that is because of the youth nature?

Ms Prince—Correct. It is also a hybrid of the Reconnect and JPET services.

Senator MOORE—So it has taken some of the issues out of those previous bodies and focused on refugees?

Ms Prince—Newly arrived people; that is correct.

Senator MOORE—Is there any linkage of that group with the people who do the work on survivors of torture and trauma?

Ms Wilson—I imagine there would be out in the service and NGO sector. There is not a specific link in terms of how the Australian government operates.

Senator MOORE—Within the way that particular service operates, in terms of providing support, there is no immediate link with them either?

Ms Prince—Not that we direct, but because those services are generally located in places of high settlement you would expect that those kinds of things would be happening among the services.

Senator MOORE—Okay. Are you aware of the public research that has stated that funding for Reconnect would need to be increased by between two and three times in order to ensure that all potential young people who need access to Reconnect can receive it. That is from AHURI.

Ms Prince—I am sorry. Who did you say?

Senator MOORE—AHURI.

Ms Prince—We are not aware of that particular quote, Senator, but I guess that many people consider that government programs never provide enough funds basically.

Senator MOORE—Does your unit work with AHURI? Do you have working groups?

Dr Harmer—We fund AHURI.

Senator MOORE—Yes. You fund them.

Dr Harmer—Partly fund them. They are funded partly by the states and territories, also by the Australian government and also partly by universities. One of my deputies, Mr Leeper, who was here this afternoon, is on the board. They do some terrific work. We are involved in it.

Senator MOORE—Knowing that you are one of the funding bodies, when one of the funding bodies presents public research—that is public because I was at a place where it was published and discussed—the department was unaware—

Ms Prince—I said I was unaware, Senator.

Senator MOORE—that the unit had not been in discussion with them, or interviewed with them, about that. It relates specifically to your program that is funded by your area.

Dr Harmer—I am sure there would be people who are aware of it; they do a lot of research. Rarely when you are doing research in this territory do you find that there is enough money going into any of the programs.

Senator MOORE—Or into research, Dr Harmer.

Dr Harmer—Or into research, indeed. There is all sorts of research which demonstrates that there should be more public housing or more Reconnect services. It would not be notable that they have discovered that we could do better with more money into Reconnect.

Ms Beauchamp—Can I also add: we should look at Reconnect in the context of other services that are provided for young people, particularly the Supported Accommodation Assistance Program where there is a very high proportion of young people using those services.

Senator MOORE—The AHURI research takes that into account, Ms Beauchamp. It did not look specifically at this. The AHURI research was looking at the sector, so they did take the consideration that you raise; it is not a one-off phase that has to be across the board. Given that, in terms of the process of putting funding propositions to government—I know that you cannot tell us what is in departmental advice to government—when you are putting together something, is it research of that nature that is actually considered, when writing something like a departmental brief?

Dr Harmer—We would certainly refer to, and take that into account in briefing our minister.

Senator MOORE—Taking the point that you have made, Dr Harmer, about so much research going on and so much funding need, when you have research such as the AHURI one, is there a way within the department that that is flagged to your area, Ms Prince, and says, ‘This particular research paper is coming out’? I am asking you particularly, but it is the kind of question that could be asked of any part of FaCSIA. So if there was a major research paper on family homelessness, would that be flagged to the families group? Is there a system inside that helps you out like that?

Ms Prince—There are systems inside the department, Senator, and they are usually email alerts from those kinds of organisations.

Senator MOORE—So a little flag at the top saying, ‘This is coming out’?

Ms Prince—Yes.

Senator MOORE—I am interested in that.

Ms Prince—I think they probably circulate that to lots of people.

Senator MOORE—Thank you.

Dr Harmer—Senator, Reconnect is a very good program.

Senator MOORE—It is, yes.

Dr Harmer—It is a particularly good program; well targeted. The Youth Roundtable and others would have noted the value in that program, I am sure.

Senator MOORE—Do you know whether there have been any of the Youth Roundtable projects looking at the work that Reconnect does, or the issues that Reconnect are considering? Take that on notice when you give me a list of what they are doing. It seems to me that it would be another kind of cross-over of influence and knowledge. Thank you, Chair.

CHAIR—Further questions in this area? No, okay. So that takes care of 2.4, Support for youth. 2.5, Support for women. Senator Crossin?

Senator MOORE—Is there any advertising campaign relating to youth? I should have asked you before you escaped.

Ms Prince—No.

Senator MOORE—None at all.

Senator CROSSIN—Are we right to start, Senator Humphries?

CHAIR—Yes.

Senator CROSSIN—I wanted to start and ask if the Office for Women has done any studies or commissioned any research on the impact of Work Choices on women?

Ms Beauchamp—No, we have not. That is a responsibility of DWER so we would not have commissioned any specific research just on that.

Senator CROSSIN—Have you done any analysis on industrial relations aspects in relation to women; unfair dismissal provisions, pay equity or impact on work and family entitlements?

Ms Beauchamp—I am having a look at my list. There is nothing there that specifically relates to the issues you have raised.

Senator CROSSIN—Did the Office for Women put in a submission to the HREOC inquiry entitled *It's about time*?

Ms Beauchamp—We provided factual information.

Senator CROSSIN—What do you mean by 'factual information'?

Dr Harmer—When such an inquiry is going on, they ask specific questions or they ask for input, often not expecting government departments necessarily to put in a submission, but they do seek information. We have probably contributed to it. We often do for these sorts of things, without it being a formal submission. We do that with state government inquiries as well.

Senator CROSSIN—So the Office for Women was not proactive about putting a submission in to this inquiry. You did not put a submission in, so what sort of factual information did you provide for them?

Ms Beauchamp—As the Office for Women sits within the broader department, HREOC asked specific questions. The Office for Women contributed responses from the department to the questions raised by HREOC.

Senator CROSSIN—Okay. Can you give me an idea of what sort of information they were after, into which you might have specifically had input; like the number of women in the workforce—

Dr Harmer—I do not think we can provide that information. We will take that on notice.

Ms Prince—We will take that on notice.

Senator CROSSIN—Have you had a look at, commissioned any research, done any studies on the impact of the Welfare to Work policy on women?

Ms Beauchamp—DWER has responsibility for looking at the impacts of Welfare to Work on their clients. A number of their clients would be women in the target areas that they are addressing. I think they have contributed \$11 million to an evaluation of Welfare to Work. Part of that would be looking at the impacts on women included in their cohorts.

Dr Harmer—It would not be usual for one department to significantly input into the evaluation of a program of another department. We would have been heavily involved in one element of it which is the provision of child care.

Senator CROSSIN—Yes, Mr Harmer. That is probably the disadvantage we now face with the Office for Women being in FaCSIA and not sitting in Prime Minister and Cabinet. That is a significant disadvantage for that restructure. Can I ask if the Office for Women will have some input into that evaluation?

Ms Beauchamp—I am on the IDC for Welfare to Work and I certainly put forward the need to get gender-specific information included in the evaluation.

Senator CROSSIN—Okay.

Dr Harmer—To go back to your point about the restructure, I am not sure that the Office for Women, had it been located in PM&C, would have necessarily entered into the evaluation of another department's program either. I do not think it is a disadvantage being in FaCSIA. It is a broader principle.

Senator CROSSIN—I do not think we are here to debate that, but there is certainly a perception out there amongst women that the influence of whatever the section is called, be it the Office of the Status of Women or Office for Women, is not the same, and it is not playing the same role that it certainly played 10 years ago. I am not asking about the nature of the advice. Has the Office for Women provided advice to either DEWR or the Prime Minister's office on the relationship between Work Choices and the Welfare to Work policy or legislation on women?

Ms Beauchamp—We provide a range of advice to Minister Bishop supporting the Prime Minister in women's affairs. The nature of that advice is probably not appropriate for me to comment on here.

Senator CROSSIN—Yes. I was not asking you to do that. I just asked if you had actually provided advice to either the Prime Minister, Minister Bishop or even to DEWR on the impact of Work Choices on women?

Dr Harmer—The answer would almost certainly be yes in relation to Minister Bishop, Senator, for Minister Bishop's discussions. As Ms Beauchamp said earlier, she is the deputy secretary responsible for the Office for Women in FaCSIA. She is on some key interdepartmental committees dealing with these things, working very closely with DEWR, and would take the information she gets in her interaction with the Office for Women as part of her input; in fact, a significant advantage, in some senses, in terms of the analysis and the work and the thinking from the Office of Women, being input into that high-level IDC.

Senator CROSSIN—Specific advice or comment were given to ministers about Work Choices?

Ms Beauchamp—We would have provided comment in the policy development process, like any other agency.

Senator CROSSIN—What about the Welfare to Work?

Ms Beauchamp—Certainly in the Welfare to Work and in the development of a policy on that, yes, and in the monitoring and evaluation and research activities that DEWR has responsibility for. As I said earlier, I currently sit on an IDC that looks at the impacts on Welfare to Work.

Senator CROSSIN—I want to move to the Financial Literacy Foundation. This is about women and superannuation savings incapacity. I want to refer to a report that was tabled in the House of Representatives. It was an inquiry into improving the superannuation savings of people under 40. It was tabled in the House of Representatives back in May 2005. There was a recommendation in that, recommendation 8, that said:

That the Financial Literacy Foundation, in association with the Office for Women, target programs to improve the financial literacy of women under age 40 with respect to superannuation.

Has there been any movement or action towards that recommendation?

Ms Stodulka—Yes. We are certainly working closely with the foundation following that recommendation. The thought that the foundation has with us at the moment is that we particularly look at pathways to communicate financial information to young women but also to other women who are marginalised in the community. We have engaged with one of our secretariat groups, Security4Women. They are doing some research with their member organisations which will contribute to the Financial Literacy Foundation. We are shortly to meet with the women's secretariats, the Financial Literacy Foundation and the Office for Women to look at how we are going to progress the research that the secretariats have done, the work that we have done and the work that the foundation has done.

Senator CROSSIN—What proportion of the budget, if any, is directed towards the Financial Literacy Foundation activities? Is this a discrete program in your area?

Ms Stodulka—No, it is not a discrete program but it is a priority area for us. We have also been doing some work on behalf of the minister through her role with MINCO, with the state and territory women's ministers and New Zealand women's ministers. We have been developing a financial literacy toolkit on behalf of MINCO, again trying to target literacy messages to marginalised women. We have been doing work with Security4Women, the work with the foundation, as I mentioned, so it is an area that we are investing significantly in. We also have some research under way at the moment. That is looking at women planning across the different stages of their life; at the vulnerable points and where we might be able to engage more effectively with them to assist them with their financial decisions. We also have some marginalised women's research which will probably be launched in the next three weeks. It has been approved for launching.

Senator CROSSIN—What proportion of your budget is dedicated to this work?

Ms Prince—We would need to take that on notice because, as Ms Stodulka has explained, there are a variety of projects and off the top of our heads we would not be able to give you that figure.

Senator CROSSIN—Perhaps you might be able to outline for us what those projects are and the amounts that have been allocated beside those.

Ms Prince—We could do that, yes.

Senator CROSSIN—You have carriage of this on behalf of FaCSIA or are there offices in the department also involved in it?

Ms Prince—We operate as the Office for Women but this sort of work, in relation to the preparation of women for retirement, would be undertaken in a variety of areas in the department. The seniors and means tests, for example, would be particularly interested in it; the financial management area, 4.2. There would be quite a variety of places around the department where this would be of interest besides the Office for Women.

Ms Stodulka—They have been giving us some expert advice as well.

Senator CROSSIN—You have got research commissioned or have you undertaken any modelling relating to the effects that might result in women not improving their superannuation?

Ms Prince—We would not have the capacity to do that modelling within the Office for Women. That kind of modelling would generally be done by Treasury.

Senator CROSSIN—You have not commissioned anyone to do that?

Ms Prince—We have not commissioned any ourselves.

Senator CROSSIN—Is there a plan to develop programs to be released that specifically target women through the Financial Literacy Foundation?

Ms Prince—It is a little bit early for us to say, at this stage.

Ms Stodulka—One of the messages that we have been given from our colleagues in FaCSIA and from the foundation is that there is an enormous amount of information available but it is just not necessarily tailored or packaged well for women, and particularly women who are going through different stages in their life. One of the ideas that the foundation is working on is trying to do an audit and get a good handle on all the resources that are around and how you can marry that with the research, for example, that we have been involved with around financial literacy and marginalised women and how we could tailor, rather than reinvent the wheel and start again, resources that are already in existence and ensure (a) that we get them to women where women are, and (b) communicated in a way that is understandable and trustworthy for them.

That is one of the issues that comes out of the research—that often women do not know who to trust when they are being given advice—and that often, especially for marginalised women, to have lots of information available on the internet is not necessarily a friendly resource for them, and that they prefer to get together in groups to be able to communicate together and share ideas. That is where they get more confidence to then progress their education and their decision making around financial issues.

Senator CROSSIN—If this report was tabled in 2005, when did you start working on this project?

Ms Stodulka—It would have been early last year. It was the foundation who said to us that there was a lack of research on financial literacy and marginalised women, so it was with their encouragement that we progressed with this particular research. We met with the foundation about three weeks ago, and we are in regular communication with them as we are trying to progress this work. We are very genuine in our efforts to progress that recommendation that we work closely together.

Senator MOORE—I have some questions about support for victims of trafficking. I know that the Office for Women has had some involvement with that. I am particularly interested in recent publications that have been developed and circulated, with the intent of providing information for people about what is available for them. Did the Office for Women have a role in the development of those products and, if so, what was it?

Ms Griffin—They are not products from the Office for Women, they are products from the communication area of the Attorney-General's Department. As managers of the Support for Victims of People Trafficking Program, we are members of the IDC for the Australian government's Action Plan to Eradicate Trafficking in Persons. In that context, the Office for

Women was aware of the products, through the various stages of development, but not responsible for them.

Senator MOORE—Through that process of developing the products, was there discussion within the IDC about how they were going?

Ms Griffin—Yes. We get updates from their market testing and so forth.

Senator MOORE—These questions have gone to the Attorney-General's as well, so we are trying to get a sense of how it was done. Are you aware whether, before those products were produced, there was any testing with women in that area who had been involved with trafficking?

Ms Griffin—I believe there was market testing but I could not comment on the target group.

Senator MOORE—What about support groups? There are a few. Are you aware whether there was any strategy to consult with those groups?

Ms Griffin—Again, I do not have the details of the market testing.

Senator MOORE—Are you the member in the IDC, Ms Griffin?

Ms Griffin—From time to time, yes. It is either myself or the section manager for safety.

Senator CROSSIN—Ms Griffin, in relation to the groups that might have been consulted in the development of this material, I am not talking about testing the material, I am talking about the consultation with groups in terms of putting the material together before it was market tested.

Ms Griffin—Yes, and I do not have any of that detail.

Senator CROSSIN—So the Attorney-General's Department has had total coverage of that?

Ms Griffin—Yes, and they provided regular updates to the IDC. As I was just explaining to Senator Moore, it is either myself or my section manager that attends. I am not personally aware of that detail.

Senator MOORE—In terms of the knowledge that you do have, are you aware of groups such as Project Respect and the Anti-Slavery Project?

Ms Griffin—I am aware of their existence but not of their role in the market testing.

Senator MOORE—Of their role generally?

Ms Griffin—Yes.

Senator MOORE—They do have cred in the process?

Ms Griffin—They have presence.

Senator MOORE—I have some questions specifically about funding for the whole anti-trafficking project.

Ms Griffin—Not just the communication product?

Senator MOORE—Not just the communication strategy.

Ms Griffin—I can provide comment to a certain extent.

Senator MOORE—From the extent that you know. That is all we are asking, because we are going to the Attorney-General's.

Ms Beauchamp—We can provide information in relation to the part of the program that we are responsible for.

Senator MOORE—What is that?

Ms Beauchamp—We have support for victims of trafficking, which is in the portfolio budget statements on page 110.

Senator MOORE—You are working with other departments on wider aspects, but that is the only thing that you have ownership of.

Ms Beauchamp—Exactly.

Senator MOORE—What is the \$0.1 million?

Ms Beauchamp—That is the extra that has been put in, and there is funding of around \$750,000 over the next four years.

Senator MOORE—A total of \$750,000?

Ms Beauchamp—It is \$4.1 million over four years.

Senator CROSSIN—In 2006-07 you had \$755,000 of that. Is that correct?

Ms Beauchamp—That is correct. We should acknowledge that it is a demand-driven program, based on the number of victims that present and go through the system, so we are not sure what the final expenditure estimates would be for 2006-07.

Senator MOORE—In 2006-07 \$755,000 was budgeted?

Ms Beauchamp—That is correct.

Senator MOORE—And we will not know until the end of the year exactly how much has been spent.

Ms Beauchamp—That is right.

Senator MOORE—In the budget for 2007-08 only \$55,000 has been allocated.

Ms Beauchamp—An additional \$55,000.

Senator MOORE—So that is all on top?

Ms Beauchamp—Yes, and also the \$755,000.

Senator MOORE—That is the bit that I was not clear on. On the demand provision that people will be seeking support, of course, there is available \$755,000 per year but this year there has been an extra allocation—

Ms Beauchamp—Of \$55,000.

Senator MOORE—perhaps based on the fact that there is more awareness training going on, more awareness education going on, just to see whether more people seek the services.

Ms Beauchamp—That is correct.

Senator MOORE—The \$755,000 per year is for four years starting when?

Ms Prince—2007-08.

Senator MOORE—That started in 2007-08?

Ms Prince—Yes.

Senator MOORE—So it is four years from 2007-08.

Ms Beauchamp—Yes, to 2010-11.

Senator MOORE—The project has been going for how long?

Ms Griffin—We had funding for four years previously.

Senator MOORE—That was the original four-year funding, wasn't it?

Ms Griffin—Yes.

Senator MOORE—So that was when it started. Are there statistics anywhere about how many people have sought your services?

Ms Griffin—Yes.

Senator MOORE—Should I know where the statistics are? I do not think those figures are in the annual report.

Ms Griffin—In total, 73 people have been supported by the program during that period.

Senator MOORE—What kind of support do you offer in this process? There are a couple of paragraphs relating to that, but I would like to get it on record.

Ms Beauchamp—There are a couple of phases, and Ms Griffin can correct me if I am wrong. In the first 30 days, the sorts of support that we provide are secure accommodation, a living allowance, a weekly food allowance and a one-off amount for the purchase of essential services such as clothing and toiletries. In the second phase, there is a special benefit provided, rent assistance and those sorts of things. That is the sort of assistance that is provided.

Senator MOORE—Do you offer support or information about other government support that is available, particularly in terms of visas and things like that? Do you link in with the immigration people on that?

Ms Griffin—Yes. Each of the victims has a personalised, individualised case manager assigned to them.

Senator MOORE—In relation to that work, particularly through the issues around law enforcement and immigration, the expectation would be the support part would be through this service. You case manage the person to do it—the protection element. Is that right?

Ms Griffin—That is right.

Senator MOORE—How many people do you have working in this area?

Ms Griffin—Within the department?

Senator MOORE—Yes.

Ms Griffin—One and a half to manage the contract, but the provider has an actual network.

Senator MOORE—So one and a half within your unit, Ms Prince, do that.

Ms Prince—Correct.

Senator MOORE—How many people have contracts to provide the service?

Ms Prince—One contractor.

Senator MOORE—Who is?

Ms Prince—Southern Edge Training.

Senator MOORE—Where are they based?

Ms Griffin—In Brisbane.

Senator MOORE—Do you know in how many areas or in how many places the support is being offered?

Ms Griffin—I do, but I would have to take that on notice.

Senator MOORE—That will be fine. Do you have linkages with other—

Ms Griffin—Within the office?

Senator MOORE—No, within the provision of services.

Ms Griffin—The provider?

Senator MOORE—Yes.

Ms Griffin—Yes, the provider does.

Senator MOORE—Can you give me some details of that? Is that available in some kind of brief on what the service does?

Ms Griffin—Sure. Can I take that on notice?

Senator MOORE—Absolutely. How is the evaluation of this done? How do you evaluate the work done by Southern Edge Training? Is there a mechanism for that?

Ms Prince—They have a contract with us, so they would have milestones, they would have deliverables, they would have an annual report that they would provide to us, so that would give us an idea of level of servicing. In terms of an evaluation, I am not sure about that. Ms Griffin will be able to help you with that.

Senator MOORE—Ms Griffin, do you want to take that on notice?

Ms Prince—I think we had better take that on notice, yes.

Senator MOORE—I am just wanting to get a picture of the program.

Ms Prince—Yes.

Ms Griffin—Yes, we in fact did do an evaluation of the program before reletting the contract in September 2005.

Senator MOORE—In terms of the first year of the second round, when the added funding was put in, the \$755,000 that came in this year—

Ms Griffin—2007-08?

Senator MOORE—2007-08—and then the extras come in, what kind of thing is that spent on?

Ms Griffin—The extra administered funding?

Senator MOORE—The whole thing. Is that spent on salaries, office space?

Ms Griffin—Yes, there is an overhead cost for the provider and then a significant amount of the funds goes to reimburse their outlays in terms of sourcing counselling, legal advice et cetera, for the victims, and also accommodation costs. A lot of it is reimbursing their outlays for the victims.

Senator MOORE—Can I get a snapshot of that as well, Ms Griffin, on notice. Is it possible to get something like that?

Ms Griffin—Yes, certainly.

Senator MOORE—Thank you.

Senator CROSSIN—I want to turn now to the Women's Safety Agenda. In the 2005-06 budget, Senator Patterson, the then minister, announced \$75.7 million for the Women's Safety Agenda over four years. Can you tell me if this is correct? From my research, the breakdown of the money is as follows: 2005-06, \$16.8 million; 2006-07, \$15.5 million; 2007-08, \$15 million; estimated 2008-09, \$15.1 million. Is that correct?

Ms Prince—I can certainly confirm the 2006-07 figure for you, and they all seem fairly consistent.

Ms Griffin—The Women's Safety Agenda: 2005-06, \$16.826 million; 2006-07, \$15.438 million; 2007-08, \$15.014 million.

Senator CROSSIN—And 2008-09, \$15.1 million? When I add that up, it comes to \$62.4 million, not \$75.7 million. Can you explain the discrepancy for me? Where is the other \$13.3 million?

Ms Prince—I will start the answer and Ms Griffin can give you some detail, but it actually is sourced from the department of health.

Ms Griffin—One of the initiatives under the Women's Safety Agenda is training for rural nurses—that is, practice nurses in rural and remote general practice, and Aboriginal health workers—to act as referral points for victims of domestic violence. Part of the proposal includes a practice incentive payment element to general practices that consent to release their nurses for training and make them available as a referral point; so that is part of the appropriation. The main part of the appropriation to Health is to cover the cost of practice incentive payments to general practices. There is also a small component to facilitate attendance of nurses at the training.

Senator CROSSIN—How is that coordinated between the department of health and your office?

Ms Griffin—We have a steering committee to manage the project. The Office for Women is responsible for developing the training product and rolling it out and training the nurses.

Senator CROSSIN—And then the department of health bills the nurses' time, in a sense, do they?

Ms Griffin—They facilitate the attendance of the nurses at the training and pay the practice incentive payment for those suitably qualified nurses.

Senator CROSSIN—How much of the \$16.8 million was expended in 2005-06?

Ms Prince—All of it, I believe.

Senator CROSSIN—And in 2006-07 you are anticipating spending all of the \$15.5 million?

Ms Prince—We anticipate spending all of it, correct.

Senator CROSSIN—Can you give me the breakdown of the names and the costs of the programs that have been funded through the Women's Safety Agenda in the 2006-07 financial year?

Ms Prince—We have a variety of things funded in that area. One is the domestic violence campaign and helpline. The other is a personal safety survey. We have a number of community projects that are directed at domestic violence and sexual assault and the prevention of those things. We have some research and clearing house activities and we have the training activities, and some of those have been mentioned by Ms Griffin.

Senator CROSSIN—Can you provide me with a list, please.

Ms Prince—A list of?

Senator CROSSIN—A list of those programs, a breakdown of the names and the cost of those programs, please.

Ms Prince—We can, yes.

Senator CROSSIN—Thank you.

Dr Harmer—Senator, can I just clarify? That is funding for 2006-07?

Senator CROSSIN—Yes, 2006-07, through the Women's Safety Agenda.

Ms Prince—Yes, Senator.

Senator CROSSIN—And I would like an anticipated—unless you have already done it—breakdown of the programs and the costs you intend allocating against those programs for 2007-08.

Ms Prince—It is probably a little bit harder for us to give you that. There are a variety of activities across those elements and we would have funding agreements for some and not for others, so we would not be able to give you the complete picture, basically, at this stage.

Senator CROSSIN—All right.

Senator MOORE—Perhaps the ones that are ongoing. Say, for the ones which are in 2006-07, there will be some that are ongoing.

Ms Prince—There would be some that would be ongoing, and others—for example, grant rounds—where we would be advertising within a few weeks or months for grants for the next financial year. It is an incomplete picture, basically.

Senator CROSSIN—Perhaps in the 2006-07 list you are going to give us, you could put a little asterisk against the ones that are ongoing so that we know.

Ms Prince—Yes, we can certainly do that for you.

Senator CROSSIN—How much has been spent on the Violence Against Women—Australia Says No campaign for the 2006-07 year?

Ms Beauchamp—On the advertising campaign for 2006-07 I can give you a planned figure. We probably have not got all the invoices in yet.

Senator CROSSIN—Yes, sure.

Ms Beauchamp—We are looking at a forecast budget of around \$9.5 million.

Senator CROSSIN—What is the budget for that advertising campaign for 2007-08?

Ms Beauchamp—It will be about the same amount, although we only have authorisation for the campaign to run to the end of this calendar year.

Senator MOORE—Does that break-up include what it is made up of? Is it print? Is it TV? Is it cinema? Have you got that detail on that sheet?

Ms Beauchamp—I have some indicative figures only.

Senator MOORE—That is fine. Particularly for 2006-07, which is almost finished, and 2007-08, the half-year that you have got the authority for, within that figure that you are going to give Senator Crossin can we have that broken down into print, TV, radio, that kind of thing?

Ms Beauchamp—I can provide that. It would be easier to provide it on a calendar basis.

Senator MOORE—Sure. As long as it covers that period we are asking about, that would be good.

Ms Beauchamp—Yes.

Senator CROSSIN—In 2005-06, \$12 million was spent on the campaign helpline. Is that correct?

Ms Griffin—No, this is for the provision of the helpline.

Senator CROSSIN—Yes, the helpline. Not the national hotline, the helpline.

Ms Griffin—In 2005-06, \$3.5 million.

Ms Prince—I think, Senator, you might be adding both those numbers together.

Senator CROSSIN—When I look back in the past estimates brief, we have a figure of \$12 million for 2005-06.

Dr Harmer—I could be corrected, but it sounds like you have added the campaign to the helpline, because it adds up to about \$12 million, in my calculations.

Ms Prince—That is right. We recall a question, I think from one of you, in previous years where you asked us about an \$11 million figure, and it did rather puzzle us. It was relating to the helpline, and when we provided the answers, at least on a couple of occasions, they have been very consistent with the \$3 million figure.

Ms Griffin—The relevant question is 274.

Senator CROSSIN—I am looking at 272, so we are not too far away. In 272, the campaign helpline, you have given us administered costs \$12 million. That is question on notice 272 from November 2006.

Ms Griffin—That includes the campaign and the helpline, so that is both added together.

Ms Beauchamp—Can I clarify that, when we are talking about the campaign, we are talking about the whole package around Australia Says No, which includes the advertising, the helpline, referrals and the like.

Ms Griffin—But in our answers we are always clear which we are referencing.

Senator CROSSIN—Here you have administered costs. Administered costs—

Ms Griffin—Yes, for the campaign helpline.

Senator CROSSIN—\$9.5 million for the advertising campaign—

Ms Prince—Correct.

Senator CROSSIN—and about \$3.5 million for the helpline. Is that correct?

Ms Prince—Correct.

CHAIR—Whenever there is a natural break in your rhythm, Senator, Senator Boyce has a question to ask.

Senator CROSSIN—I will have a break before I go to the national hotline if you like. What is the budget allocation for the helpline for 2007-08?

Ms Prince—I think it would be a very similar figure.

Senator CROSSIN—You have not set that yet? You think it will be around \$3.5 million again?

Ms Prince—Subject to tender, I think, yes.

Ms Griffin—Yes. So far we only have a commitment to run the campaign to the end of December 2007, so half-year.

Ms Prince—Yes, half-year effect.

Senator CROSSIN—If you were going to run it beyond December, would you be expecting another allocation of funds?

Ms Prince—We would expect authority to run the advertising, because that is really what generates a lot of the helpline activity, and I think the contract expires for the helpline provider.

Senator CROSSIN—When does it expire?

Ms Prince—At the end of the calendar year.

Ms Beauchamp—Whilst we have budget allocation, we still need authorisation to run any part of the campaign beyond this calendar year.

Senator CROSSIN—When are you planning to start your next round of media advertisements?

Ms Prince—Very soon. In July, I think.

Ms Beauchamp—22 July.

Senator CROSSIN—That is the next round of Australia Says No advertising?

Ms Beauchamp—That is correct, on television.

Senator CROSSIN—How long will that run for?

Ms Beauchamp—Till 11 August.

Ms Griffin—Three weeks.

Senator MOORE—Is that the standard time?

Ms Prince—No. In March I think we ran it for almost four weeks. We are running it for three weeks in July, then in November we are running it from the 4th of the 11th to the 10th of the 11th, which is just a week, and then we are running it again from the 25th of the 11th to the 1st of the 12th. The reason why we have chosen those dates is because we always like to have some of our TV advertising around White Ribbon Day, which I think is 25 November. That is the plan for this year. Then we try to organise other advertising around that at the same time, such as magazines, cinema ads and that kind of thing.

Senator MOORE—But the TV buy is the stimulant.

Ms Prince—TV is the centrepiece, yes.

Senator CROSSIN—I was going to go on to the national hotline.

Senator BOYCE—Mine is just a general question at an upper level about the number of programs and so on that you run. Could you give me some detail about how you go about communicating those to women leaders and women's organisations in Australia.

Ms Prince—That is a rather big question, Senator. It will depend on what it is. If we are advertising grants or that kind of thing, we will usually do that by advertisements in newspapers and so on.

Senator BOYCE—I am not thinking quite so much about the people that you might be targeting a specific program at but an awareness of what your office does and giving women an opportunity to perhaps become involved if they see some interest in what you are doing.

Ms Prince—We have a national secretariat program, which Ms Stodulka will talk to you about, which is quite deeply among women's groups in Australia.

Ms Stodulka—Yes. We have the National Women's Secretariat program. It has been running since 1999. We have four secretariats, and there are 69 women's non-government organisations who are members of those secretariats. Ten of those 69 organisations are members of more than one secretariat group.

Senator BOYCE—So we are talking about organisations like the National Council of Women, the Girl Guides, the YWCA.

Ms Stodulka—Yes. They are very broad-ranging interests. They are funded each year and are funded through until 2009 at this stage. We closely engage with the secretariats. In fact, this weekend we are having a two-day face to face workshop with them to do some strategic

planning and look at how we will work closely together over the next 12 months. Each year they produce two consultation reports for us on topics that are of particular interest to the women who are members of their organisation. They range from things like transportation in rural areas to women's health to education and employment, and we support the secretariats in that work. When Senator Crossin was asking me about the issue of financial literacy, I think I mentioned one of the secretariat groups that was closely involved in supporting us in that area because of their particular interest in financial literacy work.

Senator BOYCE—Do you have a program to keep women parliamentarians—politicians, I suppose— across the board aware of what your programs and activities are?

Ms Stodulka—I am not aware of a particular program that we run through the Office for Women. We do engage with women parliamentarians, and they often provide support. For example, when there are women from the South Pacific visiting Australia, we often have support both from the ACT government and the Commonwealth government.

Senator BOYCE—I think probably nationally—at federal, state and local levels—women politicians tend to be very plugged into their local community organisations, particularly the women's ones, and it may broaden your tentacles.

Ms Stodulka—That is a very good point, thank you. We also have the women ministers' meeting, which meets annually. To support that, we have the women's advisory committee, which is made up of the senior officials that support that women's meeting. The women's advisory committee is in regular contact with one another. Even though the ministers only meet annually, the senior officials connect by telephone every three months and have a genuine agenda that they are running to try and address issues that are of shared interest across the jurisdictions.

Senator BOYCE—Thank you, Ms Stodulka. Back to you, Senator Crossin.

Senator CROSSIN—Ms Stodulka, just while we are on that, there are still four secretariats?

Ms Stodulka—There are.

Senator CROSSIN—Each receiving \$150,000 a year?

Ms Stodulka—Yes, plus indexation.

Senator CROSSIN—Can you provide me with an updated list of the organisations that are members of each of those secretariats.

Ms Stodulka—Yes, certainly.

Senator CROSSIN—The last time you provided this list for me, I indicated with an asterisk, I think, those members that were represented on more than one secretariat annually. So you have still got the Australian Women's Coalition?

Ms Stodulka—Yes.

Senator CROSSIN—And the National Rural Women's Coalition?

Ms Stodulka—Yes.

Senator CROSSIN—And the WomenSpeak Network?

Ms Stodulka—Yes, and the Security4Women.

Senator CROSSIN—I would like an update of the member organisations.

Ms Stodulka—We have that with us.

Senator CROSSIN—That would be great. When you talk about them actually producing a consultation report twice a year, is that a public document?

Ms Stodulka—Yes. They always publish their consultation reports on their websites. We share those consultation reports with other departments that have a particular interest in the areas where they have done work and gain feedback from them, and then provide that feedback to the secretariats.

Senator CROSSIN—Each of the four secretariats have a discrete website?

Ms Stodulka—Yes, they do.

Senator CROSSIN—Can you provide those to the committee as well.

Ms Stodulka—Certainly.

Senator MOORE—Is there a link to your website, Ms Stodulka?

Ms Stodulka—Yes.

Senator MOORE—I cannot find it. It could be just that I am stupid with technology. I was searching for that the other day, in terms of the secretariats, but Senator Crossin and I could not find that. It could be that I am just pressing the wrong thingy.

Senator CROSSIN—I have another question on the helpline. Can you tell me what strategies are being developed to prepare for the time after the campaign when the service system will return to its previous state, if it is not run after the end of this year? If it all stops in December, what happens then?

Ms Prince—As you know, we run bursts of publicity; that does not run continuously. We do not have a particular plan about what we would do beyond that at this stage.

Senator CROSSIN—The helpline was only set up to run for the duration of the campaign.

Ms Prince—If we are running campaigns, we would probably have an indication by then about whether we intend to continue. We would make the appropriate arrangements at that time.

Senator CROSSIN—You do not have a plan in place at this stage, if the campaign does not continue past December?

Ms Prince—We have no reason to believe that the campaign would not continue beyond December. We have had it for four years. It would depend on the market research, to some extent; it would depend on the disposition of government. As I understand it, the market research is very positive and the current campaign that is being run is very similar to the one that has been run over the last four years, so we assume that it will have a positive response.

Ms Griffin—That said, whenever the campaign does come to a conclusion, because it is of four years duration and part of its aim is to reach saturation in the community, there would have to be a transition strategy because the phone number has wide circulation, as you know.

Senator CROSSIN—Would there be a plan to divert a service back to the statewide 1800 numbers?

Ms Prince—We are going into fairly hypothetical territory here. If there was a decision not to run the campaign, we would make the appropriate transition arrangements at the time.

Senator CROSSIN—The list that you have just given me, I am going to need to do a manual calculation of how many members of each secretariat there are. I note there are 20, 9, 13 and 37. Is that correct?

Ms Prince—We have not counted it ourselves.

Senator CROSSIN—They are on the second page. They have not significantly increased since 2004, have they? The Australian Women's Coalition had 12 members in 2004; the National Rural Women's Coalition had seven members in 2004; Security4Women had 12 members in 2004 and they now have 13; and the WomenSpeak had 32 members in 2004 and they have now got 37. It is not a very big increase in three years really, is it? I want to go back to the national hotline. Can you refresh my memory of why a separate helpline was needed rather than using the existing state and territory numbers.

Ms Prince—I do not have that information with me at the moment.

Ms Griffin—No, Senator, sorry.

Ms Prince—This is somewhat before our time.

Ms Griffin—It predates us.

Ms Prince—It is probably about 2004 or 2000—something like that.

Senator CROSSIN—Yes, 2004.

Ms Beauchamp—I think we have provided a lot of this information in questions on notice previously, from my recollection, and I will dig out the previous answers on that.

Senator CROSSIN—The phone line is not set up to redirect people to their closest local area, is it? You ring in and you get somebody from Lifeline. Is that correct?

Ms Griffin—Yes.

Senator CROSSIN—Do Lifeline still have the contract to run this hotline each year?

Ms Griffin—Through to December this year the contract is current.

Senator CROSSIN—How many calls has the hotline received each year? Do you calculate this by calendar year?

Ms Griffin—By calendar year.

Senator CROSSIN—So in 2005, how many calls?

Ms Griffin—Twenty-two thousand.

Senator CROSSIN—And 2006.

Ms Griffin—Twenty-three thousand.

Senator CROSSIN—And year to date?

Ms Griffin—Five thousand. In the first year, 2004, there were 39,000.

Senator CROSSIN—We are now at the fifth month and we have had 5,000 calls this year.

Ms Prince—We have had one burst of—

Ms Griffin—We have only had one burst of advertising so far this calendar year.

Senator CROSSIN—How are these calls categorised?

Ms Griffin—I do not have that information with me.

Ms Prince—I do not believe that they are categorised. We do not have that information.

Senator CROSSIN—So you do not keep any tabulated results on how many men would ring in versus how many women or, of the 23,000 last year, did 20,000 come from Melbourne and Sydney and 3,000 from rural Australia, for example?

Ms Prince—I think we should take that on notice because we do not personally receive the calls. They are received in the helpline and we do not have that information with us at the moment, but we will check for it.

Senator CROSSIN—Is it a helpline or a hotline? What is the official title of this 1800 number?

Ms Prince—I think it is—

Ms Griffin—Helpline.

Ms Prince—helpline.

Senator CROSSIN—How much money is Lifeline getting to undertake this service for you?

Ms Griffin—It is the number that we previously gave you for 2005-06: it was \$3.5 million.

Senator CROSSIN—They get all of that for the year?

Ms Griffin—Yes.

Senator CROSSIN—And their contract is on a year by year basis?

Ms Griffin—Yes, that is correct.

Senator CROSSIN—You cannot give me a breakdown of the tabulation of those figures?

Ms Prince—Not with us.

Ms Griffin—We can take it on notice.

Ms Prince—We will take that on notice.

Senator CROSSIN—Okay. Have you received any complaints about the helpline?

Ms Prince—We have received a very low number of complaints over the years. I can get that information. From 1 January 2006 to 30 April 2007, we have received 14 mail items, 45 email items and nine telephone calls to us.

Senator CROSSIN—My current understanding of the system is that, if a caller rings the helpline and Lifeline suggests that they then head down the road to their local domestic violence crisis centre, that crisis centre then gets a \$100 voucher? Is that how it works?

Ms Griffin—They are eligible to receive a \$100 payment.

Senator CROSSIN—How do you know who is to get that \$100? Does that crisis centre contact you or contact Lifeline?

Ms Griffin—No. Lifeline administers the referral payments on the other half. Depending on their status as to whether they are registered for tax purposes or not, they have to issue a tax invoice to Lifeline to receive the payment.

Senator CROSSIN—I see. So this is how it works: I ring up the hotline and get someone who says to me, ‘Yes, you really need to go tomorrow to the domestic violence crisis centre in Bendigo,’ for example, and when I walk in through the door that crisis centre, at some stage, sends off an invoice for \$100 to Lifeline, do they?

Ms Griffin—Yes.

Senator CROSSIN—Do you know how many \$100 vouchers have been handed out last year?

Ms Griffin—I do have that.

Senator CROSSIN—Yes, so for 2005?

Ms Griffin—Five thousand five hundred.

Senator CROSSIN—For 2006?

Ms Griffin—Six thousand nine hundred and thirty.

Senator CROSSIN—To date this year?

Ms Griffin—Two thousand nine hundred and eighty.

Senator CROSSIN—Each year, of the number of calls to the hotline, about a quarter of those are followed up in person.

Ms Griffin—That is right.

Senator CROSSIN—That seems to be a consistent trend.

Ms Griffin—Yes.

Senator CROSSIN—It will be easy to calculate how much that amount is. We just multiply that by \$100. Even I could probably do that this late at night! What is the average length of the phone call to the helpline, do you know?

Ms Griffin—I do not know. I could take the question on notice.

Senator CROSSIN—I would be interested to know if it is five minutes or an hour. Again, you were going to try and get us a breakdown of the calls.

Ms Griffin—Correct.

Senator CROSSIN—Would you also be able to have them by state and territory?

Ms Griffin—We will see what we can do. We may have provided that information on notice before.

Senator CROSSIN—Can I also raise with you something that has been raised with us—that is, in some cases women being given two or three phone numbers to call to access the services they need locally. Women are hanging up and feeling pretty baffled or confused

about, 'What do I do now?' or 'Who do I ring next?' Has Lifeline started to form links or networks with state or territory existing operations or 1800 numbers?

Ms Griffin—Yes, certainly. That is my understanding.

Senator CROSSIN—Is that part of their contract?

Ms Griffin—Yes. That is my understanding—that they do.

Senator CROSSIN—How do you monitor that?

Ms Griffin—In our regular catch-ups with Lifeline.

Senator CROSSIN—What is that? Is that a monthly reporting or a cup of coffee every Friday?

Ms Prince—No, probably quarterly.

Ms Griffin—That is right, face to face meetings, but we do—

Senator CROSSIN—Coffee quarterly with Lifeline. I might put that on my agenda!

Ms Griffin—We receive monthly reports from them, but we catch up with them quarterly.

Senator CROSSIN—Are they relaying to you problems about follow-up with women like this?

Ms Griffin—No.

Senator CROSSIN—They might not be aware of it?

Ms Griffin—They have had a very low level of complaint as well.

Senator CROSSIN—I am not sure this is complaint. This is more women who hang up and then do not know where to go after they have hung up; which telephone number to ring, or which service to go to.

Ms Griffin—That would surprise me. That is not the type of service that Lifeline are contracted to deliver. They are meant to, in most cases, transfer the caller.

Senator CROSSIN—Is that happening effectively, as far as you are concerned?

Ms Griffin—As far as we are aware, yes.

Senator CROSSIN—I would like to revisit—and I have done this previously—the kind of training that is required before a Lifeline employee is able to staff the telephone.

Ms Griffin—I have not got the precise details with me but it is part of the contract—the training they are required to undertake—but I can provide that information on notice.

Senator CROSSIN—Would it be some sort of structured training or a three-day course, a five-day course, or do you need to take that on notice? If you could do that, that would be good.

Ms Griffin—Okay.

Senator CROSSIN—Do you have any guarantees of guidelines to ensure that councillors do refer clients on to the appropriate service? Is Lifeline operating under some sort of—

Ms Griffin—They have a quality assurance process.

Senator CROSSIN—Yes. Do they have a code of conduct or guidelines procedures that they follow?

Ms Griffin—Absolutely, yes.

Senator CROSSIN—Are you able to get those and provide them to the committee?

Ms Griffin—I am not sure but I will take the question on notice and see if that is possible.

Senator CROSSIN—Thank you. Is there a monitoring process in place to ensure that Lifeline in Sydney do not just refer their callers to the Lifeline volunteer phone lines across the country; in other words, you ring the 1800 domestic violence number and you talk to someone and they say, ‘Well, you want further help. You should now ring this number,’ which is their local crisis line or their other Lifeline number? Do you know if that is happening?

Ms Griffin—I would be surprised if that is happening. It certainly has not been reported to us. Their quality assurance mechanism should prevent it and they have at their disposal a huge database of resources available around Australia for them to make referrals to.

Senator CROSSIN—It must be happening if we have got it, because someone has raised it with us. What will you now do to investigate that?

Ms Prince—We will follow it up.

Senator CROSSIN—Are you able to tell me or to ascertain from Lifeline where the \$100 payments have been made? Is there a trend in terms of where they are actually going to?

Ms Griffin—You mean the type of service?

Senator CROSSIN—I would be interested to know where the \$100 payments are going to. Is there one service more than another who is getting that? Are Lifeline branches themselves getting the \$100 and paying themselves \$100 for the referral?

Ms Griffin—We can take that on notice and see what we can make of it.

Senator CROSSIN—Lifeline must surely have a database of where this \$100 is going. I would be interested in having a look at that. If it were for 2006 that would be useful.

Ms Griffin—Certainly. I will look at what is available and what we can provide.

Senator CROSSIN—Thanks. Will I keep going?

Senator Scullion—Mr Chairman, just before the senator goes on to the next area, those who may be listening to the nature of the previous line of questioning may not think much of Lifeline. I want to put on the record that this government think that Lifeline do an absolutely incredible job. I would like to reiterate the information given, that out of 88,000 transactions there were 68 notations of some type of complaint or inquiry. The nature of the satisfaction survey on that level would be second to none. I would certainly like to take this opportunity to commend Lifeline for their excellent work, particularly in protecting women against violence.

Senator MOORE—At previous estimates there has never been any intent from anyone around this table to attack or question the quality of Lifeline.

Senator Scullion—Through the chair, I made the remark in the context of the nature and tenor of the line of questioning.

Senator MOORE—I am sorry, I thought I was speaking.

Senator Scullion—Those people who may not have been used to estimates may have gotten the wrong impression. I was just putting it on the record, in terms of what the government's position about Lifeline is. It is quite legitimate.

CHAIR—Both the government and the opposition have put their matters on the record so can we proceed, please. Are there further questions?

Senator CROSSIN—I want to say, Senator, that there is no criticism here of Lifeline at all. Those of you whom are amongst us who have some political nous might come to realise that, for example, in 2006 if you paid out 6,930 vouchers at \$100 each, that is a total amount of \$693,000. I want to suggest to you that people who are in the domestic violence arena probably think there is a better way of spending that money than just simply handing \$100 vouchers to people who walk through the door, given that that very year you have had 23,000 phone calls and you only end up helping 6,900. That is the political point. It is about the most efficient use of the Commonwealth dollar to assist people who are victims of domestic violence.

I want to move on to the Office for Women with some general questions, and perhaps I will try and wind up by 9.30: my understanding of the three programs—our Leadership and Development Program; the Women's Safety Agenda and the Support for Victims of Trafficking. We have been through there. On page 82 of the PBS, the Women's Leadership and Development Program in the 2005-06 budget, as I said, \$15 million over four years and the \$3.8 million in this budget: it is similar to the estimated expenditure last year, but it seems to be \$581,000 less than 2005-06.

Ms Prince—Are you looking at page 81 or 82?

Senator CROSSIN—I do not have a PBS in front of me. I just have a notation.

Ms Prince—On page 81 we have the actual figures.

Senator CROSSIN—It will be 81 then, I think. Yes. I am after the Women's Leadership and Development money. It is \$3.8 million in this budget but in 2005-06 there was an amount of \$15 million over four years.

Dr Harmer—Senator, it is \$3.8 million each year.

Senator CROSSIN—Is it? So it is the same. There has not been an increase or a decrease?

Ms Prince—No. If there was any change, it may be about phasing or a few more to this or that project for a year or something like that but, as I understand it, the expenditure is fairly even over the four years.

Senator CROSSIN—The estimated expenditure for last year was not—is this \$581,000 less than 2005-06 or is it because—

Ms Beauchamp—Are you looking at the Women's Safety Agenda?

Senator CROSSIN—I am looking at the Leadership and Development Program.

Ms Prince—The two figures we have here are \$3.831 million for the budget estimate for 2007-08, \$3.808 million for the estimated actual for 2006-07. That is a difference of smaller than \$500,000, I think. It is \$25,000 or something like that.

Senator CROSSIN—Yes. I have in my notes from previous years that in 2004-05 the final estimates for the Women's Leadership and Development Program was \$2.512 million. In 2005-06 it was \$4.389 million and \$3.8 million for 2006-07. That is a \$775,000 difference. Can you explain that to me?

Ms Prince—I cannot at the moment. I will take it on notice if you do not mind, Senator, because we just do not have all those figures with us.

Senator CROSSIN—All right. I will get you to explain that to me if you can. Applications for the 2006-07 grant for activities by non-government women's groups closed on 15 December.

Ms Prince—That is correct.

Senator CROSSIN—Why haven't the successful applications been announced yet?

Ms Prince—They have been advised, I believe, to the successful people but I do not think they have been announced yet. They were decided with the last month or six weeks. We are in the process of forming contracts now.

Senator CROSSIN—When were they advised?

Ms Prince—I do not have that date with me.

Ms Griffin—Earlier this month.

Senator CROSSIN—Why did it take nearly five months?

Ms Prince—Could you just remind me of the date the applications closed?

Senator CROSSIN—15 December.

Ms Prince—If you work forward from there, effectively there would not have been much work done on those applications until the end of January because of the Christmas break. We were dealing with 90-odd applications. We take some weeks to evaluate those, then we have to have the approval process. And then we get to the announcement stage.

Senator CROSSIN—22 women's organisations received grants in 2005-06.

Ms Prince—Correct.

Senator CROSSIN—A total of \$775,000. Can you tell me how many organisations have been successful in this round?

Ms Prince—I think we said 12, didn't we?

Ms Griffin—That is right, Senator. There were two rounds in 2005-06, and the number awarded—

Senator CROSSIN—Twelve and 10.

Ms Griffin—Yes. From the one round in 2006-07 there have been 12 successful recipients.

Senator CROSSIN—Do you have a total amount that will be allocated against that?

Ms Prince—We do not have it at the moment. It would depend on the size of each grant and the nature of each proposal. It will vary.

Senator CROSSIN—You do not have that with you? Can you provide me with, or will it go on your website, the results of the Women's Leadership and Development Program grants?

Ms Prince—The results will go on our website.

Senator CROSSIN—And the amount of money allocated?

Ms Prince—I cannot recall whether the amount of money goes on per project. We do not usually advertise that, I think.

Ms Griffin—No, it is not usually put out.

Senator CROSSIN—Is it something you are able to provide to this committee once you have announced it?

Ms Prince—We certainly could do that once we finalise the funding agreements with all the successful people.

Senator CROSSIN—The grants for activities by Australian non-government organisations in the Pacific region, to build on existing activities: there is no information on expenditure to date and my understanding is that the closing date for applications for 2006 was moved forward to 11 April. What is the actual expenditure to date on that?

Ms Griffin—The outcome of that round of grants has not been finalised yet. It was only advertised on 7 March and, as you pointed out, closed on 11 April.

Senator CROSSIN—And 11 April was always the closing date?

Ms Griffin—No, it was 4 April and extended to 11 April due to the impact of the tsunami in the Pacific region during the application period.

Senator CROSSIN—How much money has been given out under this program in previous years?

Ms Griffin—This is the first time we have run such a grants round, Senator.

Senator CROSSIN—When will they be announced?

Ms Griffin—We are close to having a decision, I believe, but we do not have a formal decision yet.

Senator CROSSIN—Can I just go to the Women's National Leadership Initiative. You provided \$2.4 million over four years, announced in 2001. How much money is the government planning to spend on this in the 2007-08 budget?

Ms Griffin—That was a prior program wrapped into the Women's Leadership and Development Program—I think there were previously four or five programs that were wrapped into that—so Women's National Leadership Initiative as such is not still running.

Senator CROSSIN—There is no discrete budget allocation for the National Leadership Initiative?

Ms Griffin—Not as such, no. It is part of the Women's Leadership and Development Program.

Ms Prince—It has been overtaken, Senator. The figures that we discussed before, that we asked to take on notice, cover the later version of that.

Senator CROSSIN—How much money will be spent on the *AppointWomen* register?

Ms Griffin—So far we have spent \$14,400 on it.

Senator CROSSIN—How many people have accessed it?

Ms Griffin—The updated online version has not been launched yet, Senator.

Senator CROSSIN—How many people have accessed it in the past?

Ms Griffin—The current system, to be subsumed by the web based system, holds the CVs of about 1,000 women.

Senator CROSSIN—When are you planning to launch the new online system?

Ms Griffin—It is very close. In the next month, we would hope.

Senator CROSSIN—Everything is happening in the next month for this office, by the looks of things. Do you know how many people have been appointed by the use of the register?

Ms Griffin—I do not have that information, I am sorry.

Senator CROSSIN—Perhaps you might be able to take it on notice, because it would be one way of tracking the effectiveness of the register, I would have thought.

Ms Prince—We will see what we can do, Senator.

Senator CROSSIN—Can I now go through the three programs I started with: Women's Leadership and Development, the Women's Safety Agenda and the support for victims of trafficking. I have actually got \$775,000 for grants for non-government women's groups. That is the figure from 2005-06. It is the most recent figure I have. I do not know if you have got an updated figure.

Ms Beauchamp—Sorry, are you looking for all NGOs funded under all of those programs?

Senator CROSSIN—Yes.

Ms Prince—I think we would want to take it on notice, Senator, because some of the titles have changed slightly and the composition of these things has changed slightly over the years. We would not want to give you a figure that we were not confident about.

Senator CROSSIN—What I am looking for is how the \$3.8 million is allocated, because when I go through the figures that I have tracked over the years, I get only \$1.875 million. I am wondering where the other \$2 million is.

Ms Prince—We spend it on a variety of things. We spend some on communication processes, such as events, publications and data warehouse distribution of all of our products. We have some research and commissioned work as well. The women's secretariat funds are inside that bucket, and the NGO grants and a variety of grant programs are inside that program as well. One, for example, is the Women in Sport Leadership program. We actually contract the Australian Sports Commission to allocate several hundred small grants, I think it

is, to sportswomen for coaching courses and all sorts of things like that. That gives you a flavour of the way that that money is now assigned.

Senator CROSSIN—What I might ask you to do is provide us with a comprehensive breakdown of that \$3.8 million so that we can track where it is going and what it is meant to do.

Ms Prince—Yes.

Senator CROSSIN—Can I ask about your website. Senator Moore raised something about it. I tried to access the Commonwealth Plan of Action for Gender Equality 2005-2015 from your website, but it was not possible to do that. The link was not there.

Ms Prince—We will have a look at that.

Senator CROSSIN—Can you also tell me why there are no pictures of Indigenous women on your Office for Women website and why there are no young women on the website?

Ms Prince—I would have to look through it myself before I would be able to answer that question.

Senator CROSSIN—All right. I just raise that with you.

Ms Prince—Yes. Thank you.

Senator CROSSIN—The APEC Women Leaders Network meeting is coming up. Can you tell me how much money the Office for Women is allocating to this meeting?

Ms Stodulka—We are expecting it to be almost \$1 million dollars.

Senator CROSSIN—Was any advertising released to promote or raise awareness of this meeting?

Ms Stodulka—Yes, there has been advertising.

Senator CROSSIN—How was that done?

Ms Stodulka—Through the newsprint media.

Ms Prince—And that advertising was consigned to attract people to attend the meeting, to attend APEC.

Senator CROSSIN—Were any invitations issued to the APEC meeting?

Ms Stodulka—Certainly there are invitations issued to speakers and to the heads of delegation from the 21 economies.

Senator CROSSIN—Were any of your four secretariats or their member groups invited?

Ms Stodulka—Yes. In addition to our secretariat funding we are going to sponsor either the president or a delegate from each of the four secretariats to attend the Women Leaders Network and also to establish a sort of trade stand with Office for Women so that they can showcase their publications and their work.

Senator CROSSIN—My question was: were any of the members of the secretariat invited specifically to the APEC forum or were they specifically written to and informed about the APEC meeting?

Ms Stodulka—Absolutely. We have either a teleconference or a face to face meeting with the secretariats every three months, and we have been flagging with them fairly constantly because they have been advertising the—

Senator CROSSIN—You are relying on them to pass it on to their member organisations?

Ms Stodulka—Absolutely. They have advertised the forum on their websites and we have also provided them with briefings about the Women Leaders Network. They are an important connection with the women's organisations.

Senator CROSSIN—All of those organisations which belong to those secretariats should know about this APEC forum?

Ms Stodulka—Absolutely, yes.

Senator CROSSIN—And if you are an NGO that does not belong to any of these four secretariats, you would have just seen the advertisement in the newspaper. Is that right?

Ms Stodulka—And it is also advertised on the Office for Women website.

Senator CROSSIN—Finally, the latest United Nations CEDAW report. My understanding is that the combined fourth and fifth reports were finally reported on in—

Ms Stodulka—January 2006, Senator.

Senator CROSSIN—Yes. Just quickly update me. I knew you were due to report in 2002 and the United Nations said they were really busy, could you wait until 2004. Why did it actually take until 2006 to finally report?

Ms Stodulka—I have to take that on notice. I know that we were late in reporting.

Senator CROSSIN—Very late.

Ms Stodulka—And I understand that part of that was in relation to the program for the committee.

Senator CROSSIN—Can you take it on notice?

Ms Stodulka—Yes.

Senator CROSSIN—Are we up to the seventh or the eighth report now?

Ms Stodulka—It will be the combined sixth and seventh report, which we are due to submit at the end of 2008.

Senator CROSSIN—If we had reported back in 2002, when was the sixth report due?

Ms Stodulka—Again, I would have to take that on notice. My advice is that we are next due to report at the end of 2008 with our sixth and seventh combined report.

Senator CROSSIN—Do you know if these reports are meant to be tabled every two years or three years?

Ms Stodulka—My understanding is every two years, Senator.

Senator CROSSIN—If that is right, in 2000 we were due to table our fourth report. In 2002 we attempted to table 4 and 5. My history of estimates for this outcome tells me that the United Nations asked us to wait. We finally tabled it in 2006. My calculations tell me that in

2004 we should have tabled the sixth report and in 2006 we should have tabled the seventh report, but we are not tabling either of those now or we are going to do it together again in 2008. Can you take on notice for me whether we are in fact actually four years behind in reporting to the United Nations?

Ms Stodulka—Yes, certainly.

Senator CROSSIN—Thanks.

Senator PATTERSON—Could you also tell us whether the United Nations has actually responded to our reports and whether they are out of time on that, too.

Ms Prince—Yes.

Senator PATTERSON—Thank you.

CHAIR—We are happy to go now to child care. Is that right? Okay. We still have questions, though, for child support. Is that the case?

Senator CROSSIN—No. We will put them on notice.

CHAIR—Okay, but I just want to know if the people for child support need to stay around.

Senator CROSSIN—Which one is that?

CHAIR—Or whether they are free to go.

Senator WEBBER—She is in charge.

Senator MOORE—Dr Harmer, we are going to concentrate on child care with the amount of time that we have. Just child support.

Dr Harmer—So 3.1, Support for families, with whom we were not finished, can go?

Senator MOORE—Yes, they will have to go on notice.

Dr Harmer—And the 3.2, Child support can go.

Senator WEBBER—Don't they look happy!

Dr Harmer—They are ecstatic.

Senator MOORE—Dr Harmer, we are very reluctant to say that, but we do not have time.

Senator WEBBER—We are very sorry but, given that we are at 20 to 10, it is not feasible to do it properly.

CHAIR—Fair enough. Okay. So we are looking for child care and we will follow that with 4.2, Financial management.

Dr Harmer—Senator, while we are waiting, we have a couple of questions on notice from Senator Siewert which we have to hand now.

CHAIR—Great. We have child care.

Dr Harmer—We have the child care.

CHAIR—So questions on child care. Senator Stephens?

Senator STEPHENS—Thank you, Chair. If we could start with the answers to questions on notice that are still outstanding. I want to check. I understand that the questions are 3139

through to 3144. Officers were asked yesterday to come prepared with the answers, so I am wondering how we are going with those and if you have some of those.

Ms Carroll—The questions are still in the process. A number of them have been signed by the minister today and they will be tabled tomorrow; I presume over the next day. They are in the final stages of the process.

Senator STEPHENS—Is that all of the outstanding questions?

Ms Carroll—Not all of them were signed today, but about six of them were. The others are not far behind; they are in the final stages of the process.

Dr Harmer—Just to clarify: Senator Crossin has now left. Is she coming back because I brought some people in from 4.2. If she has finished, that is fine. They will be happy to go.

CHAIR—My understanding is that she has questions in 4.2, so I assume she is coming back.

Dr Harmer—All right. I wanted to clarify that we were not just doing child care.

CHAIR—No. My understanding is we are still doing financial management.

Dr Harmer—Thank you.

CHAIR—Senator Stephens?

Senator STEPHENS—Thank you. Hopefully we will have the answers to everything by the end of the week, do you think?

Ms Carroll—That is my understanding; everything will be ready by the end of the week.

Senator STEPHENS—Okay. If we move on—

Senator WEBBER—Sorry to interrupt. This is becoming very disjointed because of the program. So they will be ready by the end of the week?

Ms Carroll—Yes.

Senator WEBBER—Given that we do set deadlines, you do appreciate therefore that it is a bit difficult for us. You may well have answered some of the questions and we may be a little out of sync because we have not got the detail from you. If we can have that on the record: we do not quite know what we are dealing with.

Ms Beauchamp—These are parliamentary questions on notice, asked of the minister. We will do our best to get the information to the minister as soon as possible, but of course it will then be up to the minister in terms of his release time. But we will do our best to get them finalised as soon as possible, and then it will be up to Minister Brough.

Senator WEBBER—Yes. That is fine.

Senator STEPHENS—Given that we know we have some information coming, perhaps if we could work our way through the information that we are seeking. You can tell us (a) if it is going to be in an answer or, (b) if you have some information that you can share with us tonight. The questions on notice include a series of questions about the numbers of families receiving the child-care benefit, so we are seeking both the numbers and a breakdown of the ages of those children and how many are school aged.

We are also seeking information about the average number of children per family receiving the child-care benefit and, in relation to that, how many families have just one child or two or three: also how many families are taking their child-care benefit as a fee reduction, or as a lump sum. Then of the total number of families receiving child-care benefit, how many are in long day care, family day care, out of school hours care and occasional care.

Ms Carroll—I can give you some global numbers this evening—

CHAIR—Sorry, Ms Carroll. Before you do that could I just interpose for a minute. We have clarified that people in 4.2 will now not be required.

Senator MOORE—One thing I would ask, on behalf of Senator Crossin, is that to assist the minister we get a briefing outside the standard Senate process to just clarify those issues that she was raising. So we will go through the ministerial process to do that. It is just ridiculous to keep you waiting.

Dr Harmer—Thank you. I appreciate that.

Ms Carroll—As I was saying, there are global numbers that I can provide. As a quarterly or a point in time figure there are around 800,000 children in child care. We also have another figure that is an annual figure in terms of the children in child care. This is approved child care. As you know, families and children come in and out of child care over a year, so there is a difference between a quarterly or a point in time figure. Of those 800,000 children, about 30 per cent are school age. The majority—about 67 per cent—are under school age and there are about two per cent that are over 12; a small proportion.

Senator STEPHENS—Over 12?

Ms Carroll—Over 12.

Senator STEPHENS—Thank you.

Ms Carroll—The number of families those children are associated with is the same. The quarterly figure is around 570,000 families. The two annual figures—the annual figure that we have is for 2005-06 because obviously 2006-07 has not finished—there are around 705,000 families on an annual basis; a bit over a million children in that period.

Senator STEPHENS—Okay. Are you able to advise us how many families take their child-care benefit as a fee reduction?

Ms Carroll—There are only about four per cent of families that take their child-care benefit as a lump sum.

Senator STEPHENS—Then the breakdown of families receiving child-care benefit by provision; so that is long day care, family day care, out of school care and occasional care.

Ms Carroll—Of the families that I indicated—around 570,000—a large number of those, about 370,000 families, are in long day care centres, around 75,000 are in family day care, about 171,000 families are in outside school hours care and there is a small number, about 8,000, in vacation care.

Senator STEPHENS—Thank you. I keep referring back to those questions that are on notice. I do not want to retrace our steps too much. Can you advise the committee how many families were overpaid a child-care benefit entitlement last year?

Dr Phillips—We have the quarterly figures, so an as-at figure for March 2007, for 2005-06 families. We have reconciled around 84 per cent of families. Of those, about 20 per cent incurred a CCB debt and about 41 per cent had received a top-up.

Senator STEPHENS—That 84 per cent represents how many families? Did you say that you had reconciled 84 per cent?

Dr Phillips—Yes. Around 620,000 families have had their CCB entitlements for 2005-06 reconciled at that point.

Senator STEPHENS—What was the average debt level or the average overpayment?

Dr Phillips—The average overpayment was approximately \$309 and the average top-up was approximately \$288.

Senator STEPHENS—Are you able to advise us about the average income level of those people that incurred a debt?

Ms Carroll—We would have to take that on notice.

Senator STEPHENS—That would be helpful. Thank you. Can you tell me what happens to those families if they do incur a debt? How is the debt repaid?

Dr Phillips—There are a number of ways that your overpayment can be repaid. It can be taken from the child-care benefit lump sum claim, if they split claim. From September it will be able to be taken off the CCTR payment. It can be taken through other top-ups, such as your FTB top-up, from your tax refund from 1 July this year; withholdings from an ongoing payment. There are a variety of ways.

Senator STEPHENS—Do they get an opportunity to nominate the way in which the debt will be recovered?

Dr Phillips—I understand that you can actually negotiate.

Senator STEPHENS—What is the department's first option?

Dr Phillips—The first option would be through the CCB lump sum claim, if there is one.

Senator STEPHENS—Is their entitlement to further fee relief reduced on the basis of the overpayment?

Ms Carroll—What would happen after the end of a financial year is that the family would have been asked to give the income for the next year, and a number of the provisions that apply to family payments also apply to child-care benefit—about how that works with families, about estimating their income and, if they have under or overestimated the previous year, what they are asked to do the following year.

Senator STEPHENS—I see. The last time that we were talking about this, we were talking about the implementation of the new Child Care Management System. Can you tell the committee how the new system might change this process.

Ms Carroll—Effectively, this is still a process that would be done by Centrelink. The Child Care Management System is about the provision of the information into Centrelink. It does not change the way the family's entitlement would be reconciled over a year.

Ms Beauchamp—Could I also add that, in terms of the introduction of the Child Care Management System, there will be a new way of paying child-care benefit to providers. It will be paid in arrears.

Senator STEPHENS—In arrears?

Ms Beauchamp—There will be less debt then incurred by families.

Senator STEPHENS—How much in arrears will the new payment be to child-care providers.

Ms Smart—Under CCMS, the payment will be made either weekly or fortnightly in arrears to the child-care service, depending on how often they have submitted attendance information for the children in their care.

Senator STEPHENS—Under the new system, how often will families have to update FaCSIA with their current income? Will that still be done on an annual basis?

Ms Smart—That is still managed by Centrelink in the same way that it is now.

Ms Carroll—And it is a normal and regular requirement for a family to tell Centrelink if their circumstances change. They are asked to tell Centrelink at the time of the change.

Senator STEPHENS—I would like to go now to the program funding. Looking first of all at Child Care Services Support, which has here on page 135 your budget estimate of \$249.3 million—sorry. I need to find the other table that shows us the out years, if anyone can help me with where it is.

Ms Carroll—Page 116 provides the current year 2006-07, as well as 2007-08.

Senator STEPHENS—It is quite a significant increase, isn't it, between the estimates for 2006-07 and 2007-08? Can you explain that to us, please.

Ms Shugg—Are you talking about the Child Care Services Support line?

Senator STEPHENS—Yes.

Ms Shugg—There is quite a bit of difference between those two things. That reflects a number of things. If you go down a bit further under bill No. 2, Child Care Services Support and Child Care Services LGA, both of those have changed also. That reflects a change in the mix of child-care services with a lessening of the number of services managed by state and territory governments and local governments, and an increase in the number of services operated by community organisations and private operators. Some of the money that was in bill No. 2 will now show up in bill No. 1. All of those three appropriations fit under the Child Care Services Support Program.

It also reflects a number of budget measures that have come into the child-care area from the 2007-08 budget, including the regional remote child-care measure, the increased support for inclusion support, the money provided for the Indigenous service hubs, and some additional money provided through the CDEP measure, and some CCMS measures.

Senator STEPHENS—Can you step me through that. We have in the Child Care Services Support budget line a \$50 million difference.

Ms Shugg—That is right.

Senator STEPHENS—You are saying that some of it relates to changes to Child Care Services Support, which is a reduction of about \$2 million, and the LGA which is a reduction of about \$5 million.

Ms Shugg—Yes.

Senator STEPHENS—Can you talk me through those other issues that you raised and perhaps give me an indication of the budget allocation that has gone to those things.

Ms Shugg—Yes, I can do that. As you said, the difference is around about \$57 million. That is made up of \$1.8 from child-care services support, \$5.2 million from children's services LGA, \$4 million from the CDEP measure, \$1.3 million in the 2007-08 year from the Indigenous hubs measure, \$7.8 million in relation to the additional support being provided to child-care services in rural and remote areas, an additional \$14 million in the inclusion support, \$2.0 million in relation to quality assurance, \$18.7 million in relation to CCMS and then there is a small adjustment in relation to a range of indexation and other bits and pieces.

Senator STEPHENS—Going back to the CDEP, that is \$4 million?

Ms Shugg—Yes.

Senator STEPHENS—Can you explain that adjustment?

Ms Shugg—This is a whole-of-government Indigenous measure where, in relation to the jobs that are currently subsidised through the CDEP, which is managed through DEWR, the department has received funding so as we can provide that to the service and they can convert that job into a real job. There is money in terms of a salary component, an on-cost component and also some training and support for services within that measure. That measure has two components to it. In the first year we would be looking at those child-care services that are affected by the closure of CDEPs in metro areas and the second component, which will be mainly in the following financial year, is in relation to two other priority areas.

Senator STEPHENS—Which are?

Ms Shugg—Which are the rest of New South Wales, the remainder of Victoria and South Australia.

Senator STEPHENS—The obvious omissions are Queensland, the Northern Territory and Western Australia.

Senator WEBBER—A bad move with at least two of us in the room!

Senator STEPHENS—It is the child-care services that are CDEP metro.

Ms Shugg—Minister Hockey announced the closure of a number of CDEP organisations that take effect on 1 July this year. A number of those organisations have provided CDEP participants into child-care services that are funded by FaCSIA. This measure allows us to subsidise those child-care services to enable them to continue to have access to that manpower, so they can create a full job out of a job that used to be subsidised through CDEP.

Senator STEPHENS—How many child-care services and how many staff are affected in the first year?

Ms Shugg—In the first year we estimate there will be 100 CDEP participants that will need to be subsidised to the services. We are going through a process at the moment of identifying the services. We have currently identified 64 participants, but I have recently written to all our Indigenous funded child-care services asking them to provide us with information about CDEP workers that they have and their requirements in terms of being able to keep those jobs.

Senator STEPHENS—This is only in metropolitan child-care services?

Ms Shugg—With the way the budget measure is structured, we recognised that we could not do all CDEP participants at once. We wanted to do it in a systematic way. We wanted to address those that would be affected by the DEWR measure first up, so that is why they are priority one, and they will be addressed this year. We estimated that in the second year of the measure we would be able to address approximately another 100 CDEP positions and, given the information we had, we felt that there would be another 100 if we did the rest of New South Wales, Victoria and South Australia. That does not necessarily mean that we will not get around to doing the other states and territories; it is just that this measure only covers New South Wales, Victoria and South Australia.

Senator STEPHENS—If you get to do the rest of the states, that will have to be met through the forward estimates process. Is that what you are saying?

Ms Shugg—Or through another budget measure. This particular budget measure covers the transferring of 200 positions.

Senator STEPHENS—That is the CDEP—the \$4 million covers 200 positions.

Ms Shugg—No, the \$4 million is only for the first year, which is why it is reflected in 2007-08. That is the replacement of 100 positions. Obviously that supplementation then continues. In the second year of the budget measure, we would replace a second 100, and they would continue into the out years.

Ms Beauchamp—Over the period of the forward estimates, it is about \$16.5 million.

Senator STEPHENS—Thank you. Can you explain the \$1.3 million in the Indigenous hubs to us. I did not quite understand that.

Ms Shugg—This measure allows us to do two things: firstly, to establish 20 new innovative child-care service hubs in regional and remote communities with high Indigenous populations. It is an investment of \$23.5 million over the next four years. It also allows us to work with a number of existing budget based services to assist them to meet the quality assurance standards so as they can become child-care benefit approved services, and we can then transfer them to a more mainstream source of funding, to get the bulk of their funding from CCB.

Senator STEPHENS—The \$23.5 million is over five years, did you say?

Ms Shugg—Over four years.

Senator STEPHENS—Is the contribution from FaCSIA of \$1.3 million going to continue?

Ms Shugg—The \$1.3 million is the first year of this measure, so over four years it is \$23 million.

Ms Carroll—The measure gets significantly higher amounts of funds in the out years, because obviously there is a development process in identifying sites for the new hubs and also for identifying services that are ready to transition from their budget based funding into a mainstream source of funding. So the split across the years is not an even split.

Senator STEPHENS—I am sorry, but I missed this in the portfolio statement. It must be here somewhere, mustn't it?

Ms Shugg—The measure is the middle table on page 40 of the PBS.

Senator STEPHENS—We are going over tedious ground if we do this. I am sorry about that. If I ask you a question and I have missed it, just point to it in the tables for me. In terms of the regional and remote \$7.8 million, is that an Indigenous measure as well?

Ms Shugg—It is not a specific Indigenous measure. It is a measure to improve access to child care in regional and remote areas, so primarily based around mainstream child-care services in those areas. That one is on page 42 of the PBS.

Senator STEPHENS—Would that include any capital works?

Ms Shugg—It does include a small capital component. There are a number of components to this matter. Would you like me to detail them?

Senator STEPHENS—Yes, please.

Ms Shugg—The first component is in relation to outside school hours care and it provides an increase to the rates of sustainability support and set-up assistance that is available to outside school hours care services in regional and remote areas. The second component is in relation to long day care. There are three subcomponents to that measure. The first is an increase to the rates of sustainability assistance available to long day care services. The second is that sustainability assistance will be opened to for-profit services. Currently, sustainability assistance is only open to not-for-profit long day care services.

The third subcomponent is a small capital component, which is \$3 million over three years. That is available to existing long day care services that are eligible for sustainability assistance. They are in areas where while the population demographics would not support another service, there is a demand for additional child care, so it would allow you to, for example, put on an extra room or something in the child care service. That capital component does require joint funding from either state or local government.

The third component of the measure is in relation to an additional family day care start-up payment. You are probably aware we have a family day care start-up payment. This is a targeted one which would assist family day care carers who might want to start being a family day care carer but because they live on a farm, the costs involved in making the farm safe for child care are such that it is preventing them from going forward. This allows a start-up payment of \$5,000 for a person in those circumstances.

The fourth component is in relation to in-home care and it provides an incentive for existing in-home care service providers to take on carers in remote and very remote areas by allowing them, if they have 21 per cent of their carers in remote areas, to pick up a higher rate of service support.

Ms Beauchamp—Could I just add, the total amount for that package in terms of new funding, is \$43.8 million over four years. There are detailed fact sheets on our website in relation to all of these measures.

Senator STEPHENS—Do the fact sheets include the anticipated take-up rates or the targeted numbers for some of the measures; for example, the additional family day care start-up targeting carers on farms?

Ms Shugg—That one does because there are only 200 payments available over the four years. That is certainly a targeted payment.

Senator STEPHENS—In terms of the long day care increase in sustainability payment and opening it up to the for-profit sector, have you identified an additional target of places that you want to achieve through that measure?

Ms Shugg—It is not set out on the fact sheet, Senator. We think the measure will impact on approximately 216 services. That includes the existing services in those areas but we estimate that we will have some new services as well.

Senator STEPHENS—The fourth measure that you mentioned, about in-home care, what does that mean in dollar terms for those services if they have more than 21 per cent of their carers in the service? Could you explain that to us a little more?

Ms Shugg—The way in which service support for in-home care is calculated is based on the numbers of children in care and the hours that care is provided. The service support is a different rate, depending on which area code you are in. If you are operating in metro, you have a smaller rate of support than if you operate in a remote area. What this does is allow you to access that higher rate by having a lower number of carers in that area. Currently the threshold is 51 per cent but it has been lowered to 21 per cent to encourage services to pick up carers, so they can access the higher rates of support.

Senator STEPHENS—That is a pretty dramatic reduction, isn't it: 30 per cent? Is that based on either targets for additional child care take-ups or to target an increased number of carers?

Ms Shugg—It was based on a number of things. We wanted the incentive to be sufficient to encourage services to take this up. Services had fed back that the 51 per cent threshold was preventative. We looked at the current services that we have and the numbers of carers that they have and did some estimating around what would be an achievable target for those services in terms of picking up numbers of carers. There was a bit of estimation involved but we have tried to make the threshold such that there is a balance between the incentive and the actual ability to pick up that number of carers.

Senator STEPHENS—So this is \$43.8 million through the forward estimates period?

Ms Carroll—Across all of them.

Senator STEPHENS—Okay. Will each of these initiatives be extended across the forward estimates period?

Ms Shugg—Yes, they all are. The only bit that stops is the capital, which is available for three years.

Senator STEPHENS—Child care SSP, \$8.1 million in the budget estimates; at 116. We started talking about this and you explained to me that that was part of the shift—

Ms Shugg—That is the one that has gone from \$10 million to \$8 million?

Senator STEPHENS—Yes. Can you advise what funding that actually supports? What child care services support is included in this measure?

Ms Shugg—The SSP is in relation to state and territory governments, so it is where a state and territory government delivers child care or where a state and territory government for example might provide some other service in relation to child care. For example, we have a number of inclusion support agencies or professional support coordinators that could have been filled by state and territory governments or local governments. The local government figure is under the LGA, which is the one underneath. Those sorts of things are open to an open tender process, so sometimes the mix changes between the bill No. 1 amount and the bill No. 2 amount if a state government picks up a large contract or does not pick up a large contract.

Ms Carroll—Family day care is a good example of what can occur across the different bills within the Child Care Support Program. A family day care is run by a local council. We pay for that out of Child Care Services Support LGA. If it is run by the state government, as it is in South Australia, we pay for that out of Child Care Services Support (SPP). If it is run by a community organisation, we pay for that out of Child Care Services Support in bill No. 1.

Senator WEBBER—I hope you do not expect me to remember this at nine o'clock tomorrow morning.

Ms Shugg—It will be in *Hansard*, Senator.

Senator MOORE—Not at nine o'clock tomorrow!

Senator STEPHENS—Are you able to provide us with a list of the programs in operation that the funding supports?

Ms Carroll—Across the whole of the Child Care Support Program?

Senator STEPHENS—Yes.

Ms Carroll—All of that information is provided on our website.

Senator STEPHENS—And that is current?

Ms Carroll—Yes.

Senator STEPHENS—You were saying it is an open tender process. When is the next tender?

Ms Shugg—Sorry, that was in relation to the inclusion support agencies' professional support coordinators, not in relation to the delivery of child care.

Senator STEPHENS—Right.

Ms Carroll—There is a very large number of items under 'Child care support'. For example, there is the professional support; there is inclusion support; there is the network support which we pay to family day care coordination units; there is the quality program. All of that is paid for out of the support for child care.

Senator STEPHENS—I do appreciate the mix that is used to accommodate the needs. Are there any services or any parts of services that are not eligible to be funded under those umbrellas, other than obviously capital works if that was not quite specifically organised? Are there things that are not allowed to be funded under that?

Ms Carroll—It would need to meet the program guidelines, so under ‘Support for child care’ there is a range of subprograms, and I just identified a number of them. For example, to get sustainability assistance, you have to qualify to be a service in a particular area that would qualify for sustainability assistance. They might need to be a sole provider in that particular location to qualify for sustainability assistance. There are a number of different criteria. The services would need to qualify under the program guidelines. Once they qualify, they then are able to access that additional funding.

Senator STEPHENS—Are you able to provide us with the Child Care Services Support budget estimate over the forward estimates period?

Ms Carroll—The same as with, I think, the other forward estimates questions, what we are able to provide is the 2007-08 year. All of the child-care funding in Budget Paper No. 1, where there are grouped forward estimates provided, they are all under ‘Support for families’. They are all included under that.

Senator WEBBER—Can we now turn to JET. Just to warn you, I have some general questions here, but I also want to have a discussion about Balga Senior High School, in the northern suburbs of Perth. Starting generally, again just in looking at the budget line item for JET Child Care Fee Assistance, it seems to me—and I may have all of this wrong—that there has been a bit of a decrease from 2006-07 to 2007-08. We have gone from \$48 million to \$46 million. I am reading page 115, table 3.1.

Ms Carroll—Yes, Senator.

Senator WEBBER—Is that right, and what is the reason?

Ms Carroll—The reason for that is that in 2006-07 at the additional estimates we secured some additional funding for the JET appropriation. It was around \$20 million. A large proportion of that—around \$8 million—was required because, when we transferred JET from the JETCCRW under which it used to be managed into being managed under Centrelink, a number of services had never claimed their JET payments and we had a very large cleaning-up process to do. We had a very large number of outstanding payments that services had never submitted that were then submitted.

Senator WEBBER—What were they doing? They were offering services and not getting paid for it, were they?

Ms Carroll—That is right. They were wearing the cost and they had never claimed that back. Because we were tidying up the old system and moving into the new system, we encouraged all services to put in their returns and we had a very large amount—as I said, around \$8 million—that was required to pay those. While that \$48 million is there, about \$8 million of that was not in actual expenditure for the 2006-07 year.

Senator WEBBER—You are trying to tell me that what was an increase is really a decrease because \$8 million of the \$48 million was arrears?

Ms Carroll—That is right. There was about \$40 million allocated for 2006-07, so there has been an increase into 2007-08.

Senator WEBBER—This is quite extraordinary.

Ms Carroll—Yes.

Senator WEBBER—Of these services that had never claimed, did you approach them or—

Ms Carroll—Yes, we did.

Dr Phillips—We have been actively targeting them. We have been in contact via phone calls, letters—everything we can do to get them to claim.

Senator WEBBER—People that have offered services and never billed you for them?

Dr Phillips—That is correct.

Senator WEBBER—That is a very benevolent attitude. Do you want to go and teach other government departments how to conduct their business like this? Very good.

Senator MOORE—In the end, would you get them all?

Ms Carroll—I think we have a small number outstanding.

Dr Phillips—We have got the majority.

Senator WEBBER—So the ones that are left are quite determined to not be paid for their services.

Ms Carroll—That is right.

Senator WEBBER—There you go! It is quite amazing really, isn't it? A standard forward estimates question: what do we anticipate the expenditure is going to be over the forward estimates?

Ms Carroll—The same answer as the others: that that expenditure is included in the broader forward estimates figure. As you would be aware, the budget measures over a number of years into this appropriation have increased the funding significantly to the JET child care.

Senator WEBBER—How many JET places, in terms of both children and families, will be available in this current year, this funding round?

Ms Carroll—For 2006-07 or 2007-08?

Senator WEBBER—2007-08. This budget, this one that we are looking at now.

Dr Phillips—We are looking at customer numbers of around 35,000 parents.

Senator WEBBER—And how many children?

Ms Carroll—We do not have the children number with us.

Senator WEBBER—Can you have a look at that for me?

Ms Carroll—Yes.

Senator WEBBER—You must have a rough idea if you are allocating money.

Ms Carroll—Yes.

Senator WEBBER—There has to be a formula somewhere, and then can we have a look at what we anticipate the growth will be. What is the average benefit received by child and by parent?

Ms Carroll—We do not have the average benefit information with us, but, effectively, between CCB and the JET child care, parents are only required to pay a very small amount out of their own pocket.

Dr Phillips—It is about 10c per hour.

Senator WEBBER—Can you take on notice the average benefit paid?

Ms Carroll—Yes.

Senator WEBBER—Thank you. In terms of being able to access JET fee assistance, can you give me some guidance about which study courses you can claim for and which ones you cannot.

Ms Carroll—The current eligibility is that the courses need to be one year in length and the JET child care is able to be paid across the full year or, if it is taken part time, across the two years, the part-time period.

Senator WEBBER—So it is one year full time and two years part time, and that is it.

Ms Carroll—That is right, except for our grandfathered customers. People that were already studying—had started courses before this change—have had no changes.

Senator WEBBER—When it comes to things like apprenticeships and what have you, obviously it is out there. If you are doing a three-year apprenticeship—so if you want to be a hairdresser or a chef—you can get JET for a year and then you are on your own.

Ms Carroll—The course has to be 12 months in length. If you are full time, 12 months equivalent.

Senator WEBBER—If I wanted to do an apprenticeship, I could not apply for JET because it is a three-year course. Is that what you are telling me?

Ms Carroll—It has to be full time 12 months.

Senator WEBBER—Full time 12 months, and that is it.

Ms Carroll—That is the current arrangement.

Senator WEBBER—Even, say, completing high school, I can only do a year? What if I am in year 10 and I want to apply for JET?

Ms Carroll—There is an exemption around students in high school.

Senator WEBBER—What is that?

Dr Phillips—You can complete your full high school to year 12.

Senator WEBBER—You can complete your full high school?

Dr Phillips—Yes.

Senator WEBBER—So it does not matter where you start?

Dr Phillips—No. I think up to the age of 19, you can go through and finish your schooling.

Senator WEBBER—So you can stay at high school until you are 19, but if you want to leave school and do an apprenticeship you only get one year?

Dr Phillips—The course needs to be 12 months, yes.

Senator WEBBER—If you live in a state like mine, where it is compulsory to stay at school until you are 17—but ‘school’ is not high school necessarily, it is some form of training—and you opt to go to TAFE to do an apprenticeship rather than stay at high school, you get one year’s assistance—yet you might get a job at the end of that—but if you stay at high school, you get more assistance.

Ms Carroll—The difference around the continuing study for years 10, 11 and 12 is to ensure across Australia that students are not disadvantaged and are encouraged to stay and, therefore, if they have a child, are able to continue with their schooling.

Senator WEBBER—But is any consideration given in this policy to the different requirements that states have about what staying at school is? Are you saying that, to get that assistance to 19, you are locked into being in the old-fashioned definition of being at high school?

Ms Carroll—The current arrangements are staying on to complete year 12. That is the arrangement that is in place.

Senator WEBBER—It is year 12 but not year 12 equivalent. That is what you are telling me.

Ms Carroll—Yes, that is the current arrangement.

Senator SIEWERT—Can I ask a question.

Senator WEBBER—Yes, you go for it. I have a feeling that Rachel and I are going to come from the same perspective on this.

Senator SIEWERT—Is the decision to allow you to stay in secondary school to age 19 a permanent change?

Dr Phillips—Yes.

Senator SIEWERT—It is not a temporary change, it is permanent?

Dr Phillips—Yes.

Senator SIEWERT—But all you are allowed to do is the equivalent of what in WA we call your TEE, your high school certificate.

Dr Phillips—Yes.

Senator SIEWERT—That is it?

Dr Phillips—The change was to enable students to finish their high school education.

Senator SIEWERT—If they then wanted to go on and do another year’s study—and my mind boggles at what you can do for a year these days—can they get another year after they have finished high school?

Ms Carroll—If it is for another activity—if they are going to do another year’s course—they are able to qualify for the JET child care again.

Senator SIEWERT—Let us use Balga High School as an example, which goes up to year 10 and then goes on to specified training rather than doing your equivalent of a high school certificate. Are you saying they will not get JET if they are doing something else other than their TEE?

Ms Carroll—We would need to take that one on notice because, while it is about year 12, we would have to take the specifics of whether it is a year 12 equivalent, what is considered year 12 in that state and those sorts of things.

Senator WEBBER—Is there anyone anywhere that does know about it? The state government has been advised that you have exempted Balga High School, and I am trying to work out whether that is an exemption across the board or whether that exemption is just to get us over this hump, because the child-care centre at the high school is about to close down because they only have JET clients.

Ms Carroll—It is not just about Balga High School. A permanent policy change has been made to allow students to finish year 12. The difference is trying to define what year 12 is, or the year 12 equivalent, as you have identified. Obviously in the circumstance of Balga High School, that equivalent has been looked at and considered.

Senator WEBBER—So where you were fairly firm with me before, there is a capacity to change it.

Dr Harmer—When you say ‘exempt’, do you mean they have been told that it does not qualify?

Senator WEBBER—They were informally told they did not qualify, then your department has advised the state government:

The Department of Families, Community Services and Indigenous Affairs has now agreed to relax its interpretation of the rules to enable you and your fellow students to continue to claim Jobs, Education and Training program child-care fee assistance subsidy beyond 12 months.

That has happened in recent times. These are for students that are not going to do year 12.

Dr Harmer—Presumably because there has been a judgement that it is a year 12 equivalent course.

Senator SIEWERT—That is a part of what we are asking.

Senator WEBBER—Yes.

Senator SIEWERT—That school has been like that for 10 years.

Senator WEBBER—Absolutely. The school has not changed.

Ms Carroll—We will have to take on notice the detail around that, but there has been a broader change. In terms of your question about whether it has just been a specific exemption for Balga, there has been a broader identification that, when the 12-month course time frame came in on 1 July, there was no intention to catch high school students in that 12 months. All I was trying to say before is that the policy change that the minister has approved and agreed to is to allow high school students to finish year 12.

Senator WEBBER—Can I suggest to you, Ms Carroll, you really do need to check that because that child-care centre was going to close on 1 July until they were notified so they

obviously had the impression that the program that they had been running for 10 years—their catchment group have never done the TEE year 12 that you and I were talking about before. They seem to think that you have changed the interpretation and they seem to have the impression from the department that that is across the board so they are all struggling for a very clear definition very quickly here because I do not want to find another child care centre that is going to close on 1 July either.

Dr Harmer—We will check that out. The reason that we do not have anyone here that can answer that question is that I suspect it may have been—the communication was between our state office in Perth and the high school, or the state office in Perth and the Western Australian department, so we will need to check the background of that and we will provide the answer on notice.

Senator WEBBER—There are lots of education departments that allow you, once you get to year 10, to be classified as going on but you are not going to do a year 12, so you have a big catchment group there.

Senator SIEWERT—In WA we often call them mature age colleges but if a student wants to, essentially, finish their TEE—years 11 and 12, whether they are doing TEE subjects or not—would they also be eligible for the exemption if it is not a high school per se?

Ms Carroll—Again, we would have to take that on notice, about the details of that. As Ms Phillips said, part of it is around the age of the student and looking at whether they are in the school system at the point in time—in the equivalent of year 10; 15 or 16—and allowing them to complete their schooling, whatever that might be. We have to take on notice the specifics around where that could occur.

Senator SIEWERT—As this does not apply to university, the only students that will be getting any JET at university now are those that are in the grandfathered group. Is that correct?

Ms Carroll—That is correct, because it needs to be a 12-month course.

Senator SIEWERT—How long is that group grandfathered for?

Dr Phillips—Until they complete their current activities.

Senator SIEWERT—In theory, anybody that is at university who was part of the grandfathered group should not have been told they will not get any further JET. Is that correct?

Ms Carroll—That is correct, if they continued their current activity. There is quite a distinction there.

Senator SIEWERT—What current activity? You mean, if they have changed their course?

Dr Harmer—Continuing their course, probably.

Dr Phillips—Yes, if they continued the course that they were enrolled in and undertaking at the time.

Dr Harmer—If they terminated their course and started a new course, that would probably be classed as a non-continuation.

Senator SIEWERT—What about if they transferred courses? They did not discontinue; they just changed a bit of direction in terms of the study they were undertaking.

Dr Harmer—In the new course, the new faculty or the new school, I suspect it would constitute a change.

Senator SIEWERT—Have you got any records of how many people were affected by that?

Dr Harmer—We will check that. We will clarify that for you.

Ms Carroll—I do not believe that we have had much correspondence around that, in particular.

Senator SIEWERT—I have had lots. I can send it to you.

Ms Carroll—But we can clarify any ones that we may be aware of.

Senator SIEWERT—So if they have changed course, they do not get it. All child-care centres: are they aware that people do not get JET for anything other than a year and if they are studying at university?

Ms Carroll—Certainly there was communication with Child Care Services at the time that this was implemented, and certainly there is a lot of interaction between Centrelink and the Child Care Service, because part of the link of having services paid through Centrelink now means that there is more of a direct contact between Centrelink and the Child Care Services around JET.

Senator SIEWERT—I am getting feedback from people that are not finding out until their applications are turned down that they will not be able to continue. Basically they are saying, ‘We can’t undertake our uni course because we have just been turned down for JET.’ They are not told up-front that they will not actually get it. That is why I ask the question, because I am aware of at least one person who has some substantial debt now. They were given to understand that they would get JET. Could you let us know how much information goes out to Centrelink?

Ms Carroll—We can take that on notice.

Senator WEBBER—I have policy questions but they relate to the one year and the feedback. I suspect I will now have to ask it next door because they sent me here. It is just that because they are going on at the same time I can actually play tick-tack. What I am trying to look for are the number of people that are not being able to undertake this study that they would want to because JET is being limited now to 12 months and not to university courses?

Ms Carroll—Certainly, any feedback we receive around those things, like any new policy, we would consider it and provide that information through to the minister for consideration. We do not have any specific data of, ‘This number of people have said that they would have undertaken a course if they could have got JET for longer.’ As you know, it only came in on 1 July last year so it is very early days to be looking at trends of customers and things like that. We are in the process obviously of looking at that policy change, as we always are with any new policy, to be considering what occurred during the implementation period and providing that kind of implementation advice through to the minister.

Senator SIEWERT—You have not got any at the moment?

Ms Carroll—We have not done any specific evaluation at the moment.

Senator SIEWERT—When do you plan to undertake the evaluation?

Ms Carroll—We would be looking at that once the policy had been in place. Clearly, we do look at the implementation as it goes. We certainly take the more anecdotal feedback that we receive. In terms of an assessment of broader customer numbers and things like that, we would do that at the end of the first financial year when we had a year's worth of data.

Senator SIEWERT—How many are in the grandfathered group?

Ms Carroll—For 2007-08, we believe there are around 3,500.

Senator SIEWERT—How many were in 2006-07?

Ms Carroll—In 2005-06 we had about 9,000 customers and in 2006-07 we anticipate moving up to the 30,000 kind of number of customers, but we are not sure.

Senator SIEWERT—I meant in the grandfathered group. The 35,000: they are the parents that are presumably in the—

Ms Carroll—Yes. The 35,000 includes the grandfathered people, so the 3,500 would be a component of those.

Senator SIEWERT—That is for 2007-08.

Ms Carroll—Yes.

Senator SIEWERT—There are 3,500 who are a grandfathered group. There will be a grandfathered group in 2006-07 too.

Ms Carroll—Yes.

Senator SIEWERT—How many are they?

Ms Carroll—We would have to take that on notice. We do not have that with us.

Senator SIEWERT—What I am looking for is the figure—the 9,000 in fact includes everybody, does it not? People that meet your new criteria and people that do not is where I am coming from.

Ms Carroll—Yes. The 9,000 in 2005-06, obviously before any changes.

Senator SIEWERT—Yes. What I am saying there is that I cannot draw the conclusion that there is a group of people there; that 9,000 people are studying at university or a course at that time of the year.

Ms Carroll—Yes, that is right.

Senator SIEWERT—Because some of those women in fact meet the new criteria.

Ms Carroll—Yes, and some of those are working. We are only talking about the study component. The other component of child care is for people who are working and receiving it for work related activities.

Senator SIEWERT—Yes, and I am obviously trying to look at that component who are studying. If you could provide that figure for 2006-07, that would be appreciated.

Ms Carroll—Yes.

Senator WEBBER—I have some other questions on JET but, given the extraordinary time, we might move on to child-care tax rebate for tonight. I will put my other JET questions on notice because we have only got 13 minutes. Sorry about that.

Senator STEPHENS—Can you just remind us: when does FaCSIA take over responsibility for the child-care tax rebate?

Ms Carroll—From 1 July.

Senator STEPHENS—This year. When the rebate was actually administered through the tax system there were some low-income families that could not access it because they did not earn sufficient to pay enough tax, so I wonder if you could advise us, in the modelling that underpins the costing of this budget measure, how many families will receive the rebate in the next financial year?

Dr Harmer—Senator, you are asking about the number of people who will receive the rebate in 2007-08—

Senator STEPHENS—The families who will receive the rebate in the next financial year. Just while we are looking for that, did the department model this budget measure or was it done by Treasury?

Ms Carroll—The department worked with Treasury around this budget measure. One of our difficulties with this number is that the estimated number of customers actually comes from the Treasury data.

Senator STEPHENS—Okay.

Ms Carroll—While we can give you an indicative number, any details about how those numbers are derived will need to be asked of Treasury.

Senator STEPHENS—Okay.

Ms Carroll—We have a global number, so we know for example for the current claims that are going through with the ATO at the moment that there are already around 400,000 claims that have occurred. But the issue with the tax rebate is that the claim does not come in until people put in their tax return, so there would be a number of people that would not be covered by that. The issue is that to get the child-care tax rebate people need to meet the work test that is associated with the child-care tax rebate, and then we pay on the out-of-pocket costs. What we were able to identify in the costing process was that there were around 100,000 families that did not have enough tax liability under the current system, and so would either receive an increased payment under this system, or some payment.

Senator MOORE—Are they tax—

Ms Carroll—They are all based on Tax's numbers, on their estimates and on the actual claims that they have had in so far, so we are not able to provide detailed answers around those.

Senator STEPHENS—But in the modelling, are you able to tell us what the average rebate is expected to be?

Ms Carroll—What we are able to tell you is that, for the modelling, we used Treasury estimates of their expenditure over the years. So, again, those dollar figures came from Treasury. But what we are able to tell you is that the current average CCTR provision is about \$813. That is based on what is currently being paid out through the ATO.

Senator STEPHENS—Does your modelling expect that that will be consistent in the future, or that under this new system it may be more or less?

Ms Carroll—One of the things that you need to remember is that there is an actual interaction between this measure and the child-care benefit measure, so the child-care benefit has been increased significantly by over 13 per cent. When families get that through the child-care benefit, if their gap fee reduces they then obviously will receive less child-care tax rebate. So there is an interaction of the budget measures purposely because, while they are two separate measures, the idea is that interaction provides a package of support for families.

Senator STEPHENS—In your modelling, did you assume an average of out-of-pocket expenses?

Ms Carroll—No. We were provided with the estimated expenditure through the ATO, and then work was done on that. You would need to ask the ATO—or the Treasury—how they have that estimated expenditure.

Senator STEPHENS—Sure. We were just talking about the increase in the child-care benefit and how that will have the impact of reducing the tax rebate. The budget statements suggest that that looks like it will be an expected reduced expenditure of \$180 million over four years. Is that right?

Ms Carroll—Yes.

Senator STEPHENS—Can you tell us in which budget measure was the introduction of the child-care tax rebate expense accounted for.

Ms Carroll—On page 43 there is the line item for the child-care tax rebate conversion to a direct payment.

Senator STEPHENS—In that measure are we able to see the workings of the reduction rather than the net effect, if you know what I mean?

Ms Beauchamp—That information is available in Budget Paper No. 2.

Senator WEBBER—With the \$180 million over four years, can you break that down by year for me?

Ms Carroll—It is around \$45 million a year.

Senator WEBBER—So it is equal.

Ms Carroll—Consistent.

Senator WEBBER—It is consistently around \$45 million. If only every financing measure worked so efficiently.

Senator MOORE—Ms Beauchamp, was there any advertising component to your area?

Ms Beauchamp—There will be a need for information to be sent out through—

Senator MOORE—Has there been a program developed in terms of advertising and awareness campaigns?

Ms Beauchamp—We have not had a program approved yet, but we will be required to write to families and issue products through FAO.

Senator MOORE—So there will be a communication strategy based on letters. Is there any plan to have any other form of advertising?

Ms Beauchamp—We are probably looking at radio and press but certainly not any media buyers or anything like that with TV.

Senator MOORE—What time frame would you expect for that?

Ms Carroll—The letters to families are already starting to be mailed out and we have already done a mail-out to services.

Senator MOORE—And that was internal costing, so you wrote your own letters and did that.

Ms Carroll—Yes.

Senator MOORE—So there were no consultancies involved with that.

Ms Carroll—We have things like mail houses and those sorts of normal costs associated with that. With any of the budget measures we also have things like the fact sheets that are prepared and the website information. We do use some external consultants to format and normal kinds of things. One of the key things around these measures is that we are already getting, through the FAO, a number of questions from families around the child-care tax rebate in particular and how that measure works; and around the changes to child-care benefit: is there anything they need to do to get their child-care tax rebate? As Ms Beauchamp said, in terms of looking at radio or press advertising, we would be targeting that around what questions we are getting in through our other forms of communication. We are just trying to make sure that families are informed and they know what they do or do not have to do. If families have to be active, Centrelink would do their normal targeted information to those families.

Senator MOORE—So the Centrelink interaction will continue with their normal process?

Ms Carroll—Yes.

Senator MOORE—When would be the targeted time to do any advertising?

Ms Carroll—Over the next couple of months.

Senator MOORE—Leading up to the tax return period, when they will have done it?

Ms Beauchamp—That is right, yes.

Senator MOORE—You would expect, if there is going to be any approved program, it would be between now and July?

Ms Carroll—Yes, or the end of July, making sure that information flowed. That is why it was important to get the letter out to families to make sure they were at least aware and then to start some broader communications.

Senator MOORE—So amidst all the other things on notice which we will be putting, when there has been an approval process for an advertising program, can we get that? And what form it will take.

Ms Beauchamp—Yes. We will be using existing mechanisms as much as possible—like the *Child Care News*—that already go out to providers.

Senator WEBBER—I would like to go back to Senator Stephens' question about the workings. I am looking at some of the extracts that we have from those budget papers. Is that the extent of the workings? When it says, 'The cost of this measure is largely due to', I cannot get any more detail than that. Is that what you are telling me?

Ms Beauchamp—Could you explain exactly what—

Senator WEBBER—I have an extract from the budget paper and it says:

The cost of this measure is largely due to the bring-forward in the timing of payments and the earlier recognition of expenses.

So 'largely' is as much detail as I can get in terms of where?

Ms Beauchamp—It is not usual practice to provide budget in confidence information that has gone into developing up these measures, so what is available publicly is what is included in the budget papers and press releases.

Ms Carroll—In Budget Paper No. 2 there are line items over 2007-08, 2008-09, 2009-10 and 2010-11 provided and there is a line item for FaCSIA.

Senator WEBBER—Yes, and for the ATO.

Ms Carroll—And for the ATO.

Senator WEBBER—Yes, I am with you; and a total.

Ms Carroll—And the total. Those items identify the years in which there are additional payments that the government needs to make because of the conversion to the direct payment and to make the timing at the end of the financial year in which the costs were incurred by families. So in 2007-08, a payment has to go out through both the ATO and through FaCSIA, and again as you can see.

Senator WEBBER—Yes, absolutely. I have it in front of me.

CHAIR—Senator, I know that you are on fire at the moment but the rest of us are burnt out, so we are going to have to draw these exciting proceedings to a close. I thank the officers of FaCSIA who have appeared for us for the last two days. Thank you particularly, Dr Harmer, for appearing. I want to thank everybody for the contribution that they have made to the work of the committee. I look forward to seeing you at another stage in front of an estimates committee, but not too soon. Thank you as well, Minister, for your time in front of the committee today and yesterday. I look forward to seeing my colleagues tomorrow at 9 am when we begin with the Department of Health and Ageing. Thank you.

Committee adjourned at 11.01 pm