



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

SENATE

STANDING COMMITTEE ON COMMUNITY AFFAIRS

ESTIMATES

(Additional Budget Estimates)

WEDNESDAY, 20 FEBRUARY 2008

CANBERRA

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**SENATE STANDING COMMITTEE ON
COMMUNITY AFFAIRS**

Wednesday, 20 February 2008

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

Senators in attendance: Senators Adams, Alison, Bernardi, Birmingham, Boyce, Brandis, Carol Brown, Colbeck, Cormann, Crossin, Ellison, Fielding, Fierravanti-Wells, Fisher, Humphries, Kemp, Lundy, Mason, Milne, Moore, Nettle, Parry, Patterson, Polley and Siewert.

Committee met at 9.02 am

HEALTH AND AGEING PORTFOLIO

In Attendance

Senator McLucas, Parliamentary Secretary to the Minister for Health and Ageing

Senator Stephens, Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion

Department of Health and Ageing

Whole of portfolio

Executive

Ms Jane Halton, Secretary

Mr Philip Davies, Deputy Secretary

Ms Mary Murnane, Deputy Secretary

Professor John Horvath, Chief Medical Officer

Mr David Kalisch, Deputy Secretary

Mr David Learmonth, Deputy Secretary

Business Group

Ms Margaret Lyons, First Assistant Secretary

Mr Stephen Sheehan, Chief Financial Officer, Finance Branch

Ms Laurie Van Veen, Assistant Secretary, Communications Branch

Mr Dean Herpen, Assistant Secretary, Corporate Support Branch

Ms Tracey Frey, Assistant Secretary, Taskforce

Mr David Watts, Assistant Secretary, Legal Services

Ms Jan Williamson, Acting Assistant Secretary, People Branch

Ms Ida Thurbon, Assistant Secretary, IT Solutions Development Branch

Mr John Trabinger, Assistant Secretary, IT Strategy and Service Delivery Branch

Portfolio Strategies Division

Mr Richard Eccles, First Assistant Secretary

Ms Shirley Browne, Assistant Secretary, Parliamentary and Portfolio Agencies Branch

Mr Damian Coburn, Assistant Secretary, Policy Strategies Branch

Ms Linda Powell, Assistant Secretary, Budget Branch

Audit and Fraud Control

Mr Colin Cronin, Assistant Secretary, Audit and Fraud Control Branch

Outcome 1—Population Health**Population Health Division**

Ms Jennifer Bryant, First Assistant Secretary

Prof Rosemary Knight, Principal Advisor, Executive

Mr Peter Morris, Assistant Secretary, Population Health Strategy Unit

Ms Virginia Hart, Assistant Secretary, Drug Strategy Branch

Ms Cath Peachey, Director, Drug Strategy Branch

Ms Jennifer McDonald, Assistant Secretary, Food and Healthy Living Branch

Ms Sandra King, Director, Overweight, Obesity and Physical Activity Section

Ms Jenny Bourne, Assistant Secretary, Targeted Prevention Programs Branch

Ms Joy McLaughlin, Assistant Secretary, Chronic Disease and Palliative Care Branch

Ms Andriana Koukari, Assistant Secretary, Population Health Programs Branch

Mr Bill Rowe, Assistant Secretary, Sport Branch

Therapeutic Goods Administration

Dr Rohan Hammett, National Manager

Dr John McEwen, Acting Principal Medical Officer

Dr Leonie Hunt, Assistant Secretary, Drug Safety and Evaluation Branch

Ms Rita Maclachlan, Assistant Secretary, Office of Devices, Blood and Tissues

Prof Albert Farrugia, Principal Scientific Advisor, Blood and Tissues Unit

Prof David Briggs, Director, Office of Complementary Medicines

Mr Craig Jordan, Business Management Group

Australian Institute of Health and Welfare

Dr Penny Allbon, Director

Ms Susan Killion, Head, Health and Functioning Group

Ms Jenny Hargreaves, Head, Economics and Health Services Group

Mr John Goss, Head, Expenditure and Economics Unit

Mr Mark Cooper-Stanbury, Head, Population Health Unit

Australian Sports Commission

Mr Mark Peters, Chief Executive Officer

Prof Peter Fricker, Director, Australian Institute of Sport

Australian Sports Anti-Doping Authority

Mr Richard Ings, Chief Executive Officer

Australian Radiation Protection and Nuclear Safety Agency

Dr John Loy, Chief Executive Officer

Food Standards Australia New Zealand

Mr Steven McCutcheon, Chief Executive Officer

Ms Melanie Fisher, General Manager, Food Standards (Canberra)

Dr Paul Brent, Acting Chief Scientist

Mr Dean Stockwell, General Manager, Food Standards (Wellington)

Mr Kent Brown, Acting General Manager, Operations

Ms Leigh Henderson, Acting General Manager, Risk Assessment

Ms Amanda Hill, Acting General Manager, Food Safety

Office of the Gene Technology Regulator

Dr Sue Meek, Gene Technology Regulator

Outcome 2—Access to Pharmaceutical Services**Pharmaceutical Benefits Division**

Mr Stephen Dellar, Acting First Assistant Secretary

Ms Sarah Major, Assistant Secretary, Community Pharmacy Branch

Ms Diana Macdonell, Acting Assistant Secretary, Pharmaceutical Evaluation Branch

Mr Declan O'Connor-Cox, Assistant Secretary, Access and Systems Branch

Ms Sue Champion, Assistant Secretary, Policy and Analysis Branch

Dr John Primrose, Medical Office

Mr Kim Bessell, Senior Pharmacy Advisor

Outcome 3—Access to Medical Services**Medical Benefits Division**

Mr Tony Kingdon, First Assistant Secretary

Mr Peter Woodley, Assistant Secretary, MBS Policy Development Branch

Ms Samantha Robertson, Assistant Secretary, MBS Policy Implementation Branch

Ms Jenny Campaign, Acting Assistant Secretary, MBS Policy Implementation Branch

Ms Jenny Williams, Assistant Secretary, Office of Hearing Services

Ms Yvonne Korn

Primary and Ambulatory Care—see outcome 5**Medibank Private**

Mr Bruce Levy, Chief Operating Officer/Deputy Managing Director

Outcome 4—Care and Population Ageing**Ageing and Aged Care Division**

Mr Andrew Stuart, First Assistant Secretary

Ms Allison Rosevear, Assistant Secretary, Residential Program Management Branch

Ms Mary McDonald, Assistant Secretary, Community Care Branch

Ms Melinda Bromley, Assistant Secretary, Office for an Ageing Australia

Mr Peter Broadhead, Assistant Secretary, Policy and Evaluation Branch

Ms Carolyn Smith, First Assistant Secretary, Office of Aged Care Quality and Compliance

Ms Carolyn Scheetz, Assistant Secretary, Compliance Branch

Mr Iain Scott, Assistant Secretary, Prudential Regulation Branch

Ms Fiona Nicholls, Assistant Secretary Quality, Policy and Programs Branch

Aged Care Standards and Accreditation Agency

Mr Chris Falvey, Corporate Affairs

Mr Ross Bushrod, General Manager

Mr Mark Brandon, Chief Executive Officer

Outcome 5—Primary Care**Primary and Ambulatory Care Division**

Ms Megan Morris, First Assistant Secretary

Ms Sharon Appleyard, Assistant Secretary, Rural Health Branch

Ms Lisa McGlynn, Assistant Secretary, eHealth Branch

Mr Lou Andreatta, Assistant Secretary, Primary Care Financing Branch

Mr Leo Kennedy, Assistant Secretary, Service Access Branch

Ms Sallyann Ducker, Assistant Secretary, Primary Care Policy and Analysis Branch

Ms Jennie Roe, Assistant Secretary, Primary Care Practice Support Branch

Ms Judy Daniel, Assistant Secretary, Primary Care Chronic Disease Branch

Outcome 6—Rural Health

Primary and Ambulatory Care Division—see outcome 5

Outcome 7—Hearing Services

Medical Benefits Division—see outcome 3

Outcome 8—Indigenous Health

Office of Aboriginal and Torres Strait Islander Health

Ms Lesley Podesta, First Assistant Secretary

Mr Mark Thomann, Assistant Secretary, Budget and Planning Branch

Mr David de Carvalho, Assistant Secretary, Policy and Analysis Branch

Mr John Walker, Acting Assistant Secretary, Health Strategies Branch

Dr Tim Williams, Senior Medical Advisor

Mr Sanjeev Commar, Assistant Secretary, Family Health and Wellbeing Branch

Ms Joy Savage, Assistant Secretary, Northern Territory Emergency Coordination Centre

Mr Gary Fisk, Acting Assistant Secretary, Performance Management Branch

Ms Alice Creelman, Assistant Secretary, Remote Health Reform Branch

Outcome 9—Private Health

Acute Care Division

Ms Kerry Flanagan, First Assistant Secretary

Dr Bernie Towler, Medical Officer

Mr Paul Currall, Acting Assistant Secretary, Medical Indemnity Branch

Ms Gail Yapp, Assistant Secretary, Acute Care Strategies Branch

Ms Georgie Harman, Assistant Secretary, Acute Care Development Branch

Ms Veronica Hancock, Assistant Secretary, Private Health Insurance Branch

Mr Brenton Alexander, Director, Healthcare Services and Financing Branch

Private Health Insurance Administration Council

Ms Gayle Ginnane, Chief Executive Officer

Private Health Insurance Ombudsman

Ms Samantha Gavel, Chief Executive Officer

Outcome 10—Health System Capacity and Quality

Primary and Ambulatory Care—see outcome 5

Regulatory and Policy Division

Regulatory Policy and Governance Division

Ms Linda Addison, First Assistant Secretary

Ms Teresa Ward, Assistant Secretary, Governance and Agency Relationships Branch

Ms Jenny Hefford, Assistant Secretary, Regulatory Policy Branch

Ms Kylie Jonasson, Assistant Secretary, Research Policy and Biotechnology Branch

Cancer Australia

Prof David Currow, Chief Executive Officer

National Health and Medical Research Council

Prof Warwick Anderson, Chief Executive Officer
Dr Clive Morris, Chief Knowledge and Development Officer
Ms Hilary Russell, Chief Operating Office

Professional Services Review

Mr Tony Webber, Director

Outcome 11—Mental Health**Mental Health and Workforce Division**

Prof Rosemary Calder, First Assistant Secretary
Prof Rick Mclean, Principal Medical Adviser, Medical Education and Workforce
Prof Harvey Whiteford, Principal Medical Adviser, Mental Health and Workforce
Ms Dianne Knight, Nursing Advisor, Mental Health and Workforce
Dr Jennifer Thomson, Principal Medical Advisor General Practice, Mental Health and Workforce
Mr David Dennis, Assistant Secretary, Workforce Distribution Branch
Ms Juleen Browning, Acting Assistant Secretary, Workforce Infrastructure Branch
Ms Maria Jolly, Acting Assistant Secretary, Workforce Education and Training Branch
Dr Wafa El-Adhami, Assistant Secretary, Nursing Allied and Indigenous Workforce Branch
Mr Nathan Smyth, Assistant Secretary, Mental Health Reform Branch
Ms Colleen Krestensen, Assistant Secretary, Mental Health and Suicide Prevention Programs Branch
Ms Natasha Cole, Senior Director, Policy Coordination Group

Outcome 12—Health Workforce Capacity

Mental Health and Workforce Division—see outcome 11

Outcome 13—Acute Care—see outcome 9

Acute Care Division**National Blood Authority**

Dr Alison Turner
Mr Lee Koo Gordon

Outcome 14—Biosecurity and Emergency Response**Office of Health Protection**

Ms Cath Halbert, First Assistant Secretary
Dr Gary Lum, Assistant Secretary, Health Emergency Management and Biosecurity Branch
Mr Simon Cotterell, Assistant Secretary, Health Protection and Policy Branch
Ms Raelene Thompson, Assistant Secretary, Surveillance Branch
Dr Margaret Hartley, Principal Scientific Advisor, Office of Chemical Safety
Dr Julie Hall, Medical Officer, Health Protection Policy Branch
Dr Andrew Pengilley, Medical Officer, Health Emergency Management and Biosecurity Branch
Dr Leslee Roberts, Medical Officer, Surveillance

National Industrial Chemicals Notification and Assessment Scheme

Dr Marion Healy, Director

CHAIR (Senator Moore)—I declare open this hearing of the Senate Standing Committee on Community Affairs. The Senate has referred to this committee the particulars of proposed additional expenditure for 2007-08 for the portfolios of Health and Ageing, and Families, Housing, Community Services and Indigenous Affairs. This committee is due to report to the Senate on 20 March. Friday, 11 April 2008 has been set as the date for the return of answers to questions taken on notice, and that is a goal we hope to achieve.

The committee's proceedings today will begin with its examination of the Health and Ageing portfolio. I propose to call on the additional estimates in the order of the circulated program. Ms Halton, if there is any need to change, we will let you know and try to negotiate an outcome. But, at this stage, we intend moving through in the order that is there. Officers and senators are well versed in the privilege protections, immunities and the scope of questioning for estimates. If you need reminding, the secretariat has a copy of the usual rules applicable to estimates hearings. I do not propose to read them all out. Minister, do you wish to make an opening statement?

Senator McLucas—No, I do not, except to congratulate you, Senator Moore, in your role as chair of this very important committee in the Senate.

CHAIR—I feel a whole range of previous chairs looking over my shoulder, particularly Senator Knowles. I think she will be emailing me direction. Before the committee commences with cross-outcomes on corporate matters, I suggest that the committee begins with any questions on the portfolio overview on pages 2 to 38 of the estimates statements.

Senator COLBECK—I have a couple of questions to assist us to start with. At the last estimates there were some questions asked about promotional programs, which I think you took on notice. I was not able to find the answers to those questions—and that is not necessarily a reflection on anyone except for me. I do not even know whether the committee secretariat has them. There was a series of questions asked in respect of all of the promotional programs that were going to be undertaken. I will come back to it, so I can give you some time to actually find that data. It was all the advertising programs that were going to be undertaken in the next 12 months. I would understand if you did not have all that put together, but I would like to have the answer to that last question so that I can come back and have a look at it later on.

Ms Halton—Certainly, Senator. There is only one question, as I understand it, outstanding in all of our questions. We will find what it is and perhaps we can come back to it.

Senator COLBECK—Okay. On 1 February, Senator Minchin sent a letter to Chris Evans with respect to some questions that we will be asking across all agencies. Have you seen a copy of that letter?

Ms Halton—Yes, we have seen that question.

Senator COLBECK—On the first dot point, are you are in a position to talk to us about the appointments that have been made by the government to statutory authorities and executive agencies since the election? Could you give us an idea of those that are proposed to 30 June.

Ms Halton—Obviously, those questions pertain to a number of different programs. Certainly, when the officers are here, we can take questions in respect of each of those programs.

Senator COLBECK—Are you in a similar situation on the second dot point? So you would like to do that for each program as they come through, rather than in a broader sense, at the moment?

Ms Halton—Yes, thank you.

Senator COLBECK—Is it the same thing with grants?

Ms Halton—Yes.

Senator COLBECK—What about the final point, which talks about the request from the department of finance to move funds within the portfolio?

Ms Halton—To the extent that those questions can be answered, Senator, you would understand that I do not actually have that letter in front of me. My memory is that one of the questions—I think it was the last one—asked for some matters that were subject to advice from the department to the government. You understand the conventions in that respect.

Senator COLBECK—I understand the conventions in respect of advice, certainly.

Ms Halton—But, yes, the officers from each of those programs are aware of those questions.

Senator COLBECK—Thank you. In respect of the productivity dividend that has been requested by the government, are there any areas of the agency that have been quarantined?

Ms Halton—No, there are not.

Senator COLBECK—So, in effect the productivity dividend is the 1.25 per cent which was requested previously and has been the standard process?

Ms Halton—The ongoing, yes.

Senator COLBECK—That was increased by 0.5 per cent, and then there is two per cent on top of that. That is correct? So that is across all agencies?

Ms Halton—Correct. I can only speak in respect of our agency, Senator.

Senator COLBECK—So we can talk to individual agencies about the impact on their particular area as part of that process as we go through?

Ms Halton—Correct.

Senator COLBECK—In respect of staff currently on the hill from the agency operating in ministerial offices, how many departmental liaison officers do you have in each office?

Mr Eccles—We have five departmental liaison officers in total, two in Minister Roxon's office and one in each of the offices of the rest of the parliamentary team. We also have three graduates doing a graduate rotation as part of their introduction to the public service.

Senator COLBECK—That is in addition to the five?

Mr Eccles—Yes.

Ms Halton—That has been standard practice in this portfolio for donkey's years.

Senator COLBECK—Do you have any departmental officers acting as advisors in the ministerial offices at the moment? I understand that there will be some time taken for some of the ministers to get all their staff on board and the agency might assist in that. Are there still some departmental officers in the ministers' offices?

Mr Eccles—There has been just a late change in the staffing.

Ms Halton—The reality is, Senator, as you know, all departments have provided some temporary staff. The issue is that they are being replaced. We have just to make sure what we tell you is current because it is changing not quite hourly but on a daily basis.

Senator COLBECK—I understand that. Have appointments to the Health and Hospitals Reform Commission been completed yet?

Ms Halton—No.

Senator COLBECK—What is your timeframe for managing that?

Ms Halton—That is a matter for the government.

Senator COLBECK—What is the process that the government is going to be using to appoint the commissioner and the commissioners?

Senator McLucas—I am happy to take that on notice.

Senator COLBECK—Do you have any sense of the timeframe on when the appointments are going to be made?

Senator McLucas—In order to answer absolutely correctly, I would prefer to take it on notice and get some advice from the minister's office.

Senator COLBECK—Ms Halton, do you have any instruction from the government in respect of the form the commission will take? What will its structure be? So it is a formal commission structure under the Commonwealth guidelines for commissions? How is it going to be structured?

Ms Halton—That is obviously the subject of advice to government at the moment and therefore again, as you will understand, that is not something I am in a position to comment on. The government has not made a decision and therefore when that decision is made, it will be up to the government as to when it makes it public.

Senator COLBECK—So we do not know what the structure is going to be, we do not know what the process or the timeframe for making appointments is, we do not know what the process of reporting will be?

Ms Halton—There is some material that is in the public area. That was actually released after the COAG meeting, so I could draw your attention to the published terms of reference that were released, I think, after the last COAG meeting. I am happy to get a copy of that and table it if that is of assistance. That is what is in the public arena at this particular point.

Senator COLBECK—I have seen that documentation and I understand what that is about. My understanding from the ministerial communique is that the commission will report to the minister, but the reason that I am interested to know what its formal structure will be is that I

would like to know whether it is going to have any requirement, for example, to appear at estimates.

Ms Halton—Again, that is a matter of advice to government and when there is an announcement about that. I cannot provide any further comment.

Senator COLBECK—Senator McLucas, given that the reform commission, according to the communique, is going to have significant input into the Commonwealth-state health agreement, which I understand is due to be finalised by the middle of this year—that is correct, isn't it?

Ms Halton—The current healthcare agreements expire on 30 June.

Senator COLBECK—So it would be in the government's interests and the states' interests, I presume, to have this process worked along. My understanding from the documentation that I have read is that the Health and Hospital Reform Commission is to have significant input into the structure of that. Here we are halfway through February—we do not have a long time to go—and I understand there is to be some reporting to the government in April from the commission, and that is only six weeks away. We do not know what the structure of the commission is, we do not know what its reporting requirements will be and we do not know who the commissioner will be or who will chair the commission. Has a chair been sorted out yet?

Senator McLucas—We are not trying to avoid these questions, but you would be very aware that this is a significant change, and a lot of work is happening.

Senator COLBECK—I understand a lot will change and my concern is that—

Senator McLucas—A lot of work is happening both in the ministerial offices and in our consultations with the states and territories. This is an important piece of work. We will provide you with as much information as we can in a timely way, but please don't take away from this that we are not trying to assist the committee.

Senator COLBECK—My concern is purely is in mechanics of government sense, that we are looking to have a significant reform process in respect of the Commonwealth-state health care agreement sorted out by the end of the financial year, and you cannot give me any concrete information on one of the key underpinning elements of that. My concern is purely how the time frames are going to met. As I say, we are six weeks from the first reporting date to the minister in April—it depends on what time in April the report is supposed to be provided—but it appears to me to be a significant ask to actually meet the time frames that we are setting, given that some key underpinning questions in respect of even the structure of the commission cannot be sorted out yet.

Senator McLucas—I understand the nature of the questions you are asking, and I will endeavour to get you as much information as we can in the shortest possible time frame.

Senator COLBECK—Can you answer any questions in respect of issues the commission will be considering? For example, will it be considering the changes that are being proposed to Medicare?

Ms Halton—Again, can I draw your attention to the document that was released after COAG. It goes through a range of issues that the commission will be asked to consider. If you

take the healthcare agreement issue, which you were just discussing with the parliamentary secretary, the specific ask of the commission in respect of the healthcare agreements was to talk about framework but particularly about performance benchmarks in areas such as elective surgery, aged and transition care and quality of health care. That is a quite defined piece of work.

The terms of reference then go on to talk about a range of issues in respect of the healthcare system. For example, the document talks about opportunities to improve performance and 'reduce inefficiencies generated by cost-shifting, blame-shifting and buck-passing'; issues in respect of integration of care across all aspects of the health system—I am just going through what is in the published document—issues in respect of prevention; integration between acute and aged care services, which is an issue that has been discussed in this committee over very many years; issues in respect of rural access, which I know Senator Adams has a particular interest in; Indigenous health issues, again something we have discussed here on many occasions; and the question of workforce. Underneath item 2 in the document it goes to the principles that will underpin this, particularly the principles of universality of Medicare, the Pharmaceutical Benefits Scheme and public hospital care. I think, if you read this document, you would say that they have an extremely wide remit.

Senator COLBECK—Senator McLucas, to help the committee out, is it possible that you could give us a time frame for expected appointments and things of that nature? You could take that on notice, and I know that you have offered to get that information for us. I think it would help us to have some sense of what your time frames are in respect of the establishment of the committee, the structure and things of that nature. I would really appreciate getting that information as soon as we possibly can, including its reporting mechanisms.

Senator McLucas—Certainly.

Ms Halton—At this point can I tell you that, in terms of departmental staff who are currently in the offices of ministers or parliamentary secretaries—the four officers in the portfolio consistent with the provisions of the *Ministers of State Entitlements* handbook, which goes to the provision of staff for a period of three months et cetera—we currently have three: two advisers and one receptionist.

Senator COLBECK—Thank you. Senator McLucas, can you give us some information on the work that is being done on the introduction of the scorecard system. I know that New South Wales had some issues on that.

Ms Halton—It is probably better to wait until we have the acute care people here. I can probably talk at some length about that but I am always conscious of having the experts handy in case I get it wrong.

CHAIR—Could you come back tonight, Senator Colbeck?

Senator COLBECK—I think I will be here for a while.

CHAIR—I will mark you down.

Ms Halton—We might rush through that section, Senator, in the event that Senator Colbeck is not here.

Senator COLBECK—In respect of the division of the funding for elective surgery waiting lists that was announced after the ministerial council meeting of 14 January, can you give me some information on the formula that was used to divide the \$150 million? What underpinned that?

Ms Halton—Again, this is probably a question that is best taken in respect of acute care; that is where that program is administered. As it happens, I am familiar with it but, again, I would be more comfortable, if it is acceptable, to deal with it under the relevant program.

Senator COLBECK—We could end up doing a bit of this reshuffling.

Ms Halton—At least, if you signal the questions then the officers will be prepared to answer precisely what you are interested in.

Senator COLBECK—There was an article in the *Financial Review* on 4 February which talked about letting the contract for some e-health work that was being done by the Victorian department.

Ms Halton—Yes.

Senator COLBECK—What is the Commonwealth contribution to that project?

Ms Halton—For the sake of convenience, I can tell you that. Projects which are funded jointly by the Commonwealth and state traditionally are funded according to what is called the AHMAC formula, which effectively means that the Commonwealth provides 50 per cent. That is not always the case in respect of projects agreed by health ministers. Whilst the *Financial Review* was very keen to say that particular project would cost \$2 million, I think you will find that the upper limit set by ministers was \$2 million. That project is currently the subject, as you rightly observe, of a tender process that is being undertaken on behalf of all health ministers by the Victoria Department of Human Services.

Senator COLBECK—What is the reporting process for a project that is carried out under that process? Does it go back through the ministerial council?

Ms Halton—This a project and broad strategy in respect of e-health. That project will be overseen by a group of officers. It will actually report to AHMAC, which is the committee of secretaries of departments—all of my state and territory colleagues and me. So it will go through the subcommittee structure, through to AHMAC and then it will be reported to ministers.

Senator COLBECK—Is the project subject to Commonwealth procurement guidelines or, as it is being tendered through a state agency, is it subject to—

Ms Halton—Subject to Victorian procurement.

Senator COLBECK—It is subject to Victorian procurement guidelines?

Ms Halton—Correct.

Senator COLBECK—So you would look through their process to determine value for money and things of that nature under their set of guidelines?

Ms Halton—Yes, that is right. Again, that is very consistent with longstanding practice. There is a lot of work we do nationally in respect of health. I am pleased to say we have very

collegiate relationships with our state colleagues. Depending on who chairs the relevant AHMAC subcommittee, very often the procurement will be undertaken by the relevant jurisdiction and that jurisdiction will deal with procurement subject to its guidelines et cetera.

Senator COLBECK—What is the closing date for the tender on that project?

Ms Halton—I cannot recall that. I think they had at least a month. We will get that if you wish.

Senator COLBECK—In respect of government budget submissions to the new government, has the cut-off date for those been reached yet? Senator McLucas might know that. I know that there has been significant interest in budget submissions since the change in government, and I have had conversations with some entities who have submitted them, but has your cut-off date closed?

Ms Halton—That is a question for the Department of Finance and Administration. I could just say to you, enigmatically, that the budget process is ongoing—and that is a statement of fact.

Senator COLBECK—I understand that, but my understanding is that there would be some interested parties who would be making submissions directly to this portfolio. In fact that is their indication to me, so I was just interested to see what the situation there was.

Ms Halton—We have not yet finalised the budget. That will be finalised—

Senator COLBECK—As you say, it is a work in progress.

Ms Halton—Indeed.

Senator HUMPHRIES—What is the position of the government on responding to reports of the Standing Committee on Community Affairs that were delivered prior to the change of government? There are some reports for which, of course, there has not been a tabled response by the government. Can I assume that those reports will be responded to by the new government?

Senator McLucas—In due course, as the former government did. We could look back at the time that the former government took to respond to some reports of this committee and use that as a benchmark well, or we could look at it differently.

Senator HUMPHRIES—Frankly, I would not defend the record of the previous government in that respect, but there was a nominal benchmark of six months, I think, to respond to reports.

Senator McLucas—My recollection was three months, but I do not think that was ever met.

Senator HUMPHRIES—Has the new government set its own benchmark for responding to reports?

Senator McLucas—Not that I am aware of. I do not know that we have got to that level of decision making, but my understanding—the secretary may correct me—is that we will respond to reports that have been tabled by this committee in the Senate when we possibly can.

Senator HUMPHRIES—Where reports have been delivered with which the then opposition—now the government—disagrees, at least in part, is it the intention of the government to come back and develop responses to those reports?

Senator McLucas—There have been no discussions of that nature to this point. It is not normal practice, as I understand, although I can tell you, Senator Humphries, that I have never been in this position of a change of government and I would have to look back over what the precedents were some 11½ years ago.

Senator HUMPHRIES—Is it possible to take on notice the question of what the policy will be on responding to reports and, particularly, whether we can expect any responses to reports that were delivered by the committee before the change of government with which the present government did not agree or at least indicated opposition towards at the time?

Ms Halton—I guess what I would say to you is that we will comply with whatever the government's broader decision is with respect to this, but I do not know whether it is a question we can answer as a portfolio. In the event the government decides—which I would expect that it probably would—that these reports will be responded to, then we will be responding to any reports in this portfolio. I mean, basically, you are asking me to take on notice a question which I actually cannot answer.

Senator COLBECK—I suppose I am asking Senator McLucas to take back to the government a request for an announcement of a policy.

Ms Halton—I think she is going to do that.

Senator ADAMS—Senator McLucas and Ms Halton, this is really a plea about patient assisted travel.

Senator McLucas—I am unsurprised that you have raised it.

Senator ADAMS—Our first recommendation related to the next Australian healthcare agreement. It is important that we do not miss out now because we will otherwise have to wait another five years. If they could just look at No. 1 and No. 2 recommendations, we really would appreciate it, as certainly would my constituents out in the rural areas. It is so important that we get some sort of contingency going with this.

Ms Halton—Notwithstanding responses to reports, can I assure you that, with regard to that particular issue, every time we have a discussion internally about health reform, the agreements and everything else, at least one person, early in the conversation, says 'patient assisted travel'.

Senator ADAMS—Wonderful. Thank you.

Ms Halton—I cannot guarantee what the outcome will be but I can tell you it is regularly discussed—including your name, and it is never in vain. I can assure you that people are very conscious of the issue.

Senator ADAMS—Thank you very much.

Ms Halton—Senator Colbeck, the date for the e-health tender is 7 March.

Senator COLBECK—Thank you. Going back to the question I asked earlier about the advertising campaign, according to the answer that was provided in the previous budget

estimates, in May 2007, you have an advertising budget of \$89.244 million for campaigns in this financial year. Mr Tanner, in an article last week, indicated that he thought the total reasonable spend for the government would be something in the order of \$130 million. What sort of impact do you see that target having on the programs that you may be operating out of the agency? Which are the vulnerable ones?

Ms Halton—I did see that article in the *Financial Review*. Not having had the benefit of any conversation with the Minister for Finance and Deregulation in respect of the detail of his thinking, it is very difficult to answer that question. My recollection of that article is that he was making a distinction between a number of different types of advertising. He talked about advertising for jobs, for example, as against programs of advertising promoting government programs. You would understand that—except for advertising for jobs, when we are trying to get staff and everyone has a sense of how tight the labour market is—the advertising in this portfolio is about public health: skin cancer, cigarette smoking, vaccinations—I could go on. It is unclear, and there is not any process yet that I am aware of, where this matter is going to be clarified in terms of the import of those comments. I read it as well. I do not have any process currently underway through which I can give you, therefore, a categorical answer in terms of what that means for the portfolio.

Senator COLBECK—I will come to some of the individual programs that I am aware of that are due to start in the last half of this financial year in some of the other individual agencies. But, on the basis of this question—and looking through the advertising campaigns that are being conducted in this agency they are, as you indicate, generally in respect of public health issues and extremely important—that would put this agency's spending at a significant proportion of the global budget figure that is being indicated.

Ms Halton—I do not think you can extrapolate in that way, Senator. At the end of the day, we have an approach to public health which, in individual areas and individual issues that we are tackling, sometimes includes advertising as a component. What I cannot yet say is whether in each of these areas we are going to maintain the existing approach of tackling the existing health issue. There are a number of ways in some respects that you can tackle some of these public health issues, and I cannot make any comment about what the process was that the Minister for Finance actually had in mind in respect of advertising. So it is very difficult for me to go into any kind of specifics and deduce what might be an outcome.

Senator COLBECK—I understand that his process for costings was very crude, because essentially what he did was to go back to his last year in government and then put the CPI on top of that to get from \$90 million to \$130 million.

Ms Halton—That is a very big CPI, Senator.

Senator COLBECK—I do not know whether or not the actual advertising costs have followed the CPI. I would suggest that they perhaps have not. That was another element to the overall process. We can deal with some of those specific programs as we go through specific elements.

Ms Halton—We are happy to answer questions about specific programs. If you are interested in particular campaigns et cetera, we would be very happy to answer those questions.

Senator COLBECK—I have questions about some of the drug, alcohol and tobacco ones in outcome 1. When we get to that we can talk about them.

Senator ADAMS—Recently I read an article in the paper, which I cannot find, which commented on an underspend in the health budget for the last financial year. Is that correct? I was horrified.

Ms Halton—Can you narrow it down a fraction, Senator?

Senator ADAMS—I just read it. It also had the break up for health and for aged care. I read it but, as I said, I cannot find it, which is annoying. I just wanted to ask you whether there was an underspend on the health budget last financial year.

Ms Halton—Yes, Mr Eccles is saying it was about 0.8 of a per cent. Particularly in our demand driven programs you do not always get the estimate smack on the actual expenditure. But, as to whether there was a systematic underspend, the answer is no.

Senator ADAMS—I thought it was rather strange. What about aged care?

Ms Halton—No.

Mr Eccles—The information I have got is across the entire portfolio and shows an underspend of about 0.8 of a per cent of the overall budget of almost \$42 billion.

Ms Halton—Again, a lot of our programs are demand driven, so we are always estimating what the end point is going to be. Actually, I think we won the Department of Finance award for getting it right last year. They took credit for that but we think we should take credit for that.

Senator ADAMS—With aged care, would the ‘phantom beds’ have impacted on the aged-care budget—that, is the fact that they have not actually built the beds and are getting the money that has been put aside for that?

Ms Halton—There is a very standard methodology in estimating the rate at which new approvals for beds in aged care will actually come on stream. We do not appropriate the running costs for a bed on the day that it is allocated; we have a standard approach to estimating at what rate they will come on. So you will see in the forward estimates that current expenditure in aged care increased, according to this methodology which estimates the rate at which they will come on.

Senator ADAMS—I would like to take you to page 30 and the issues that the government is not proceeding with. The first question I would like to ask is about the clinical training for enrolled nurses.

Ms Halton—The officers who can answer that question will be able to answer that under that program.

Senator ADAMS—Actually, my question was going to be whether it gets answered here or in one of the other outcomes.

Ms Halton—It depends on what level of detail. I can do the high-level detail but, if you would like to deal with the detailed detail—

Senator ADAMS—It is the detail for that.

CHAIR—Which program is that?

Mr Eccles—It comes under workforce.

CHAIR—Is that item 12?

Ms Halton—The numbers keep moving.

CHAIR—It comes under outcome 12, health workforce, Senator Adams.

Senator ADAMS—What about the improved access to MRI?

Mr Eccles—That comes under outcome 3.

Senator ADAMS—And Tasmanian health services infrastructure?

Mr Eccles—Outcome 13.

Senator COLBECK—Is that the funding promised for Launceston, Burnie, Bothwell and Ouse?

Mr Eccles—Yes, it is.

Senator ADAMS—What about the dental treatment with the enhanced Medicare items for patients with chronic and complex conditions?

Mr Eccles—Outcome 5.

Senator ADAMS—And I guess we will leave the sports questions until we get to sport.

Mr Eccles—That is outcome 15.

Senator COLBECK—I have some questions on those last two. Did the department have any consultation with the project proponents prior to the announcement of the retraction of those grants, in the context that they were going to be taken away?

Ms Halton—Announcements in respect of decisions of the government are not usually foreshadowed, other than by the announcement of the government.

Senator COLBECK—That may very well be a reasonable answer, but we had quite a prolonged debate yesterday in the finance estimates over consultation with the proponents and the potential impacts on those proponents, and we were told at those estimates that we should ask the agencies involved about consultation and potential impacts.

CHAIR—Senator Colbeck, we were told to ask the agency in terms of the minister representing the agency, not the agency themselves. It is a government discussion, not a departmental discussion.

Senator COLBECK—That is correct, and theoretically every question that I ask is to the minister, and the agency or the minister can answer the question. Senator McLucas is quite free to answer the question if she so chooses.

Senator McLucas—We will take that question in outcome 15, Senator Colbeck.

Senator COLBECK—I would be interested to know if there was any consultation with the rugby league or the ARU in respect of the fact that these grants were going to be retracted. What consideration may have been given to potential claims against the government for damages, given that the assertion is that there have been costs expended by these particular

organisation, given that these commitments were made some considerable time before the election, and they had every reasonable expectation that they would be receiving the grants? Do you have any information on that, Senator McLucas?

Senator McLucas—Can we deal with it in outcome 15 where we will have the appropriate officers here?

Senator COLBECK—I am happy to come back to it in outcome 15.

CHAIR—Are there any further whole-of-portfolio questions?

Senator LUNDY—I would like to get an update on the organisation within the department following Labor's announcement that we were not going to proceed with the access card and the implications particularly for information technology within the department.

Ms Halton—There is no impact on us.

Senator LUNDY—Were you participating in some joint committees on the access card?

Ms Halton—Intermittently. It really has not had an impact on us.

Senator LUNDY—Have there been any subsequent changes to the plans with respect to database management and updating the Medicare card et cetera within the department?

Ms Halton—No. There are two components to that: one is the policy component, which is our remit, and the other is program administration, and that is an issue for human services, as in the department thereof. There have been no such changes for us.

Senator HUMPHRIES—The indication on page 30 of the PAES is of programs or announcements made since the budget in 2007-08 that will not be proceeded with by the new government. Does that mean that the other items previous to page 30 are items which are all proceeding?

Ms Halton—Yes.

Senator HUMPHRIES—So the announced efficiency dividend or the other changes announced by Minister Tanner are not going to affect any of those programs?

Ms Halton—This is an accurate statement of our budget and our appropriations—it is entire. So the impacts of things that have been decided and announced are all reflected here. The only discontinuations are noted there. Other than that, it is exactly as you see it.

Senator HUMPHRIES—I see there are some measures in those earlier pages for which there are no amounts indicated. For example, on page 22, you have got the Sisters of Charity Outreach in Devonport listed and there is no amount there. What does that indicate?

Ms Halton—That indicates that there was a commitment made and funding is being found to meet that commitment, but without an additional appropriation.

Senator HUMPHRIES—Found within the agency's budget?

Ms Halton—Correct.

Senator HUMPHRIES—Within that particular outcome?

Ms Halton—Yes. If moneys have been moved you can see that—it is reflected there.

Senator HUMPHRIES—So any changes in terms of reductions in spending in other areas in order to accommodate that kind of additional commitment would appear in these figures as well as a variation in numbers?

Ms Halton—If there is a net reduction, yes, absolutely.

Mr Eccles—I would like to correct something that I said to Senator Adams earlier. The MBS dental items come under outcome 3, not outcome 5.

Senator COLBECK—For the Mersey Community Hospital, you have only got funding down for 2007-08. Is there any reason that there is not funding there for the outyears?

Ms Halton—No, other than that we were trying to work out exactly how much needs to be appropriated.

Senator COLBECK—So that portent will obviously be detailed within the budget?

Ms Halton—Yes.

Senator COLBECK—With respect to the COAG Influenza Pandemic Prevention and Preparedness line item reduction on page 29 of the PAES, can you give us some history in respect of that particular change in the budget?

Ms Halton—What you can see is that this is funding that has been transferred from my department to the Department of Prime Minister and Cabinet for their use.

Senator COLBECK—So that is being managed under the Department of Prime Minister and Cabinet?

Ms Halton—That is correct.

Senator COLBECK—And is that the same with the line item above that about health security legislation?

Ms Halton—That is correct.

Senator COLBECK—So it is not necessarily a program that will not be going ahead; it is going ahead in a different agency?

Ms Halton—This is a program which is going ahead in a different agency.

Senator COLBECK—On page 27, there is the reversal of the National Training Centre for Aerial Skiing establishment. Is that—

Ms Halton—In Queensland.

Senator COLBECK—So that is something that will not be going ahead?

Ms Halton—Correct.

Senator COLBECK—And I would ask questions about that under the sport outcome?

Ms Halton—Yes. That was actually a decision that the government took while in opposition. I think it was announced, from memory, by the now Minister for Finance and Deregulation as part of their commitments coming into the election.

[9.49 am]

Population Health

CHAIR—Although there is no morning tea break scheduled on the agenda I thought we may actually try and break around 10.30 am to try and give people a chance to move around so if we work towards that goal it would be very helpful.

Ms Halton—You are very health conscious, senator.

Senator HUMPHRIES—Madam, Chair, while the changeover is taking place I would like to see whether the committee would take a variation in our program. One of our colleagues wants to ask some questions about private health but is committed in another program this evening. I wonder if it is possible we could move outcomes 11 and 8 to this evening and outcome 9 to this afternoon.

CHAIR—Ms Halton, is that something possible with the staff members required?

Ms Halton—Yes, senator, providing I have got plenty of notice. I will just tell people that some of them get an early mark and some of them do not.

CHAIR—Our apologies, as always.

Ms Halton—You may only be apologising to half of them, as the other half will be feeling cheerful.

CHAIR—So, just so people know, we are changing the schedule to move Private Health and then dedicate most of this evening to Mental Health and Indigenous. Welcome to the new officers—well, they are not new officers; they are regular attendees—representing outcome 1, Population Health.

Senator COLBECK—I might lead off with our standard questions that we are going to bore everyone with during the day. I understand that, given that you had notice that we were going to ask some questions in this area, you have got some information about appointments being made in respect of particular organisations. Can you give us information regarding appointments that have been made by the government to statutory executive agencies and advisory boards so far, and those that might be due between now and the end of the financial year, please?

Ms Bryant—In outcome 1—as opposed to my sphere of responsibilities, which cover outcome 15 and outcome 10—there have been no appointments to statutory bodies. The only appointment to a statutory body that I am aware of will be to the chair of the board of the Food Standards Australia/New Zealand at the end of the financial year.

Senator COLBECK—That is due by the end of the financial year?

Ms Bryant—It is due by 1 July.

Senator COLBECK—From 1 July?

Ms Bryant—Yes. The present appointment expires on 30 June 2008.

Ms Halton—And that is a joint Commonwealth-state body.

Senator COLBECK—I understand that.

CHAIR—Excuse me, Senator Colbeck. I have just been advised that Senator Boyce had some questions for the Australian Institute of Health and Welfare, so we cannot let them escape. They have not escaped, have they?

Ms Halton—They have not escaped; they are very diligent or do not have a life.

CHAIR—I had them under outcome 1. I apologise. If that is okay, we will bring them in before we move on to outcome 2.

Ms Halton—That is fine. I am going to explain to the Institute of Health and Welfare that we now have Sport in the portfolio and that should help us in working out how to sprint out of the building as soon as we are given a pass.

CHAIR—We close the lifts down if we want people to stay. Thank you, Senator Colbeck; I just did not want to lose those witnesses.

Senator COLBECK—Have there been any grants approved by the minister in outcome 1 since the election?

Ms Bryant—I am not aware of any grants specifically approved by the minister since the election. There are a number of grants in outcome 1 that are annual in nature and that will come to their end by 30 June 2008, and consideration will need to be given to those so there will be a significant number in coming months. But to date I am not aware of any grants having been made by the minister in outcome 1.

Senator COLBECK—In respect of the efficiency dividend—

Ms Bryant—I am just advised that there is a grant the minister has approved which is an initial payment to the Stephanie Alexander foundation to commence work on the government's election commitment in that area. It was a grant of \$50,000.

Senator COLBECK—How is the government's requested efficiency dividend impacting across your element of the agency at this point in time?

Ms Halton—We should be clear in respect of that particular question. The portfolio, as you know, has been allocated an efficiency dividend; everyone has been. In terms of the process we are going through inside the portfolio to consider how that will impact on the portfolio, I have already indicated to you that no area of the portfolio is exempt but how that will actually impact on what funding can be generated via efficiencies as against what will be reduced by way of staffing overhead, for example, is not yet clear. None of the officers are going to be able to tell you that it equates to X in their area because, in fact, I am literally in the process of approving the terms of reference for quite a detailed financial examination to look at potential efficiencies. Once we know the size of the efficiencies we can generate, then we will actually know exactly how much the staffing impact is going to be, but at this point we have not narrowed down what share each of those two potential sources will be in respect of the efficiency dividend.

Senator COLBECK—To save a lot of time—and you might like to take this on notice—could you give the committee a general staffing baseline across the agency? We can then start looking at that when we come back to our estimates process next time.

Ms Halton—Yes, that is fine.

Senator COLBECK—Can you give me any advice on studies or consultancies that have been commissioned since the election?

Ms Bryant—I will take advice from my colleagues, but I am not aware of any that we have commissioned specifically since the election.

Senator COLBECK—Going to the drug strategy, some social marketing campaigns have been proposed. What plans have been put in place to fulfil the government's commitment of \$15 million for the next phase of the National Tobacco Campaign?

Ms Bryant—Going back to your question about consultancies, there is one tender that we let some weeks ago now which was for a project to do with the BreastScreen Australia evaluation. It is one of nine projects that have been in train for around 18 months. The evaluation itself takes place over two years. It is a joint Commonwealth/state evaluation. It is jointly funded by the Commonwealth and the states. It is one of nine or 10 projects in that evaluation, which is due to be completed in December 2008. I think that is one we have let recently.

Turning to the \$15 million tobacco commitment, that commitment is, of course, still subject to consideration by the government in terms of confirming funding for it in the budget context. Consequently there have been no formal implementation steps. The government's election commitments had three separate components. One was increasing awareness with the focus on youth and so on; part of it was also about services to quit, and that sort of thing. We are looking at implementation plans in each of the three areas covered by the commitment. Subject to considerations by government, we have envisaged that those components would be implemented at various different points in 2008-09.

Senator COLBECK—Those considerations are all being determined by the process of deciding, from a government perspective, on what amount of money you are actually going to have to spend?

Ms Bryant—The government's election commitment was to provide \$15 million for a range of activities. The break-up of the funding across the three subareas of activity is still a matter for consideration by the government.

Senator COLBECK—Is it intended that the campaign be a distinct campaign, or is there any consideration being given to folding that into the existing National Tobacco Youth Campaign?

Ms Bryant—As I think I have explained, it is an area I cannot really comment on. They are decisions still to be taken by the government.

Senator COLBECK—Moving on to alcohol, the previous government committed \$25 million to a national education campaign for responsible drinking practices. The campaign was initially scheduled to commence in February-March, Can you tell me where that is?

Ms Bryant—The government has not taken decisions on whether and in what form it will continue social marketing campaigns, including that one.

Senator COLBECK—Senator McLucas, do you have any sense of the time frames by which these decisions are actually going to be taken on these programs going forward? Where does the government sit in respect of making decisions on this? Obviously, there was a

process in place to start this particular campaign this month or next month and obviously there is some reorganisation going on, but can you give us any sense on time frames?

Senator McLucas—You would be aware of the strong focus of our government on preventative health and the importance of these types of programs in concert with a range of other programs that need to be rolled out. We are considering the need for, and not only the need but how we can use that money most effectively, and we will come to a decision in good time.

Senator COLBECK—The alcohol program was to coincide with the release of alcohol guidelines by the NHMRC. Do you have any sense of where that process is at?

Ms Hart—You are asking about the time frame for and an update on the process for revising the existing NHMRC guidelines?

Ms Halton—That is not a matter under this program, Senator. I can tell you because I know.

Senator COLBECK—We deal with it in a different outcome?

Ms Halton—Yes, that is correct.

Senator COLBECK—I will ask some questions about that then.

CHAIR—Ms Halton, Senator Colbeck's question was about how the alcohol promotion and the guidelines will work together. Will the NHMRC group have the answer to that? Senator Colbeck, that was the question, wasn't it?

Senator COLBECK—I am interested in the timing of the process for the NHMRC guidelines because that obviously has some implications. I have already had some consultations with constituencies in respect of that. They have some concerns.

Ms Halton—The reality is that there is a new government and the NHMRC are going through a process where they are considering how to manage a number of these programs legitimately. Regarding the question of the linkage between the NHMRC guidelines, Professor Anderson will be here later on. Because that process is quite complex—and you will know that some interim draft material was put in the public arena—I think it is fair to say that a number of men around the country were somewhat taken back by the proposed changes in the guidelines. The women of the country all just felt you had joined us in terms of what you are now allowed to drink, but that connection may or may not be maintained in quite the way that was perhaps at one point anticipated, for a variety of reasons. We cannot anticipate yet what the answer to that will be. Partly it is dependent on what is going on with the alcohol guidelines—Professor Anderson can talk to you about that in detail—and partly it will depend on looking at this broad suite of population health activities.

Senator COLBECK—Perhaps to save us a bit of time can I anticipate that I might get a similar response to the \$37 million drug campaign?

Senator McLucas—Yes, you will.

Senator COLBECK—I am just trying to find out what questions I actually can ask without the answers being repetitive. The previous government was doing some work with state governments through the Drug Strategy Branch and the Ministerial Council on Drug

Strategy in respect of ice pipes, cannabis bombs and things of that nature. It is probably a question for you, Senator McLucas. Does the government have a position, or is it developing a position, in respect of the banning of these particular items?

Ms Bryant—On that point, the government had a commitment in the election context. It had a number of subcomponents, as follows:

Work to ban the importation of ice pipes and other drug paraphernalia under the Customs Act.

... ..

Work with State and Territory governments to make it a criminal act to sell pseudoephedrine to minors.

... ..

Work to restrict or ban the sale of pseudoephedrine over the internet ...

... ..

Extend the special reference to the Australian Crime Commission on Amphetamines and other Synthetic Drugs ... to conduct a national full-scale investigation into the criminals engaged in the manufacture of ICE, the sale and use of ICE ...

Those components formed part of the government's election platform. They are the responsibility of the Attorney-General's Department, so progress on those is best commented on by them. The part that is within the responsibility of the Department of Health and Ageing to implement is that the government is committed to tailoring existing drug education programs to illicit drug use, targeting young people and ice. Again, that is a matter that is subject to budget considerations.

Senator COLBECK—I think I might abandon my attempts in respect of those campaigns at this moment. We can come back and deal with them at another estimates further on. Do we want to go onto some of the other elements within the agency: Cancer Australia, ARPANSA or FSANZ?

CHAIR—We will just see what else we have got in Population health. Do you want the call further along to see whether you have other questions, Senator Colbeck?

Senator COLBECK—Yes, come back to me.

Senator MILNE—Just to follow on from Senator Colbeck in relation to drugs policy, I would like to ask whether the former government's drugs policy, as expressed through the programs which you have discussed, was for zero tolerance or harm minimisation.

Ms Halton—We cannot comment on the former government's policies. They are no longer the government.

Senator MILNE—Madam Chair, I just heard Senator Colbeck ask a number of issues relating to former government policies and I did not hear the department—

CHAIR—They were expenditure questions, Senator Milne, not policy questions, so maybe you could phrase your question a different way to look at outcomes.

Senator MILNE—I will ask it again, then, Chair. Was the outcome of the former government's policy settings to achieve harm minimisation in the design of those policies or was it to reflect zero tolerance?

Ms Halton—You are still actually asking me a policy question. That is not an expenditure question.

Senator MILNE—In the design of the programs, there must have been an outcome that you had in mind in delivering them.

Ms Halton—We did not have it in mind; it was the government who had it in mind. We are merely transmitting. If I look at what was funded by the former government, we funded a number of programs, some of which provided people with ways to reduce or limit harm. I could point you to needle exchange as being a good example. We also funded some programs that were explicitly designed to assist people to stop using drugs, and there are a number of abstinence based programs that were funded. If you look at what was funded, there were a number of models of intervention.

Ms Bryant—The things that were funded also included a range of supply side initiatives and demand side initiatives. There were measures in the criminal justice field that were designed to interrupt the supply of drugs and measures that were designed to limit damage and harm, or whatever, and demand.

Senator ADAMS—Are the Pharmaceutical Benefits Advisory Committee questions in this area?

Ms Halton—No.

Senator ADAMS—Which outcome are they in?

CHAIR—Outcome 2.

Senator ADAMS—Could I have an update on how the bowel cancer program is going. What has been planned to meet the government's election commitment to screen 50-year olds for bowel cancer, while ensuring the current program is developed according to the NHMRC guidelines?

Ms Bryant—In terms of progress with the existing program, we can advise you that, to date, around 713,000 invitations have been sent. About 68 per cent of the intended total invitees in the present age groups have now received their invitation; 290,965 have elected to participate—that is around 40.8 per cent. Around 29,906 participants have returned a positive FOBT test—that is a positivity rate of around 7.5 per cent. In the first 12 months of the program, in data reported to the register, there were five confirmed, 110 suspected cancers and around 263 confirmed adenomas detected.

Senator ADAMS—What are the waiting lists for people who have been diagnosed and need further investigation and treatment? Are they having problems, once they have been diagnosed, actually going on to receive further treatment?

Ms Bryant—We do not have that information. It requires us to get data from Medicare Australia and the Institute of Health and Welfare. We will update that data in coming weeks, but at the moment it has not been routinely done, so we do not have any current data on waiting times. Of the FOBT tests results investigated by colonoscopy, around 62.8 per cent showed up abnormalities, many of which were in the precancerous stage, so it is proving highly effective and the follow-up is occurring.

Senator ADAMS—As far as this program goes, has the funding been put forward for next year?

Ms Bryant—That is a matter for consideration in the budget context. It is an election commitment to commence from the beginning of the next financial year.

CHAIR—When is the current funding due to lapse?

Ms Bryant—The current funding is due to terminate on 30 June 2008.

CHAIR—Ms Bryant, Senator Adams's question was about the follow-up and looking at that area. That is part of the project, isn't it, to look at that wider sphere? So it is just that you have not completed that element. But when you are doing a snapshot of the program, it will be looking at the whole thing, from the beginning, from when people were asked to attend to what happened next?

Ms Koukari—The screening pathway commences with invitation of the eligible population and ends at the point of diagnosis. We do not then follow people into the treatment arena. They go into a usual care referral pattern for treatment. It is the same as the other screening programs; they work in the same way.

Senator ADAMS—The reason I asked about the follow-up was the fact of people being able to get in to have their colonoscopies done or whatever else.

Ms Koukari—That is part of the screening pathway. That is the follow-up test from the faecal occult blood test. If it is positive, people go on to a colonoscopy. We have not been advised of any particular issues in relation to delays in terms of waiting for colonoscopies.

Senator ADAMS—Is the funding continuing for the breast screening?

CHAIR—Senator Adams, Senator Milne has a question on the bowel cancer aspect, so perhaps we can finish that off.

Senator ADAMS—Sorry.

Senator MILNE—I understand that the Medical Services Advisory Committee made a report to former Minister Abbott in August 2007 regarding the use of PET scans in bowel cancer. I would like to ask whether the minister made a decision before the election in relation to any funding as a result of that report and recommendations. If so, did any of that occur and are there any allocations or revised allocations for the support for bowel cancer coming out of that report?

Ms Halton—Senator, this is actually program 3. What we are on here is the population screening component in respect of bowel cancer. The specific officers who can answer any questions you want to ask about that particular review and the decisions that were taken will be here with program 3.

CHAIR—We will come back to that.

Senator ADAMS—I have asked questions previously about the age of the invitation actually being offered. Has there been any data or any more investigation as to whether the age should be lowered or extended for the breast screening program?

Ms Bryant—There is an evaluation of the BreastScreen Australia program underway currently that I referred to a little earlier. It is due to be completed at the end of calendar year 2008. That evaluation is looking at a whole range of questions, including the age range and whether there is evidence that would support any change in the eligible age range for the program. So those judgements or those decisions will be being considered and so on toward the end of this year or very early in 2009.

Senator ADAMS—Do you have figures for the take-up of people on the outside of that target group that are coming forward to ask to have a mammogram done?

Ms Koukari—We do not have those with us, but we can provide that data to you.

Senator ADAMS—I would appreciate that. As far as the actual screening process goes and the availability of digital mammography, am I in the right area for this? There are pilots going at the moment with that. Have I got the right people to ask about that?

Ms Bryant—Questions about the use of technology also form part of the evaluation and they will be looked at in that context, and there may be specific decisions made in other parts of the department, but from the screening program's point of view they will be made in the context of the evaluation.

Ms Halton—Remembering again that issues in respect of the use of technology can also be covered via the mainstream programs through our other assessment processes, and we are also talking with the states about some issues in respect of the use of digital technology, so it kind of cuts into a number of different areas.

Senator ADAMS—Could you give me an update on the Gardasil program—the take-up of it and how it is progressing?

Ms Bryant—The Gardasil program has been rolled out in all the states and the territories, so last year's program was completed with school children and the first year of the catch-up cohorts. We are in the second year of the program so most states and territories are now commencing their vaccinations of the new year 7 cohort, and are completing the catch-up program. I am advised that 2.2 million doses of Gardasil have now been administered. I think that is the limit of our detailed data at this stage because we still have to get that data from the states and the territories who hold it.

Senator ADAMS—When will that be available?

Ms Bourne—We have just begun the process of building the HPV register which intends to be operational at the end of this year or early 2009. In the meantime, we need to get the information from the states and the territories, but once that is established the information will be fed directly into that and we will have detailed data by individual.

Ms Bryant—We are automating the system. We will try and get manual data in the interim but we are dependent on supply by the states and the territories. But in some months time, toward the end of this year, we will have an automated system that will give us that data in much more current time.

Senator ADAMS—How long is the program funded for?

Ms Bryant—The catch-up program is two years to catch up those age 13 to 18, and for women after school up to the age of 26. That is all part of the two-year catch-up program, but the ongoing program to vaccinate new year 7 cohorts is ongoing.

Senator ADAMS—I guess this really has to come from the states, but in relation to the take-up I am interested in the number of people who have refused to participate in the program.

Ms Bryant—I do not think I will be able to tender that, even with the data.

Ms Halton—You are not going to be able to tell who is actually a refusal. You can do by deduction those not covered but you cannot attribute a reason to that.

Senator ADAMS—I need to rephrase that. Let us just get the cohort that has not been covered. That is what I really wanted.

Ms Bryant—We know that roughly the cohort each year is about 125,000 girls into year 7, in rough terms, give or take a few thousand, that has not been covered.

Senator ADAMS—As far as our indigenous communities, is there a specific program that is being followed through there, or are they included?

Ms Bryant—The Indigenous communities are included in the program, and the governments of Northern Territory, Queensland and Western Australia, which have significant Indigenous populations, of course, are making very particular efforts in a concerted program to reach those communities. In other jurisdictions of course they also form part of their routine practice.

Senator ADAMS—I have just noticed on page 49 a rephrasing of funds with the obesity schools based grants. Could someone explain what has happened in that area, please?

Ms Bryant—This particular rephrasing is under the former government. It was a rephrasing of funds from a Healthy School Communities program in 2006-07 and 2007-08 to fund a range of related obesity initiatives, so it was a rephrasing as determined by the former government.

CHAIR—Ms Bryant, we are very close to the 10.30 break. It might be easier to clarify the response to that question, and return to that after the break. Obviously it is there, you just have to extract it.

Ms Bryant—It is complicated.

CHAIR—Senator Adams, is that okay with you?

Senator ADAMS—There is one other question, while they are looking they may be able to look at the rephrasing of the funds within the chlamydia testing pilot program as well because I note that there has been money taken from that program there in 2007-08—\$55 million.

CHAIR—The committee will take a break now. Senator Adams will continue. Senator Nettle is coming back with some questions about pregnancy. We have questions for Cancer Australia. We have questions across most of the areas of population health. We are aiming to get population health completed by about 11.30. That is the plan.

Proceedings suspended from 10.28 am to 10.45 am

CHAIR—The committee will resume. Ms Bryant, have you got the answers to questions asked earlier about funding.

Ms Bryant—Yes, Senator. It is as I was saying earlier: the \$3.8 million is a movement of funds from the Healthy School Communities program from 2005-06 into 2006-07 and 2007-08, and these are the funds that were rephased into 2007-08.

Senator ADAMS—On the sexually transmitted infections program, could you tell me about the incidence—is it on the increase?

Ms Bryant—Sorry, Senator, are you still on the funding on chlamydia or have you moved to—

Senator ADAMS—Sorry, we will do that first.

Ms Bryant—You asked me about chlamydia before. That is basically a movement of funds out of 2007-08 and into 2008-09 and 2009-10, and on the advice of an expert advisory group who are advising us on that chlamydia screening pilot. They said the methodology would be better spread over a longer period of time and so we have moved the money to match the methodology for the pilot.

Senator ADAMS—The evidence from the pilot—

Ms Bryant—It is still underway. As you can see, the funds go out to 2009-10 so that pilot is still underway.

Senator ADAMS—There has been some media about it and in those particular articles they have said that definitely it is on the increase. That is why I was worried about the funding with it, if that is the case.

Ms Bryant—No, Senator, the funding is there. It has just moved so that it matches the methodology for the actual pilot testing work that we are conducting.

Senator ADAMS—Sexually transmitted infections: have we got a specific pilot on that as well?

Ms Bryant—No, we do not have a pilot on that, but if you have specific questions we can try and cover those.

Senator ADAMS—Is that on the increase? Have you got any data to show that these infections are on the increase?

Ms Bryant—Yes, there is data to show that a number of sexually transmitted infections are on the increase, and we can give you data for those. It depends on the infection but most of them are on the increase. It is a reality. There has been an increase in the incidence of gonorrhoea. The number of diagnoses of gonorrhoea in 2006 was 8,550. The highest number recorded was in the 20-29 age group. The population rate of diagnosis has gone from 32.8 per 100,000 population in 2002 to 42.2 in 2006. With syphilis, the number of diagnoses in 2006 was 815. That is an increase in the population rate from 3.1 to four per 100,000 population. With chlamydia, there were 47,030 diagnoses in 2006 and the population rate is 232 per 100,000 population. That is about a 12 per cent increase over the rate in 2005, and it is continuing an upward trend. And with HIV, the number of new diagnoses in Australia in 2006 was 998.

Senator ADAMS—Those statistics are not very good. Do you have an advertising campaign at the moment in the health prevention area to identify these diseases?

Ms Bryant—The former government had allocated funds for an advertising campaign. In the area of sexual transmitted infections that money remains in the appropriations. The government has yet to consider and take decisions on the form of activity it wishes to undertake in this area.

Senator ADAMS—That will be a question for next time because the incidence of those diseases, if it keeps going the same way, is certainly affecting our population.

Senator ALLISON—Is it the case that a number of strategies—the national HIV-AIDS strategy, the STI strategy, the national Aboriginal and Torres Strait Islander sexual health and blood borne virus strategy—are all due to expire this year? I know we have a ministerial advisory committee in some of those areas, but what plans does the government have to overcome some of these very serious and growing problems in sexual and reproductive health?

Ms Bryant—You are correct. The four strategies do nominally expire in 2008. The department, in consultation with the Ministerial Advisory Committee on AIDS, Sexual Health and Hepatitis—MACASHH—is presently planning a review of those strategies to identify activities that ought to be undertaken at both Commonwealth, state and territory level to refresh those strategies. For some, of course, the outcome may well be that some things we need more of, and they will continue. But it may be that new strategies are identified and added to the overall approach. That process of review is currently in train in consultation with the ministerial advisory committee.

Senator ALLISON—Is it fair to say that the problem with our strategies is that they have been based on single issues—even single diseases—and that the broader sexual and reproductive health area and promotion has not been addressed.

Ms Bryant—The strategies go back some way in time to 2005—the genesis of them. But if you look at the four documents, there is a good deal of commonality across them in terms of the approaches that they take, and so on. Although there is an HIV strategy that is separate from the STI strategy and the hep C strategy, nonetheless there is a commonality of approaches across the different strategies and it is often the one approach that is addressing all of the disease conditions, if you like.

Senator ALLISON—Our approach has been criticised for having failed in a number of major areas, not just increases in the incidences of these diseases, but we still have big differences between the states and the territories in sexual and reproductive health legislation. What progress has been made on addressing that, and what is intended in that respect?

Ms Bryant—I cannot comment on the sexual and reproductive health legislation in the states and the territories.

Senator ALLISON—Minister?

Senator McLucas—Can I have the question again, please?

Senator ALLISON—It has already been demonstrated how we are failing in the number of increases in sexual and reproductive health—STIs and others. One of the criticisms is that

there has been no progress in seeing the differences between state and territory legislation brought together in some national approach. Do you accept that that is a problem, and is the new government planning to progress that with the states?

Senator McLucas—Can I come back to you on that, Senator?

Senator ALLISON—Yes. Another area where there is a higher level of variability is in sex and health education within schools. Is that an area where the government is prepared to pick up on?

Senator McLucas—Can I say that we are very aware of the need for there to be a comprehensive program. You would also be aware of the commitment of the government to work far more cooperatively with the states. In terms of the specifics of what you are talking about—whether or not we are looking at the various school curricula or activities that are happening around STD education, prevention education—I would imagine that is not a subject of the ministerial council but if I am incorrect I will correct it.

Ms Halton—Senator, if I can just make one comment. The reality is that under the broad agreement of COAG in terms of the work that the ministerial council is doing on health reform, given the answer I was giving to Senator Colbeck before about the National Health and Hospitals Reform Commission, there are explicit terms of reference that actually go to population, health and a number of these issues. So my expectation is that some of these issues—the data and what that then implies—will actually be picked up as part of that process. So whilst I cannot say to you this particular outcome will result, it is my expectation that a number of those issues will be explicitly canvassed in the coming months.

Senator ALLISON—I am reassured to hear that because more of the same obviously is not going to deliver any improvements any time soon so we need a national approach. One other which has become pretty obvious is that there are huge gaps in the availability of accurate and comprehensive data on which to base policies and evaluation. Is this going to be a priority of the new government?

Ms Halton—Again can I say that, in the context of discussions that are currently underway with the states, the notion of consistency of reporting is something which is actively being discussed. We have not got down to a level of detail in those discussions and obviously the early focus has been on the government's election commitments—elective surgery and a number of other things—but the data discussions have been part of all of those conversations to date. I can tell you that the Health CEOs have been actively talking about the need to improve the consistency and availability of data about the whole health system. So, whilst I cannot say to you categorically, yes, in respect of that specifically, I can tell you there is a framework discussion going on which I would be hopeful would improve data availability.

Senator ALLISON—As for that framework discussion, will it also set some timelines for these strategies—for instance when we will have a new strategy—or state whether we will have a different approach to those strategies that is a bit more comprehensive. When will those talks end and what can we see come out of those in terms of planning?

Ms Halton—We probably need to make a distinction here between the overarching conversations vis-a-vis reform data et cetera and the specific dialogue that will be had no doubt between the minister and her colleagues at some point based on advice from the various

technical groups that she has. In relation to the specifics of those strategies—and at some point they have to come together—but the work in terms of those reviews and then dialogue between ministers in relation to this has to proceed on a certain timetable because, as you have rightly pointed out, these strategies have a life which is anticipated to end in 2008. So I cannot give you a precise timetable but I think there will be two processes—one the overarching process, the second being the specific process that Ms Bryant has referred to with some quite particular technical advice coming from MACASHH—and others who are interested—to the minister. I have no doubt she will then talk with her state colleagues about that.

Senator ALLISON—Will this review also be a detailed valuation? Will it be a properly conducted evaluation of each of those strategies before they are simply picked up again and repeated?

Ms Bryant—Yes, we do plan an evaluation of the existing strategies; that is part of the review process.

Senator ALLISON—So who will conduct that?

Ms Bryant—It will be something that we probably go to open tender on to select a consultant and we are close to finalizing a statement of requirements for that

Senator ALLISON—Officially, does completion in 2008 mean June? Is it the whole calendar year or what?

Ms Bryant—I think it will be the second half of the year before we have a proposed approach forward. It does not state 30 June or anything; it is just 2008. So it goes, in our view, for the calendar year.

Senator ALLISON—Will there be an opportunity in this review for public involvement? Will you take submissions, will you have hearings or a formal process by which you can take on board information?

Ms Bryant—We were proposing as part of the statement of requirements that the selected tenderer undertake a wide-ranging program of consultations but at this point we were not intending hearings or a submission process. Most of those with an interest and a capacity to contribute to this are already part of MACASHH and its expert subcommittees which deal with each of these issues and we plan the program accordingly.

Senator ALLISON—So the consultation would be by invitation?

Ms Bryant—The consultant would go and visit people and take on board their views.

Senator ALLISON—Minister, could I ask that this be considered and that there be a more public process rather than consulting with particular people who have been identified. Also, that it be open to people, at the very least, to make submissions, if not hearings, so that there is some degree of broadening of the input. It seems to me that, so far, what we are doing is not working, so at least we should open up the process somewhat.

Senator McLucas—I will pass your thoughts on to the minister, and if she has got any comments I will bring them back to the committee.

Senator ALLISON—As yet, do we know who is on MACASHH?

Ms Bryant—Yes, we do.

Senator ALLISON—Is it possible to table a list of the members of the committee?

Ms Bryant—I believe we can do that.

Ms Bourne—I could table that and the terms of reference.

Senator ALLISON—How long are they appointed for?

Ms Bourne—The current appointments are until June 2010.

Senator ALLISON—Have they met already?

Ms Bryant—It is a longstanding committee. It has been in operation for a number of years.

Senator ALLISON—When are they scheduled to meet again?

Ms Bourne—I believe it is 20 March.

CHAIR—Ms Bourne, it would be good if you could table those couple of pages—they seem to contain the names and the terms of reference and the process of that committee.

Ms Bourne—Yes.

Senator ALLISON—Is there information about the amount of money which was spent on each of those strategies and about any areas where shortfalls were identified?

Ms Bryant—The strategy covers Commonwealth and state activity. There is no Commonwealth or state allocations specifically earmarked against particular strategies or components of the overall strategy of particular activities. Consequently, it is not in a form, and that is an issue that clearly we have in mind to look at for the future.

Senator ALLISON—Do you mean there is no breakdown even of combined Commonwealth-state spending on these strategies?

Ms Bryant—That is correct, we have no breakdown of combined Commonwealth-state spending on these activities. We fund the states for a range of these activities through the public health outcome funding agreements. There are specific purpose payments to the states and the territories. We do not have data on what proportion of that overall funding, because it also funds BreastScreen Australia and a range of other activities, they allocate to these purposes.

Senator ALLISON—How do we know that the Commonwealth money has been spent on what it was intended for?

Ms Bryant—It is a broadbanded payment for a range of activities, including BreastScreen and cervical screening activity, sexual and reproductive health. But it is clear that breast screening programs operate and cervical screening programs operate and the states and the territories do have a range of HIV and STI and other education health promotion activity in place. They are just not required to account to us for the actual dollar allocations.

Senator ALLISON—Are you telling the committee that the states could theoretically put all that money into breast screening?

Ms Bryant—In theory they could. They could then spend money from their own budget allocations on health promotion and spend none of ours on those purposes. They do conduct

activity in this space; they just do not have to attribute our dollars to any of the activities at any level of specificity.

Senator ALLISON—Do they at least provide the Commonwealth with a list of the activities?

Ms Bryant—I am sorry, Senator, I missed the end part of your question. My colleague was reminding me that states and territories are required to report against a range of performance indicators.

Senator ALLISON—Clearly, the performance indicators are appalling—

Ms Bryant—But they do not receive money.

Senator ALLISON—Other than for breast screening, the statistics you have just provided the committee are awful.

Ms Bryant—They are required to report against a range of indicators, but we do not have reporting on financial matters.

Senator ALLISON—Having reported against the indicators, does the Commonwealth just accept that the indicators are terrible and does not demand to know why that is so?

Ms Bryant—The figures that I have given you are obviously about the incidence of disease. They are not indicators of the level of activity that the states and territories are undertaking.

Senator ALLISON—I would argue that they are certainly levels of the effectiveness of the strategies.

Ms Bryant—That may be so, Senator, but they are not indicators of a lack of activity or what precisely the activities are.

Senator ALLISON—What are the performance indicators? Are they indicators of the number of times we hand out leaflets?

Ms Bryant—We do have some information on that.

Mr Morris—The indicators are tiered to deal with three levels of outcome. One is health status, another is health determinants and the other is health system performance. They are actually seeking in plain English information about what the states do with our money, how they direct it and what the impacts are on the health status of the individuals who benefit from those investments. We cannot actually track where the dollars go and how the states apply the dollars—

Senator ALLISON—I accept that.

Mr Morris—but we have good information about what they do with the dollars.

Senator ALLISON—But not how effective the dollars are in the way that they are spent?

Mr Morris—With respect, I think the information informs us about whether or not the interventions made by the states are improving the health status of people with STIs, HIV et cetera or the other risk factors that are covered by the public health outcome funding agreements. What we cannot tell is what is a state dollar and what is a Commonwealth dollar that is going to that outcome

Senator ALLISON—I accept that. But if we are not going to count dollars then we need to count something, and it does not look as though a lot is being counted other than activity, whatever ‘activity’ means. Is that fair to say? Have these strategies failed? I presume this increase is not just something that has happened in the last 12 months but has been progressive. Would that be accurate?

Ms Bryant—It has been progressive; that is true. This is 2006 data. That is the most current data that is available.

Senator ALLISON—Is there any suggestion that 2007 would be any better?

Ms Bryant—No.

Ms Bourne—No.

Senator ALLISON—Minister, can I suggest that we seriously look at the performance indicators, because they are not telling us what we need to know. That is why these increasing levels of disease are occurring and the strategies we have developed for them are not working.

Senator McLucas—We will make your comments known to the Minister, Senator.

Senator NETTLE—I might start by getting an update on the usage figures for the government’s pregnancy counselling hotline.

Ms Bryant—The number of calls to the helpline from 1 May 2007 to 31 January 2008 was 2,865.

Senator NETTLE—Is it possible to get a month-by-month breakdown?

Ms Bryant—In May there were 123. In June, 147; in July, 296; in August, 540; in September, 291; in October, 465; in November, 376; and in December, 291.

Senator NETTLE—Apart from the first two months there seems to have been an increase in the rates. Is there any understanding about why that might be the case?

Ms Bryant—The increase around August may be related to our social marketing activities at that time.

Senator NETTLE—Are there any changes to the hotline as a result of the new government?

Ms Bryant—There have been no changes at this point.

Senator NETTLE—When does the first evaluation of the hotline occur?

Ms Koukari—We are now moving into the stage where we are going to be looking at the terms of reference for an evaluation, and that evaluation is due to be completed in May this year.

Ms Bryant—That is basically after the first year.

Ms Koukari—After 12 months operation.

Senator NETTLE—Who will do the evaluation?

Ms Bryant—Again, we would expect an open tender process.

Senator NETTLE—I also want to ask about the other government funding that goes to various groups. In past estimates we have got a break-up of how much each of the organisations get. I want to get that updated as well.

Ms Bryant—Senator, to clarify, are you seeking information about the helpline or about other organisations?

Senator NETTLE—I want information about other organisations that are funded through the Commonwealth.

Ms Bryant—The 2007-08 funding for the Australian Federation of Pregnancy Support Services, which trades as Pregnancy Help Australia, is \$314, 287; the Australian Episcopal Conference of the Roman Catholic Church, \$976,978—

Senator NETTLE—What was the time period for these figures?

Ms Bryant—It is 2007-08. The Multicultural Centre for Women's Health, \$121,074; Sexual Health and Family Planning Australia, \$106,504; Caroline Chisholm Society, \$52,020; and Foundation for Human Development, \$52,020.

Senator NETTLE—The same amount that the Caroline Chisholm Society receives?

Ms Bryant—Yes.

CHAIR—Can we have that list tabled?

Ms Bryant—Yes.

CHAIR—That would be useful.

Ms Bryant—We will arrange copies for you.

Senator NETTLE—So that is 07-08 funding? When are the decisions about 08-09—when does that happen?

Ms Bryant—In coming months, before the end of the financial year. Those would be matters for the minister to consider. We have not yet put any advice to her on that.

Senator NETTLE—Minister, maybe it is a bit too early to know, but can I ask whether there are any changes to how that funding that will be allocated/planned for the next round of funding.

Senator McLucas—We have not had any decisions of that nature yet.

Senator NETTLE—I think that was all I wanted to ask.

Senator ALLISON—Can I just clarify the figures. How many consults—that is what we call them—were there in 2007-08?

Ms Bryant—For these organisations?

Senator ALLISON—Yes.

Ms Bryant—We would have to take that on notice. I am afraid we would have to—

Senator ALLISON—I thought they were the figures that you gave Senator Nettle. What were they?

Ms Bryant—That was calls to the telephone helpline.

Senator ALLISON—Yes, that is what I am talking about.

Ms Bryant—Yes, that is what we just read out to you. It was 2,865 to the end of January.

Senator ALLISON—And the total expenditure for that year was somewhere around \$1.6 million was it?

Ms Bryant—On the helpline for 06-07?

Senator ALLISON—Yes.

Ms Bryant—Administered funds for the helpline training program and communication activities in 06-07 was \$1,228,347.

Senator ALLISON—So that is just the helpline.

Ms Bryant—Yes. There has been further expenditure of course in 07-08, so you may be comparing a figure that was from the period of operation of the helpline which spans two financial years.

Senator ALLISON—Right. So that is \$428 per call. That is the cost of each call, after a quick calculation.

Ms Bryant—The cost of a call in terms of the contract with the contractor McKesson is \$204.24. If you were to also attribute the broader training of staff communication activities and so on—

Senator ALLISON—I am talking in the broader sense. It is over \$400—

Ms Bryant—Without having done your calculation—yes probably something of that order.

Senator ALLISON—Does the government consider that to be money well spent?

Ms Bryant—Senator that is not something—

Ms Jane Halton—That is a question for the government, Senator.

Senator ALLISON—Minister—money well spent?

Senator McLucas—On the face of it, it seems expensive of course but it is too early to be making comment about how that program may roll out.

Senator ALLISON—What would be the average duration of one of these calls? Do we have any idea?

Ms Bryant—It really depends on the type of call. Some of them are short calls seeking further information or updates and some of the more extensive calls take up to about 40 minutes, which is about the same as a counselling session.

Senator ALLISON—Still not a bad rate—40 minutes. Thanks.

Ms Bryant—Senator, we should also just for clarity point out that some costs are fixed one-off costs and they do not represent what the costs may be on an ongoing basis. It may also interest the committee to know that in the first five months of operation, the helpline received eight crisis calls and in the `third quarter that had risen to around 26 crisis calls including child at risk, acute depression and other mental health issues. So some of the issues that the helpline are dealing with and so on may literally be life and death matters that it is very hard to ever attribute a value to.

Senator ALLISON—So they are not always related to pregnancy?

Ms Bryant—They are related to pregnancy but flowing from the pregnancy there may well be very real issues for the individual or related others.

CHAIR—Ms Bryant, I had a question about where arthritis fits into the programs.

Ms Bryant—Outcome 10.

CHAIR—You will be receiving questions on arthritis in Outcome 10.

Senator COLBECK—I want to go back to the questions I asked on the social marketing campaigns. Senator McLucas, can you give me an indication of the time frame when you will have decisions made on those? I note that they are part of your portfolio responsibility. Do you have an objective, as far as getting that sorted out so those programs can start rolling out?

Senator McLucas—The objective is that decisions will be made as soon as possible, but in collaboration with other programs that are being operated. You have to make these decisions in the context of broader considerations. It is my view that we should not be talking about marketing programs without an understanding of the broader objectives that the government is wishing to achieve.

Senator COLBECK—Are there further studies to be conducted before they start? Will you be undertaking any further studies before you start the programs, what is your process going to be?

Senator McLucas—It is more of a consultative process, I have to say.

Senator COLBECK—Do you have a time frame on that?

Senator McLucas—In consultation with my colleagues, first of all. This is in the context of the government's preventative health strategies.

Senator COLBECK—I understand that.

Senator McLucas—That is part of that whole approach. I am very keen that any marketing that occurs in the particular areas of alcohol and tobacco, for example, are in concert with the overall approach of the government.

Senator COLBECK—Do you have any time frames that you have set for the consultations? Do you want to get it done in six weeks, eight weeks, 10 weeks? What are your time frames to get this done, because everything is on hold at the moment, essentially, isn't it?

Senator McLucas—As soon as possible.

Senator COLBECK—Can I go to the Healthy Kids Check program. When will that program commence?

Ms Bryant—Part of that activity is actually under another outcome. The part of it that we are responsible for is the healthy living guide, but that is not what you are asking about.

CHAIR—Which outcome does it belong to?

Ms Bryant—It is my understanding that we are aiming for 1 July, but, as I said, that is not within my responsibility.

Senator COLBECK—Where would I ask questions about that?

Ms Halton—Are you asking about the general program, or the Indigenous specific work?

Senator COLBECK—I am asking about the general program.

Ms Halton—Program 5.

Senator COLBECK—What about the Healthy Active Grants program, and the Health Canteen program?

Ms Bryant—That is in Outcome 1.

Senator COLBECK—Can you tell us, initially, where the Healthy Active Grants program is, and what the situation with that is? I understand that there are a number of applications that have been received that are awaiting advice. Is that correct?

Ms Bryant—For the school and community grants program that you were asking about, there are a number of applications that have been received and we are awaiting advice.

Ms J McDonald—For the school and community grants program, there were a number of grants that were announced in October of last year. There were 320 community organisations offered funding through that announcement. There are still a large number of applications which have been assessed as eligible but have yet to be assessed as to whether or not they will be offered funding. They are mainly applications from schools, so the first tranche were community organisations. There is now assessment being undertaken, and advice will be provided to the minister on the remaining grants to schools.

Senator COLBECK—You do not have any indication of what sort of timeframe that might occur under, and obviously the minister has to make her considerations, I understand that.

Ms J McDonald—That is right.

Senator COLBECK—But you do not know how long that will be?

Ms J McDonald—No, I do not. Advice is being prepared.

Senator COLBECK—Being prepared?

Ms Bryant—We are in the process of preparing advice to the minister.

Senator COLBECK—Perhaps the parliamentary secretary might be able to give me advice on the future of the program.

Senator McLucas—On the community and school grants program?

Senator COLBECK—Yes.

Senator McLucas—I understand it is funded for two years. There is no intention to change that.

Senator COLBECK—What about the healthy canteen program—where is that at?

Ms J McDonald—The Department of Health and Ageing's component of the healthy canteen project is to develop a set of guidelines to provide advice to school canteens about the appropriate classifications of food. The implementation of that would be a state and territory matter. A contract has been let for the undertaking of that work, but it is a considerable piece

of work that interfaces with other development of nutrition guidelines, and it will probably take about two years to complete.

CHAIR—We have a couple of questions on the National Serology Reference Laboratory which we might ask while we are waiting for the officers from the Office of the Gene Technology Regulator.

Senator CAROL BROWN—I just have a question about the NRL—I think it is known by those initials; correct me if I am wrong. Where are we with the review on that?

Ms Bryant—A consultant looked at the laboratory and provided advice to the department in 2006-07. We have subsequently worked with the NRL to explore future directions in the light of that consultancy report and in particular to assist it with business planning, a governance structure and those sorts of things. We had been consulting with them on detailed terms of reference for a statement of requirements for a consultant to assist them with some of those activities prior to the caretaking period. We are now resuming that activity and we will be talking to them. We talked to them in fact this week, to the St Vincent's Institute of Medical Research, and we will be continuing the discussions in coming weeks.

Senator CAROL BROWN—When do you think it is likely that we will finish that process of the discussions on the statement of requirements?

Ms Bryant—I would hope it would be in the next few weeks.

Senator CAROL BROWN—Are you able to tell me what the future plans are in regard to funding for the NRL?

Ms Bryant—That is a matter for decision by the minister, and we have not conducted the consultancy work, nor put advice to the minister on that issue. The NRL does perform several unique and valuable functions, and it would be our concern and objective to ensure that they continue to be available and viable.

Senator CAROL BROWN—Can you tell me who the consultants are?

Ms Bryant—No. The tender has not yet been let.

Senator CAROL BROWN—What is the deadline on that?

Ms Bryant—As I said, we hope to finalise that statement of requirements and go out to the market in the next few weeks.

CHAIR—Is it expected that that whole process will be done by the end of this financial year?

Ms Bryant—Yes, we would hope to have the process complete.

[11.30am]

Food Standards Australia New Zealand Agency

Senator SIEWERT—I have a few questions resulting from the debate that we had last June in the chamber over the most recent changes to the act. In that debate I raised some issues—and so did the Democrats—around the definition of public health. Do you recall the debate that we had? You may not been as riveted to that debate as some of us were. In answer to questions about what the ministerial council were considering, the then parliamentary

secretary, Senator Mason, said they were considering a number of issues. I will come back to the other one in a minute.

Ms Halton—Can I ask you to perhaps pause for a second? This is actually a policy issue. I need to get the Population Health people back. The technical agency can answer the technical questions, but I think we are going to the policy questions, so I will get the policy people back so that they can hear them.

Senator SIEWERT—I understand that the Food Regulation Standing Committee strategic working group at the time was considering these issues around the public health definitions. At the time, Senator Mason said, as I understand it, that the committee was due to report in October. I am wondering whether it has reported and what progress has been made.

Ms J McDonald—The context of the answer is some strategic visioning work that is being undertaken by a working group of the Food Regulation Standing Committee. The first report back to the committee itself will occur in March this year, but it is not intended that the scope of that work will be finalised until ministerial council in the second half of the year.

Senator SIEWERT—So the report was not made in October? I am reading from *Hansard*, where the parliamentary secretary at the time said the committee would be reporting in October. So, in fact, that did not happen, did it?

Ms J McDonald—No.

Ms Bryant—I think at the time, given the point in the election cycle, the committee dealt with some initial matters out of session, but substantive matters were left until we were out of the caretaker period.

Ms J McDonald—To clarify, I understand that the initial report to the October meeting would only have been about how the matter was going to be progressed through the strategic working group.

Senator SIEWERT—Strangely enough, the minister at the time did not refer to that. He seemed to indicate that the more substantive work would have been completed by then. Can you go through it again? The report on the scope of the work will be done by March, with the substantive work to be done later this year; is that correct?

Ms J McDonald—That is in relation to the visioning statement, which I understand to be the work referenced by the senator at the time and which does not in any way underplay the current articulation about the importance of public health within the act and within FSANZ's objectives. However, trying to articulate that more clearly will occur over this year. It will be reported to the ministerial council at their October meeting.

Senator SIEWERT—And that is specifically around public health?

Ms J McDonald—It is not specifically around public health. It is intended that it address a number of the issues which are currently part of the debate about the role of the regulatory mechanism within a public health setting. But it will not cover only that issue.

Senator SIEWERT—Will that be part of the discussion about whether—

Ms J McDonald—It is very much a big part of that discussion.

Senator SIEWERT—Labelling is another issue I want to address which was part of that debate as well. If you recall, both the Greens and the Democrats during the debate put up amendments around labelling. I was also told that, strangely enough, the ministerial council was also considering the issue around labelling. The parliamentary secretary at the time was not so specific about when it was reporting, but did say that there was consideration being given to the various options for making labelling more user friendly. This was related specifically to issues around nutrition, obesity and those sorts of issues. How has that progressed?

Ms Halton—I actually chair FRSC. If I use the colloquial line, our ‘duck’s up’, there is a relationship between the technical work that is done inside FRSC, the Food Regulation Standing Committee, and the broader role of the health context. Whilst food ministers asked for a piece of work to be done on a specific labelling initiative, which is traffic lights, there was just the first ever joint meeting between the group, as part of health officials who are responsible for population health, and the Food Regulation Standing Committee to try to work out in which order these issues should be considered.

Essentially, the population health people are going to look at the broader context in respect of the role labelling might play in obesity et cetera to enable the technical work to be done by the Food Regulation Standing Committee in relation to the specifics of the question that was asked by food ministers. I know that sounds very complicated—and actually it is. It took all of these two committees sitting in a room for an afternoon to try to work out in what order what got done, given what ministers had asked to be done. The work has not yet been reported to ministers. It will not be reported until, at the earliest, later this year because there are a number of scientific and technical questions, as well as a number of policy related questions, that need to be answered before that advice can be framed.

Senator SIEWERT—Would that be dealt with at the same meeting in October?

Ms Halton—I cannot guarantee that because people are looking at some of the research and a series of other questions. Until we know how long the piece of string is, we will not know how long the actual work will take. There is also related work going on—for example, in the United Kingdom. There was quite a long discussion about whether or not that work can be used and/or could inform our work—the cultural references et cetera. The technical experts are looking at all of these issues as we speak.

Senator SIEWERT—I may be straying into the gene tech area here, but will GMOs part of that?

Ms Halton—No, it was not part of this discussion. This was a discussion about information to consumers and whether or not that information influenced behaviour, what people found accessible and how you actually influence behaviour. It was that suite of issues and not the question of the GMO labelling component of what are currently the standards around labelling.

Senator SIEWERT—Is there another process that is looking at those aspects around—

Ms Halton—Not that I am aware of. It is not currently on the agenda.

Senator SIEWERT—I may again be straying into the gene tech regulator here. When New South Wales made their announcement about overturning the ban, they made comments about needing to ensure that products are labelled, improving the labelling standards and things like that. We have very poor labelling standards for GMOs. I am just putting gene tech on notice that I want to go into this issue at our next discussion.

Ms Halton—But remember that the role of the Gene Tech Regulator is not labelling.

Senator SIEWERT—I know. That is where it crosses over to what you do—that is, provide adequate labelling. That is why I am asking whether that is included. It goes to the substantive issues that we were discussing in the chamber. At that time we were also discussing not only GMOs but also obesity, nutritional value et cetera, and that does sit within your purview.

Ms Halton—Yes, it all does. Because whilst the Gene Tech Regulator is a obviously a statutory office, it is part of our portfolio and it is part of my department,. The Gene Tech Regulator looks at safety and the food labelling issue. What is actually required to be on the labels is subject to the ministerial council. In terms of the reviews that are currently underway, the work that is being done by the various instruments—FRSC et cetera—the gene tech component, the GMO component, is not part of the work that we were just discussing.

Senator SIEWERT—Why not? Who is doing it?

Ms Halton—Because it was not asked for by ministers. The work that is being done was commissioned by ministers. We get a specific reference, brief or question from ministers, and what we are doing is attempting to answer those questions.

Senator SIEWERT—When was the last ministerial council meeting?

Ms J McDonald—There was an out of session consideration of papers in October of last year. The next one is scheduled for May this year.

Senator SIEWERT—What you are saying is that you are not doing it because the ministerial council has not asked for it to be done.

Ms Halton—Correct.

Ms Bryant—We can tell you where the existing labelling of genetically modified foods provisions are, and that is standard 1.5.2 of the Food Standards Code. Foods containing GM ingredients, additives or processing aids are required to be labelled with the words ‘genetically modified’ et cetera, and there are a list of things.

Senator SIEWERT—I will not bother taking up the committee’s time having a debate on how inadequate that is considered to be by a lot of community activists and health activists. What you are saying is that you are not looking at GMO labelling and you need instructions from the ministerial council?

Ms Halton—Correct.

Senator SIEWERT—Senator McLucas, is the government considering looking at revisiting the issue of adequate GMO labelling?

Ms Halton—Before the senator comes to that, it is also important to understand that it is not a standard and there are specified processes in order to have standards reviewed. So it is

not necessarily not just a question of the minister saying yes or no. It is actually under a whole regulatory regime. Ms McDonald can tell you quite precisely. It is not just a question for the government.

Senator SIEWERT—I would have thought it would have been a significant influence if the government thinks it is appropriate that it is revisited.

Senator McLucas—I do not know whether Ms McDonald wanted to go through with you the process of standard revision, which is, as I have found out, very complex. Do you want to go through that process, Senator?

Senator SIEWERT—Instead of taking up the committee's time, maybe we could organise a separate briefing on that. I am aware that there are a lot of issues that we need to get through.

Ms Halton—That is fine.

Senator McLucas—I am happy to do that. Possibly after you get an understanding of the process of standard revision, we can then have a further discussion.

Senator SIEWERT—It is going to come up again when I talk around the gene tech stuff, because New South Wales and Victoria have overturned their bans. This issue is happening now, not in a couple of years time when the standards might be changed. The New South Wales government made specific announcements around better labelling when they overturned their ban—so they are going out and doing one thing. It is not an issue for the future; it is an issue for now.

Ms J McDonald—Perhaps I could just clarify that it may very well be the intention of New South Wales that they are going to bring the issue to the ministerial council. However, New South Wales would not, under the current regulatory arrangements, be able to introduce individual labelling requirements for New South Wales only.

Senator SIEWERT—Without going through the process, can tell me the time it is going to take to change a standard?

Ms J McDonald—As a result of the amendments to the act last year, it would depend on how significant a review of a standard was being considered. Probably something of this magnitude would actually trigger the current arrangements around a two-stage consultation process, which may mean that the process of review would take up to two years.

Senator SIEWERT—I think the other issues I need to address on this are difficult to discuss without the Gene Tech regulator, so I may have to come back once I have asked the questions there.

Ms Halton—The senator has offered you a briefing, and we would be very happy to take you through the detail.

Senator SIEWERT—That would be very useful. I may have some more once I have followed up with Gene Tech.

Senator MILNE—I wanted to ask a question prompted by the recent *Choice* magazine article on pesticide residues in strawberries available in Australian supermarkets. It goes to the issue of food standards. I am just letting you know that is where I am coming from on it. I just

wanted to ask at this point about the inclusion of pesticide residues in the dietary survey this year. Can you explain that to me?

Ms Halton—That might be a policy question as well. The dietary survey is not part of FSANZ.

Senator MILNE—I will come back to that. I will get on with the standards. It is not obvious to me who does what. According to the *Choice* magazine article, there were samples where the residue levels were above the maximum limit set by food standards. There were also prohibited pesticides and fungicides which showed up in the strawberry samples. In the course of the article it went on to say that the limit for captan—I think it was—was lower than the European Union standards. I wondered whether Food Standards had had a look at the *Choice* survey on strawberries and whether there is any intent to revisit the adequacy of the standards. The second part of the question is, does Food Standards, in looking at pesticides or chemical residues, look at the potential combined impact of those or do you just look at individual products and not the combined impact?

Mr McCutcheon—FSANZ is certainly aware of the *Choice* article. Our specific role in all this is to establish the standard for maximum residue limits in the Australia New Zealand Food Standards Code. That standard for a range of chemical and commodity combinations essentially draws on the advice we get from the Australian Pesticides and Veterinary Medicines Authority, who do their own assessment of the chemical commodity combination. Once we get that advice from the APVMA, we then undertake the dietary risk assessment and then recommend or establish an MRL in the food standards code through the ministerial council process. Once that it is done, that is basically where our role finishes. Compliance with that MRL is the responsibility of the state and territory jurisdictions.

Senator MILNE—Are you still satisfied that the advice you have received on the combined impact of those chemicals is covered in terms of your maximum residue limits?

Mr McCutcheon—Certainly from FSANZ's point of view, we are. I guess your question is probably more relevant to the APVMA, because they do the full-blown assessment on the chemical before it is approved. Perhaps the specifics of that are better directed to the APVMA, but certainly the annual total diet surveys that we do have not indicated any problems with those sorts of chemicals in produce.

Ms Halton—If I can just add to that. We do have a very close working relationship with the APVMA and Dr Bennet-Jenkins who heads that agency. We work with them on a number of issues over the periods, including in areas where there have not been MRLs, and where we have needed to develop them. It is not like they work over here and we work over there. There is a kind of constant traffic between the agencies and the officers, particularly with the scientific input that goes into these things.

Senator MILNE—You say you are well aware of the *Choice* survey; what has been your response to it? Have you taken any action in relation to it or not?

Mr McCutcheon—Following on from Ms Halton's comments, we have been talking with the APVMA and getting them to look at the information to ascertain whether there are any potential risks or increased risks. Once we get advice back from the APVMA we would be happy to have a look at that.

Senator MILNE—That is a formal process, not just an informal chat? They will come back to you with some response to the information in the *Choice*?

Mr McCutcheon—We have almost daily dialogue with the APVMA. These issues are not new; they are happening regularly on a range of things.

Senator MILNE—Whilst I appreciate that you set the standards and you have no role in the enforcement of those standards—the enforcement of those standards is largely, I presume, a state based responsibility—is there any dialogue though between the department and the state based agencies responsible for enforcement in relation to this?

Ms Halton—All this sounds like life in our environment is complicated—and it is. We have very close relationships with FSANZ and the Office of Health Protection, and through those into the regulatory arms of the state agencies. You can see this where we have had to do something in terms of recalls of things. So, yes, when there is something that causes concern there is much dialogue. And the chief health officers get involved in this—Professor Horvath together with his chief medical counterparts on a state basis. An incident which is concerning will include doing things like getting toxicology evidence quite quickly, risk assessments, et cetera in order to decide what should happen.

In common with all systems where some parts the decision making process are not ours or are distributed, we would say that sometimes they could happen perhaps a little better. In fact, we have just agreed to do—and we always do this if we have had an incident—a review of how those things have gone in order to work out how we can improve them. We are actually doing one at the moment. The reality is that there is almost, again, constant traffic in this area as well.

Senator MILNE—Given that, and given the fact that the report suggests that some samples contained higher than the maximum limit and in a sample of strawberries there was the presence of a prohibited pesticide, has it been taken up with the person in charge of health and are the state agencies being engaged in relation to this particular research from *Choice*?

Mr McCutcheon—It is my understanding that the state agencies through the agriculture departments have certainly been engaged, but I really could not comment on the health side of things.

Prof. Horvath—The health side over the strawberries has not been involved. It is agriculture.

Senator MILNE—Is there any capacity for the health side to be involved? My concern here is particularly in relation to children; I would suggest that children may disproportionately consume larger volumes of strawberries and, having a lower body mass, be more affected. There is probably a misapprehension in the community that washing strawberries deals with issues of residue when, in fact, that is not the case. Often now our schools are encouraging students to bring fruit, and strawberries are an obvious thing that you would put in lunch boxes and so on. Having given me an indication that you are not engaged on the issue, could I ask that you now take into consideration this issue of pesticide and fungicide residues in strawberries as far as child health is concerned?

Prof. Horvath—We will have discussions with FSANZ about it and work through those issues.

Senator MILNE—Thank you. I do not want to ask any more about the standards but more particularly about the survey and how the pesticide residue issue will be framed in the survey.

Ms Halton—Can we clarify which survey?

Senator MILNE—It is the total diet survey. I understand pesticide residues will be in that survey. Can someone tell me about that?

Dr Brent—Routinely we look at pesticides in a range of foods in the Australian Total Diet Survey. If we get intelligence or if we get experience that there are other pesticides that are not being checked then we will add those to the survey, so it is an ongoing program every year. The results of our surveys so far are that the amounts of pesticide residues are actually decreasing.

Senator MILNE—How comprehensive are your surveys? Are they taken in every state?

Dr Brent—Yes, they are. They look at food products right across every state in Australia.

Senator MILNE—Is it a random sample of foods? Could strawberries be included since the samples that *Choice* did were only from mainland states? That is what I am getting at. For example, there were no survey results for Tasmanian fruit in the context that we are talking about.

Dr Brent—As I said, based on our experiences during the year, and so on, we can add certain foods to those surveys if we think that that would be appropriate.

Senator MILNE—Can you take this issue on board in framing the diet survey, and take into consideration the inclusion of strawberries in that survey? This a voluntary code from Strawberries Australia Inc.; this industry has self-regulation. It would be very useful to have some national feedback to see if it corroborates the *Choice* sampling.

Dr Brent—We can certainly take that on board.

Senator MILNE—Thank you.

Senator COLBECK—Mr McCutcheon, there have been recent changes to food labelling with respect to fresh fruit and vegetables, and some changes to the size of lettering on labels. Was it about August 2006 when that came into being?

Mr McCutcheon—My understanding is that in March 2006 we received an application to vary the prescribed size of labelling, and that initial assessment report was released in May 2006 by FSANZ. On 7 December 2006, we gazetted the variation to change the size of the type requirements from nine millimetres to at least five millimetres.

Senator COLBECK—One of the issues that was canvassed fairly heavily by industry during that time was the cost of changing labels. Quite a strong argument was put up by some of the manufacturing sectors in particular. What feedback have you had post that decision?

Mr Stockwell—The application that the chief executive is referring to in fact came from industry, and they were seeking a reduction in the size of the lettering for products that were in what we term 'assisted service display cabinets'. That was really to enable the correct and

the appropriate display of foods. My understanding is that, with the gazettal of the amendment to the standard following that application, industry thought that that was a good outcome for them.

Senator COLBECK—We may be at cross-purposes with the change. I do not recollect the time frames we are talking about but I know that in the lead up to the process, particularly during the period over the Fair Dinkum Food campaign, the argument of industry about changing labels in any way was that there was a significant cost to it, particularly for the manufacturing sector. That was being used as an argument against making any specific changes. We know that the changes have been made now and I think that, particularly in respect of some of the packaging labelling, it has been quite effective. The labelling of fruit, vegetables, fish and things like that has been very successful. I was just interested to get the perspective of the packaging labelling. What feedback has there been out of that? It does not appear as though you have anything specific in relation to that.

Mr Stockwell—No, Senator. You may recall that there was a feasibility study that was requested by the ministerial council to look at further country of origin labelling for fruit and vegetable products. Our economic assessment of that, which was conducted by an external agency, indeed showed that the costs were significant to industry and outweighed the benefits to consumers. That feedback took into account the increased labelling requirements that would be required for the additional labelling at the two-fruit and vegetable level.

Senator COLBECK—Thanks.

Senator LUNDY—I would like to get a report back on progress with respect to a glycaemic index food labelling standard.

Mr Stockwell—The health claims standard which contains information around labelling for glycaemic index is being considered by the FSANZ board at the end of March. Depending upon the consideration of the board, potentially that will be before the ministerial council at their meeting in May.

Senator LUNDY—Can you give me the range of possible outcomes from that ministerial council meeting? Is a proposal being put to them that they do adopt a GI food labelling standard?

Mr Stockwell—The GI requirements are in fact part of a complete package relating to health claims. It really depends on how that travels through our own board processes. If our board considers and accepts the proposals, it will be before the ministerial council. That is just part of a broad suite of proposals under the new health claims standard.

Senator LUNDY—With respect to colour and preservatives added to food, I note that some products just say ‘colour and preservatives added’; they do not list the specific preservatives. What are the rules regarding labelling of processed food containing specific colour and preservative chemicals?

Mr Stockwell—The labelling requirements generally for additives such as colorants and preservatives are that the additive is named or a reference number is applied. That is different in terms of compound foods where there are minor ingredients, but essentially those are the requirements for the broad food category.

Senator LUNDY—If consumers find products that have ingredients that just say ‘colour and preservative added’ but do not contain the detail, what recourse is available to them to make a complaint or indeed find out what is in that product?

Mr Stockwell—Probably the most appropriate recourse at the first stage would be to consult the manufacturer. If they have concerns, they could consult with the jurisdiction authority in the respective state or territory.

Senator LUNDY—Could you provide a service to consumers about the possible effects of preservatives and/or food colours, on children in particular, and the range of side effects that are often associated with such additives?

Mr Stockwell—We are aware of a great deal of the interest and concern expressed by consumers. We do monitor these additives very carefully. We provide considerable advice on our website. We have recently published a book that gives the opportunity for people to understand more about a range of food nutrients, and also in that book is the code cracker for the preservatives, colorants or additives used in the food supply.

Senator LUNDY—What is the name of that book and where can it be sourced?

Mr Stockwell—It is called *Choosing the Right Stuff*. It can be bought from most bookstores. It is in the general public domain.

Senator LUNDY—Thank you very much.

CHAIR—Shameless advertising!

Senator BIRMINGHAM—Could I refer to an application currently before FSANZ about pregnancy health advisory labels, please? In particular, looking at your website, you have a Q and A section dealing with how FSANZ will determine what changes, if any, should be made to the food standards code. In that, it lists a range of things that will be considered: the impact of alcohol consumption on developing foetuses, the incidence of foetal alcohol spectrum disorder, drinking patterns of women of child-bearing age and pregnant women, and the level of knowledge of the risks to the foetus that exists in the community. What I am interested in is that, amongst all of those, there seems to be no consideration of the effectiveness of the labelling that is actually requested. Given there are international examples and so on, why would that effectiveness not be one of the factors under consideration?

Mr Stockwell—I think you are referring to our application which has now gone out for consultation with the public and amongst that there are a number of questions, as you allude to. I believe, in fact, there are questions relating to experience with respect to labelling and the effectiveness of that, and certainly the effectiveness of that measure in delivering the expected outcome is one of our considerations as we look to any labelling measure. So far we have looked at overseas experience and will be looking at that further. We certainly called in that initial application for any relevant information that any stakeholder may have on this matter.

Senator BIRMINGHAM—It there a commitment in the final paper or the discussion paper that eventually comes out from FSANZ to examine those overseas examples of whether the application of labelling has actually had an impact on the level of knowledge and the incidence of foetal alcohol disorder?

Mr Stockwell—We will be taking all that into consideration and, of course, the greatest weight can be put on independently prepared papers which are peer reviewed. When we look at this evidence, we certainly look at the source and how that evidence has been prepared and we look for the broadest possible range of evidence in this area.

Senator BIRMINGHAM—FSANZ obviously has mandated labelling across a range of products which have been discussed here and many times over the years. What is your experience as an organisation? What experience do you have as to the direct effectiveness of that mandated labelling in actually changing consumer behaviour?

Mr Stockwell—That is quite a broad question. We certainly have in the past undertaken consumer research to look at the labelling elements that consumers look for and value and, in fact, how they understand that. We have some broad consumer research in the area of labelling. I think it really depends upon the specific labelling element that we are considering as to the effectiveness of that. For example, we know that the nutrition information panel is widely read by many consumers. Certainly when they come across a food that is new to them, many of them will look at the ingredients listing as well. We have evidence that suggests that. The particular case in question, of course, is a more specific issue and we will engage a different sector of the population perhaps than our general research. That is one area where we certainly will be looking to see the external experience, whether it is overseas or Australia or New Zealand.

Senator BIRMINGHAM—Have you commissioned or funded any specific peer reviewed research into the effectiveness of labelling in changing consumer behaviour yourselves?

Ms Fisher—We have commissioned research which we have had peer reviewed around a range of aspects to do with consumer behaviour around food labels and particular aspect of them. We have not as yet around the use of alcohol warning labels for pregnant women, but that is not to say that we will not as we progress through this application.

Senator BIRMINGHAM—Are the general or other examples of peer review work that you have commissioned publicly available?

Ms Fisher—When we finish the work, we place them on our website, so there is a range of work that is available on our website. There is some that we will release when we finish our health claims report at the end of March.

Senator BIRMINGHAM—Would you be able to either draw my attention or the committee's attention the particular links for some of that to peer reviewed research, please?

Ms Fisher—We can provide those.

Senator BIRMINGHAM—Thank you very much.

[12.10 pm]

Office of the Gene Technology Regulator

Senator SIEWERT—Obviously the issue of the moment is the overturning of the bans in Victoria and New South Wales. I am particularly keen at this stage to follow that up, in relation to how that intersects with the work of the regulator and also the role of the Commonwealth. It is my understanding that when the bans have been overturned there have

been some statements both in New South Wales and Victoria that vary slightly but are around the fact that health and environmental safety are responsibilities of the Commonwealth. New South Wales, as I touched on earlier, has also made statements around better labelling. FSANZ has just confirmed this morning that in fact New South Wales does not have responsibility for ensuring better labelling. But out of those two decisions come some pretty important points, I think, in terms of the role of the Commonwealth. So my first question is: just how much responsibility does the Commonwealth have for the health and environmental safety outcomes?

Dr Meek—Senator, the actual terms of reference of the reviews of the moratoria that were conducted by New South Wales and Victoria made the point that the decision I made some time ago that the GM canolas that I have approved for commercial release on the grounds that they were as safe for people and the environment as conventional canola were not issues that were being revisited in the context of the moratoria. I am responsible for administering a national regulatory system, so it is both the states and territories as well as the Commonwealth that I administer the gene technology regulatory system on behalf of. That determination has been made. There has been no reason for me to review that decision. I still believe that they are as safe for people and the environment as conventional canola. So that element has really been dealt with and was not revisited.

Senator SIEWERT—My understanding is that decision was made in 2003.

Dr Meek—That is correct.

Senator SIEWERT—Have you done any reviews of the ongoing scientific research since that date?

Dr Meek—In the sense that there have been other applications for canola intentional releases for field trials, so as a matter of course we are reviewing the literature on an ongoing basis. We also as a matter of course in my office monitor regulatory activities elsewhere in the world. So, as a matter of course, these issues are under constant review in my office.

Senator SIEWERT—How many applications have you had since the original decision in 2003? Have you had a number of applications since those for commercial release of canola?

Dr Meek—There have been no other applications for the commercial release of canola since that time.

Senator SIEWERT—There have been field trial applications?

Dr Meek—Yes, that is correct.

Senator SIEWERT—And how many of those have you had?

Dr Meek—There has been two of those.

Senator SIEWERT—Would the correct interpretation be that since 2003—

Dr Meek—Sorry, Senator, can I just correct myself. There has been a decision on one that was actually received before 2003 but the decision was not made until after 2003, and then one further application since then.

Senator SIEWERT—I think that probably does not change my interpretation of what you have just said, and that is that since 2003 you have reviewed the literature at least twice when you have been carrying out the assessments of those applications. Would that be correct?

Dr Meek—Yes.

Senator SIEWERT—Do you do ongoing monitoring of the health and environmental safety impacts of GMO releases?

Dr Meek—The monitoring activities that we conduct relate to the licence conditions that have been imposed, and so for field trials, for example, there are a range of conditions that relate to ensuring that the material that is being experimented with, if you like, stays on the field trial site or is transported in a way that it does not get spilt or lost track of.

Also, we have conditions relating to the treatment of the site to ensure that there is no regrowth of genetically modified plants that they have to remove. In all aspects in that regard there are certain obligations on the licence holder to conduct monitoring and to report to us. We also conduct our own monitoring in that regard.

With regard to the commercial release licences in relation to GM canola, because it was for a non-restricted release there were no requirements of that nature imposed on a licence and therefore we have not conducted monitoring of that nature.

Senator SIEWERT—I will come back to the commercialisation in a minute.

Dr Meek—I should also say that, because of the moratorium imposed by the states, there has also been no cultivation of that material.

Senator SIEWERT—I will come back to that issue in a minute. Let us go to the trials and the ongoing monitoring of the trials, particularly when you do your monitoring. How do you do that?

Dr Meek—I have inspectors who are appointed under the legislation and go out and visit trial sites.

Senator SIEWERT—So you do that. So you do not delegate responsibility to the states to do that?

Dr Meek—No.

Senator SIEWERT—You said the commercialisation was unrestricted. In other words, you are quite satisfied that around the issues of volunteers and contamination there are no ongoing requirements for monitoring of the potential for problems.

Dr Meek—If I could just differentiate, you use the word ‘contamination’ in this regard and I assume that what you are talking about is whether or not there could be material coming from the growing of GM canola into non-GM canola. Because of I have made a determination based on safety as to people and the environment that there is no need for constraint in that regard, then there are no constraints in the licence. This is a matter that essentially goes to the marketability of canola in general. That is outside of the scope of the assessments that I am required to conduct under the act.

Senator SIEWERT—Sorry, could you repeat that?

Dr Meek—Issues to do with segregation for market purposes are outside the scope of the legislation I administer.

Senator SIEWERT—We then come to the major issue that I think may then revert to a policy issue for the government. There are, in the minds of many people, issues around marketability. I will step away from the health. I am not saying that I am giving up on the health and environmental issues there; I will just step away from those to go to the marketing issue. It is clear that some of the issues have come up through the overturning of the ban. How are those issues being dealt with? Whom do we go to, whom do we talk to, about those issues as to GMOs? As I understand the act and from what Dr Meek has just said, it is not in their purview, which I understand. Where do we go to for those issues?

Dr Meek—I will just revisit the history of the development of the regulatory system. Perhaps that will throw some light on this and then there may be some further comment. The development of the gene technology legislation was undertaken cooperatively between the states and territories and the Commonwealth. That process started in 2002. The decision to develop a gene technology legislation system was made by all jurisdictions, so the whole process was done cooperatively. There was a great deal of discussion about how the divisions of responsibility should be determined, what the scope of the gene technology legislation should be, and what things the regulator should have to take into account in the assessment processes.

In that context there was a very clear decision at that point that the national regulatory system that I am responsible for administering would focus on human health and safety in the environment. There were provisions in the gene technology legislation for the states and territories to essentially enact their own legislation on with issues to do with marketing and marketability. At the end of the day the states decided to retain that responsibility. That is the history of it, which means that the answer to your question is that the states retain that responsibility and they are the decision makers in that regard.

Senator SIEWERT—Clearly, the problem here is that we have two states that have made a decision and we have one state in which we have never had a moratorium, which is Queensland. We now have two states that have made a decision to overturn the ban and other states that either are in the process of revisiting the moratorium or, as I understand it, will be keeping the moratorium.

Clearly, there are Commonwealth issues here, because as much as, with all due respect, the Gene Technology Regulator says there are no issues around contamination, quite clearly the market says that there are. Where at a national level is this being picked up, because there is clearly a need for some Commonwealth role in terms of helping to resolve these issues, particularly, for example, between New South Wales, Victoria and South Australia, if South Australia does not decide to overturn the ban or if South Australia overturns the ban between South Australia and Western Australia.

Ms Halton—Essentially you are going to the foundation of this system, which is the states together with this function, which is exactly as Dr Meek has outlined, whereby that function has been given to her but in fact the states have retained a number of these responsibilities. This is partly a question of federation, I suppose, and it is also partly a question of, as new

evidence emerges, how you manage that new evidence. In the current framework essentially it is a state responsibility. That is probably, and I am quite sure of it, an unsatisfying answer. The question you raise I think is a good question, but in terms of the framework that is there at the moment that is where it sits.

Senator SIEWERT—It cannot be resolved with the current framework. Would that be a correct understanding?

Ms Halton—People have just been whispering in my ear—or not whispering as the case may be—and it may well have been picked up that the Primary Industries Ministerial Council is actually looking at this issue at the moment. However, what I understand you to also be talking about is the human health side of this, which I think is not being picked up there. As I just said to the parliamentary secretary, I think you are pointing to something which is sitting in the crack, if you like. The current framework would say ‘states’ and the agriculture people are looking at it in this context, but on one analysis you could say there is a crack.

Senator SIEWERT—So the ministerial council is looking at this right now?

Ms Halton—Yes.

Dr Meek—Perhaps I could expand on that slightly. When the review of the legislation was undertaken just recently, this issue of essentially a national segregation system was identified as something that ought to be considered. It was identified through the review of the legislation but recognised by the states and the territories again to be outside the remit of the gene technology ministerial council and, therefore, they referred it to the Primary Industries Ministerial Council, which of course has representation from all jurisdictions.

Senator SIEWERT—And that is where it currently is?

Dr Meek—Yes.

Senator SIEWERT—I am sorry to harp on about the issue around labelling that we touched on before with New South Wales saying, ‘We need better labelling.’ As I understand what we have just discussed, if it were decided to do it, it would be going to take two years.

Ms Halton—On a two-review basis, and you would say that was likely.

Senator SIEWERT—I do agree with it. I suspect that would be a highly likely process.

Ms Halton—I would say so.

Senator SIEWERT—It is going to take two years. I appreciate this may be a question I should be asking of New South Wales. Have they indicated what they intend to do if the better labelling process does not eventuate in the future?

Ms Halton—It is not a dialogue I have had with them. I cannot answer the question.

Senator SIEWERT—Dr Meek, has there been any communication with you around the issues?

Dr Meek—There would not be, because the history of the development of the regulatory system is that it took place in the context of a clear understanding that there were pre-existing regulatory agencies that had certain responsibilities that were regulating products, irrespective of whether they were GMOs or not, and food comes quite clearly into this. FSANZ does its

comprehensive assessment on the safety of food for human consumption, irrespective of whether it has been derived from a GMO, whether it is a GMO, or whether it has nothing to do with GMOs, but it was already there and the gene technology legislation does not, in any way, overlap with an existing regulatory authority. So in terms of labelling, that definitely is FSANZ's remit.

Senator SIEWERT—I understand that. For us, it crosses over, obviously. Without wanting to be pedantic, I will go back to the health and environmental issues. If I understood you correctly, what you said is that, because there was unrestricted release, you do not do ongoing monitoring of the health and environmental safety issues around the commercial release of canola. As I understand it, in New South Wales in particular, they do not touch on those issues because they understood that you had done that. Does that mean that, because they did not touch on it, they will be doing no ongoing monitoring? The fact is, we are now going to overturn these bans. There are many people in the community who—me included—still have, with all due respect, great concerns around both the health and environmental aspects of this. There will be no ongoing monitoring done. Is that what that means?

Dr Meek—When you were talking about monitoring before we were talking about it in the context of specific licence conditions and monitoring for compliance with those licence conditions. In relation to field trials, there are some very clear things that need to be done.

Senator SIEWERT—I understand.

Dr Meek—In the context of a licence for a commercial release, where there are not restrictions of that nature—which are essentially intended to prevent the GMO and the genes that have come from that GMO in that field trial from going anywhere else—there are no comparable licence conditions in the commercial release licences that I have issued. However, the fact that it is licensed means that I still maintain an oversight of the release. That oversight will not extend to trying to stop GM material getting mixed up with non-GM material. As you would be aware, there is a great deal of information out there which would question the market impact of this happening, but that is outside of what I would be looking for. What I maintain an oversight for is to see whether, as a consequence of commercial release, there may be any adverse impacts on people or on the environment. That is what I will be oversighting, and that will happen in a number of different ways. I do not know if you want me to elaborate on that.

Senator SIEWERT—If you could. If it is going to take too long, perhaps you could provide it on notice. I am not trying to take too much time, but I really do want to know about this.

Dr Meek—Perhaps I could do it very briefly, and then if you want more information I can provide it. There are a number of things. One of the licence conditions for the licence holder is that they must advise the regulator of any information that they become aware of that may suggest that there is an adverse impact. That is one thing. That is an obligation.

Senator SIEWERT—Without casting aspersions on any licence holders, there is obviously concern around the issue of making the proponents responsible for that.

Dr Meek—My experience of dealing with a number of those licence holders in terms of issues to do with their field trials is that they have been very good at coming back and

reporting when something has been out of line. I would say that, on balance, we have a very cooperative basis for the legislative system at the moment in terms of implementation. However, be that as it may, one of the avenues is that the licence holder themselves, and anyone covered by the licence, is obliged to provide that information. There is also the capacity for anyone else who is not covered by the licence who becomes aware of something to advise me, so that information can be investigated. Other regulatory agencies have similar mechanisms in that regard. The licence conditions are framed in such a way that should I believe that if there is need for further investigation or that I need more information then I can require the licence holder to do that for me. Finally, one of the things that was in one of the original licences that I issued was that, post three years after the commercial growth of GM Canola, I would conduct a review anyway to look at what was happening. There are a number of avenues whereby there will be an oversight maintained of those releases.

CHAIR—Senator Siewert, it is now 12.30. I suggest that further issues can be taken up with the departmental briefing session, if you would like to arrange that with Senator McLucas.

Senator SIEWERT—That is on the canola. I do have another specific question around the emergency provisions on this.

CHAIR—It will have to go on notice. When we resume at 1.30 pm we will require officers from TGA, Cancer Australia and the Australian Institute of Health and Welfare for a limited time after lunch, they will be the areas. Then we will move into the program of 3, 2, 5, 6, 7, 12, 4 and 9 between lunch and dinner. There will be a limited time for each of those outcomes so we can get through as much as possible, and there will be opportunities for placing questions on notice.

Proceedings suspended from 12.30 pm to 1.34 pm

Australian Radiation Protection and Nuclear Safety Agency

CHAIR—Welcome, Dr Loy. We have some questions for you and your organisation.

Senator COLBECK—Just so that I make sure I am asking questions in the right place, ARPANSA is responsible for waste storage facilities as well as oversight of radioactive product around the country—is that correct?

Dr Loy—We are responsible for the licensing of the Commonwealth's activities, including radioactive waste storage and disposal and management. In addition, we have the role of promotion of national uniformity throughout the Commonwealth, states and territories on radiation protection generally, including radioactive waste management.

Senator COLBECK—So you play a licensing role in respect of, say, the low-level waste facility proposed in the Northern Territory?

Dr Loy—If the Commonwealth were to decide to have a low-level waste repository anywhere, it would need to get a licence from me, from ARPANSA.

Senator COLBECK—Very nicely put. Are you aware of the *Daily Telegraph* article of 30 January this year regarding—I say 'discovery' advisedly because I am assuming that somebody knew that it was there—a significant amount of radioactive waste on the North Shore of Sydney?

Dr Loy—I missed that particular article, but I am aware that there has been a historical issue in Hunters Hill in Sydney of some material that was left over from the processing of uranium ore for the extraction of radium many, many years ago. Subsequently some properties were demolished and some of the waste was moved. It is one of those issues that people keep discovering from time to time and bringing it back to attention again.

Senator COLBECK—That is why I used the word ‘discovery’ in that context. Do you have a register of sites of this particular nature around the country?

Dr Loy—No, because any kind of regulatory action in relation to, for example, that site would be for New South Wales and similarly for sites in other states—that would be under the regulatory requirements of those states and territories—and there is no form of, if you like, a national register of sites. Some work has certainly been done in the context of developing the long ago national waste repository, of which some inventories were taken, but I certainly cannot say that I have a register of sites.

Senator COLBECK—As far as you are aware, there would not be a central place where the committee could go to find out what radioactive material or waste material was where, around the country, with any certainty of getting a reasonable knowledge of the total.

Dr Loy—I think the most recent work would have been some years ago, done in the context of developing the national radioactive waste repository proposal, and the Radioactive Waste Management Section, now in, I think, the Department of Resources, Energy and Tourism, would maintain what was collected at that time. That was for a different purpose and would not have been in the kind of detail you would need to make an assessment of how to deal with a whole lot of different forms of waste.

Senator COLBECK—You say that the storages in the states are a matter for the states, so you have no oversight of those?

Dr Loy—No regulatory oversight. We work with the states and territories on general guidance for dealing with radioactive material in general, but we do not have any legal or regulatory authority.

Senator COLBECK—Senator McLucas, do you have any information on the government’s direction in respect of the proposed low-level waste facility?

Senator McLucas—No, I do not have any advice that I can provide to the committee.

Senator COLBECK—Could you take that on notice, please?

Senator McLucas—I do not know if it is the right committee.

Senator COLBECK—I do not know whether there are any other committees that actually deal with the issue of nuclear waste.

Dr John Loy—Radioactive waste management is a part of the Resources, Energy and Tourism portfolio—it is clearly stated in the AAO—and they do have people who are addressing that issue.

Senator McLucas—We have a regulatory role.

Senator COLBECK—I understand that. I would still like you to take the question on notice, if you would, please.

Senator McLucas—Okay.

Senator COLBECK—That is all for me on ARPANSA thank you.

CHAIR—Are there any other questions for ARPANSA? Thank you very much, Dr Loy.

[1.40 pm]

Therapeutic Goods Administration

Senator ADAMS—This is just one quick question regarding a drug called Avastin. I have been advised by the Cancer Council of Australia that a number of healthy non-smokers have been diagnosed with lung cancer. There is a drug available on the PBS at the moment, which in conjunction with chemo, can prolong lives by three to 24 months. This particular drug, Avastin, is currently used to treat colorectal cancer. I have been told that the Therapeutic Goods Administration does not recognise it as a drug for lung cancer. The question is: what steps must be taken to ensure that the TGA recognises this important treatment?

Dr Rohan Hammett—The drug Avastin is registered in Australia for certain uses, although it is not indicated for lung cancer. Any details of applications in relation to that indication are commercial-in-confidence, but at present it is not registered for that use. Similarly the PBS is unable to fund the use of a drug unless it has an indication for that use.

Senator ADAMS—What process would be undertaken for it to become available?

Dr Rohan Hammett—The process requires the sponsor of the medicine to lodge an application to the TGA with data showing that it is safe and effective for that use. That data would then be evaluated by the TGA and, provided it is of sufficient quality and the drug is shown to be useful in that setting, the TGA approval processes would apply.

Senator ADAMS—Thank you very much.

Senator COLBECK—Just going to the productivity dividend that has been required across the agency, do you have any sense of what impact that might have at this point in time on the capacity of the agency to carry out its work? Have you done any work on that yet?

Dr Rohan Hammett—The TGA operates on a 100 per cent cost recovery basis. Therefore its activities are funded by a combination of fees that are charged for specific pieces of work. If the sponsor of a medicine wants to have it registered, it pays a fee for that work. There are also annual charges that are levied that pay for a number of the regulatory activities. Because there is a 100 per cent cost recovery from industry, at this point we do not believe the efficiency dividends that have been mentioned will have an impact on the regulatory functions of the TGA.

Senator COLBECK—Thank you.

Senator ALLISON—Can I ask about the charges against Jim Selim. What is the total cost to the government so far of that exercise?

Ms Halton—I actually do not think we can give a comprehensive answer to that question, because costs in respect of any criminal matters that are brought are not actually or necessarily attributed to our portfolio. In terms of the total cost, I do not think we can answer that question.

Senator ALLISON—Let us confine it to legal costs, then.

Ms Halton—To health legal costs?

Senator ALLISON—Correct.

Ms Halton—Yep.

Dr Hammett—We may have to get back to you with that detail. As you are aware, there are ongoing legal actions in this matter; therefore, the legal costs are a moving feast at this time. But we can certainly take that on notice and provide that information to you as of this date.

Senator ALLISON—What about a rough estimate? There have been several appeals and court cases so far. We must have some idea of what is being accumulated to date.

Dr Hammett—I do not have a rough estimate, nor would I be able to make one. I am aware that Comcover has indemnified the Commonwealth for its legal costs, but I cannot give you an estimate of those costs.

Senator ALLISON—To confirm: the New South Wales Supreme Court ordered Mr Selim's acquittal, as I understand it, on the basis that the Crown had been unable to present evidence to substantiate its case. Is that your understanding of Justice Fullerton's remarks?

Dr Hammett—Senator, are you referring to the criminal proceedings or the civil proceedings?

Senator ALLISON—I am referring to the proceedings concerning the destruction of material.

Dr Hammett—I think there have been a number of actions proceeding, some of which have resulted in decisions, as you have suggested, with Mr Selim; others are ongoing and others have resulted in prosecutions and convictions.

Senator ALLISON—On the case which Justice Fullerton found that there was insufficient evidence to substantiate the case, can you advise the committee about how this could have been so?

Dr Hammett—It is difficult without going into details and matters that are currently before the courts to describe all the evidence and the processes for obtaining that evidence that have been utilised in the Pan Pharmaceuticals prosecution. As you are aware, there are complex and lengthy legal processes going on. During that process there will be interpretations by the courts of the law. In that particular case there has been an interpretation about the evidence related to a specific charge. In other cases there has been an interpretation about the criminality of activities in the Pan Pharmaceuticals issue.

Senator ALLISON—What is the current state of play in terms of legal activities?

Dr Hammett—There are ongoing criminal and civil proceedings about which it would be inappropriate to comment in detail.

Senator ALLISON—You must be able to be more specific about who is doing what to whom.

Dr Hammett—I do not think we can be. These are matters before the courts and it would not be appropriate for us to go into those.

Senator ALLISON—At what stage is the court case?

Dr Hammett—There are several court cases that are at different stages. Again, as the proceedings are currently being considered, we cannot go into further details.

Senator ALLISON—Is it the case that the TGA is in negotiations with Jim Selim over compensation?

Dr Hammett—I am unaware of any negotiations taking place between the TGA and Jim Selim over compensation.

Senator ALLISON—Is there somebody else here who is aware?

Dr Hammett—The TGA is unaware of any of those negotiations.

Senator ALLISON—Who should I ask?

Dr Hammett—Perhaps Mr Selim might have information about that, but to my knowledge we are not in negotiation with Mr Selim on compensation.

Senator ALLISON—Is there anybody in the department who would have greater knowledge on the subject than you?

Dr Hammett—If you are happy with this, we can certainly take that on notice and provide you with information that confirms—

Ms Halton—Let me put that another way. In the event that that is not accurate—and I believe it to be completely accurate—I will come back and correct the record.

Senator ALLISON—I am sorry, Ms Halton—you believe it to be completely accurate?

Ms Halton—I believe it to be accurate.

Senator ALLISON—What to be accurate?

Ms Halton—What Dr Hammett has just said. In the event it is not accurate, I will come back and correct the record.

Senator ALLISON—Dr Hammett said he was not aware.

Ms Halton—That is correct. He said that the TGA was not aware. You have asked in respect of the department. I said that I believe what he has said is accurate. In the event that it is not accurate, I will come back and correct the record.

Senator ALLISON—Can you also advise if at any stage there has been negotiation with Mr Selim over compensation?

Dr Hammett—I can certainly undertake to advise you of that.

Senator ALLISON—Who in the TGA is heading up this activity?

Dr Hammett—The TGA has a legal services branch that fulfils a number of functions within the TGA and the Selim matter is merely one of the matters in which it is currently involved. It is also working with a number of Commonwealth solicitors, AGS, to proceed

with the matter. Our lawyers within the TGA and other Commonwealth lawyers are involved in this process.

Senator ALLISON—It must be possible to advise what the charges are that have been laid that remain outstanding. It is hard to imagine why that would be something that could not be shared with the committee.

Dr Hammett—I do not have information here and I would have to take advice from our lawyers on whether it would be appropriate to release that to the committee, given that these are matters under active consideration by the courts.

Senator ALLISON—Yes, but you must be able to tell the committee what the matters currently before the court relate to.

Dr Hammett—They relate to the Pan Pharmaceuticals episode where the manufacturing standards of a particular manufacturer of complementary medicines were found to be wanting, and charges associated with breaches of the Therapeutic Goods Act in respect to their manufacturing responsibilities.

Senator ALLISON—How many such charges are there?

Dr Hammett—I cannot tell you that number but, again, I am happy to take that on notice and seek advice about whether we can provide the detail of that.

Senator ALLISON—In what court are they?

Dr Hammett—They are in several courts.

Senator ALLISON—Which are they?

Dr Hammett—Again, I will come back to you with details of the particular courts they are being progressed in.

Senator ALLISON—I am surprised you know so little about the detail.

Dr Hammett—Because this is a matter of current legal action, we have to be very careful about providing public comment in this forum about the activities, and I would like to take advice on that if I could.

Senator ALLISON—Thank you.

Senator COLBECK—Can you tell me what work you are currently doing on Stilnox and the related sleep medications?

Dr Hammett—As you may be aware from recent media focus, there have been reports of Stilnox being associated with adverse drug reactions. In fact, Stilnox has been available as a registered medicine in this country since 1996, and the sorts of side effects that have been reported in the media recently are relatively recent in the history of Stilnox. The TGA, going back as far as 2002, has issued warnings about the potentiality of Stilnox to produce abnormal sleep behaviour and has revised warnings about that in recent times in light of reports of side effects from Stilnox.

The TGA has an expert advisory committee known as ADRAC, the Adverse Drug Reactions Advisory Committee, that has considered the issue of side effects with Stilnox and continues to monitor closely those side effects. In addition, the TGA has been liaising with

international regulatory counterparts to assess the scientific information about these side effects. Adverse drug reaction reports are not always directly causally linked to the drug that they might be associated with, and the TGA's role is to try and sort out the scientific basis of the safety of medicines, and that is what we are doing in the Stilnox case. In the meantime, what we have done is sought to highlight to prescribers and to the community the particular side effects that have been reported.

Senator COLBECK—Is the latent nature of the side effects something that is coming through in information you are getting from other national organisations around the world?

Dr Hammett—Interestingly, we are not seeing nearly the same profile of side effects from Stilnox in other countries as we are seeing in Australia. The reports of abnormal sleep behaviour that have been the focus of media attention appear to be much more common in Australia than in other countries. That raises a whole lot of questions. Is that because we have a very good reporting system in Australia and our healthcare professionals and our community know that they can report these adverse reactions—and that is certainly a strong possibility—or is the recent focus on this in the media somehow affecting the reporting pattern in Australia?

Senator COLBECK—I understand that you are still monitoring the situation; however, what sort of evidence would be required to take strong action rather than providing the warnings that exist at the moment.

Dr Hammett—Perhaps I should delineate some of the action that we have taken. As well as placing additional warnings on the packets of the medicines, we have reduced the pack size of the medicines. Stilnox and other sleeping tablets are only indicated for short-term use; they are only intended to be used for a few days. Many of the side effects that have been reported have been in people who have used them for a long period of time or used them in conjunction with other medicines that might also be active on the central nervous system—things like anti-depressants or even alcohol. Indeed, it is a question of whether the usage patterns and the prescribing patterns may be at the source of these adverse event reports rather than anything in the medicine per se.

That is not to say that we do not have concerns about this medicine. I think we should make it clear that the TGA is concerned about the side effects associated with this medicine and is looking closely at it. We have put changes on the labels of the medicines. We have made changes in the product information and changes in the consumer medicines information. We have reduced the pack size. We have also required the sponsors of these medicines to provide educational programs to prescribers, alerting them to the side effects. The matter is still under active monitoring by our expert committees. Should the data clearly show that there is a safety problem, we will continue to take action.

Senator COLBECK—To what extent do you monitor individual cases to get a sense of the issues you have talked about—for instance, involvement of alcohol or mixing of medicines and things of that nature?

Dr Hammett—The TGA has the Australian Adverse Drug Reaction Reporting System, which reports individual cases and gathers data either from direct reports from healthcare professionals or via consumer reporting lines or that sort of thing. We have a team in the TGA

that looks at those individual reports, gathers the relevant clinical details and assesses them for the likely relationship between the reaction and the drugs involved. Where there are significant reports of serious drug reactions, we may well follow up with further clinical details by going back to the person who reported the case to the TGA or to other parties.

There is a detail of following up on individual reports but then there is the broader picture of assessing the value of those individual reports in the context of the total number of reports for this drug or for similar drugs. If we were to look at other sleeping tablets, there would also be reports on their side effects. In considering what regulatory action to take in any drug safety issue, the TGA also has to consider the significance compared to like medicines and what impact any regulatory action might have on the side effect profile with increased use of those medicines.

Senator COLBECK—Thanks.

Senator HUMPHRIES—Can you tell us how many doses or packets of Stilnox were dispensed in Australia last year?

Dr Hammett—The difficulty is that, because Stilnox is not on the PBS—it is only available by private prescription—the only data available that gathers that is from the sponsors themselves. There are multiple sponsors who make zolpidem, which is the sleeping tablet, and they would have that data. The TGA does not have that data on usage.

Senator HUMPHRIES—You said that it is widely available in other parts of the world.

Dr Hammett—It is and has been available, I believe, for about 20 years in other parts of the world.

Senator HUMPHRIES—Thank you.

CHAIR—There being no other questions for the TGA, I call representatives from Cancer Australia. I welcome Professor Currow. I know Senator Adams was interested in this area. She said that, if she was not able to be here, to pass her apologies on. She had to go to the Defence estimates. I know that Senator Humphries has some questions. I may well have some if Senator Humphries does not ask the ones I want to ask.

Senator HUMPHRIES—Thank you very much, Professor Currow. One of the performance indicators for Cancer Australia is the increased capacity and improved effectiveness of cancer support networks for people affected by cancer to better support each other. The reference target is four new cancer support group projects in 2007-08. Can you tell us whether new groups have been formed? Can you give us a list of what they are and where they operate?

Prof. Currow—This was an issue that was part of our original remit as an agency. We did advertise for new groups in 2007. Those funding agreements have not been finalised yet. We advertised in conjunction with the cancer councils in each state and territory as well as targeted specific groups including people with gynaecological cancers and people from culturally and linguistically diverse backgrounds and Aboriginal and Torres Strait Islander backgrounds. The applications have been assessed and the funding agreements are being negotiated at this time.

Senator HUMPHRIES—Are they support groups for particular types of cancer or support groups for particular areas or regions of Australia?

Prof. Currow—A mixture. We are targeting the states and territories through our relationship with the cancer councils in each state and territory but also specific tumour types—gynaecological cancers, for example—as well as other population groups such as people from Aboriginal or Torres Strait Islander backgrounds.

CHAIR—This committee has been following the development of Cancer Australia. Unfortunately, the people who were going to ask these questions are not here. I will put them on the record. We want to check on your current staffing levels. We ask that each time because your growth has grown with our committee. Can we find out what your current staffing levels are? Is it a full complement? The last time you were almost complete but not quite. What are your plans for staffing for the next 12 months?

Prof. Currow—Our current staffing levels are 23 full-time equivalent staff members. With regard to the next 12 months, we are in a phase of negotiating a transition from our set-up phrase to our long-term operational phase. Several of the issues of importance are still the subject of budget consultation.

CHAIR—Is that on track in terms of the plans you gave us when you were first forming Cancer Australia? Is the time frame what you thought it would be? Are you at the right stage now?

Prof. Currow—I believe we are very close to that. We may have slipped a few months in that. I think if one were to reflect on what is set out in the act and what Cancer Australia has achieved against the issues that Senator Humphries as well as others have alluded to we are delivering a high-quality service to the Australian community and improving cancer outcomes. The areas in which we were asked to take particular leadership were in research, consumer participation, community involvement and professional development and quality.

As you are aware, more recently we were asked to take stewardship of the national centre for gynaecological cancer. I will take each of those in turn. In research there are two major streams that Cancer Australia was asked to administer. The first of those is a program of priority driven research. The first cycle of that has been completed. Jointly with the National Health and Medical Research Council we are in funding negotiations for those projects at this time.

CHAIR—They are the ones for March 2008?

Prof. Currow—They are the ones that we discussed in February last year and had been called for March 2007. That entire process has been completed and the 2008 call for applications was put on the website in December at the same time as NHMRC and will close on 14 March with NHMRC also.

The priorities with which Cancer Australia is working are the same as they were last year. As I outlined this time last year, the priorities of our funding partners are up to each of those funding partners. It is good to reflect that our funding partners have increased both in number and in their commitment for the 2008 round. Our funding partners include the National Breast Cancer Foundation, beyondblue, Cure Cancer Australia and the Cancer Council Australia.

That is a program that continues to grow. Importantly, we are confident that it is a different product to a project grant simply administered through the NHMRC. Targeting consumer involvement, collaboration between researchers and, importantly, addressing priorities that are of relevance to practice and to policy has allowed us to create something very important for cancer control.

The other part of research was the support for cooperative oncology groups. There were 10 groups that were funded as outlined to this committee when I last met with you. Since that time there has been a competitive round to increase the scope of cancers that were not previously covered. Again, we are in final negotiations with two new groups who will receive funding for the 2008 year. Those groups sit well within priority areas for cancer control within the country.

CHAIR—And your role in the stewardship, I think you described it as, with the Gynaecological Cancer Centre, how is that going?

Prof. Currow—The Gynaecological Cancer Centre is progressing well. You are intimately acquainted with the report *Breaking the silence: a national voice for gynaecological cancers*. Cancer Australia has taken that as a very specific template around which to build our work program. I am happy to outline that either against the recommendations of the committee's report or indeed just in summary.

CHAIR—I think, Professor Currow, rather than taking the time of this group we might ask for a committee briefing on that to follow up. I think that would be the best way to progress that. I want to follow up on the audit of cancer research to see whether that has been completed. My expectation of that was that you would complete the background and then maintain it so there would be that one place where you would be able to find out what is happening in cancer research in Australia. Has that progressed?

Prof. Currow—Thank you, yes it has. There are two aspects to your question. I will take them each in turn, if I may. The first of those is the audit of cancer research nationally. That work has been completed and is prepared for the minister at this time. That was to look at project funding from the years 2003 to 2005 inclusive. Specifically, I would want to place on record that it is not about program grants nor about infrastructure support across that time. I believe, as you have outlined, that that will form a very important baseline for determining future priorities for cancer research.

The second part of your question was: is there a single place we can go to understand what is happening in cancer research? I think that audit is an important part of that process. But I think the other opportunity for us is in working with organisations such as the National Health and Medical Research Council Clinical Trials Centre in Sydney and the Australian Clinical Trials Registry at the University of Sydney in actually bringing together the resources so that clinical trials that are open in Australia in cancer will be made available in a web based format to consumers of cancer services in a consumer friendly way. That work is progressing at this time. It will be evaluated as part of the roll-out process and the open rollout of that will be in early 2009.

CHAIR—You are aware that during the election process a number of promises were made to various cancer linked organisations about funding in the future. Has Cancer Australia got any role in bringing those forward?

Prof. Currow—Those issues are still a matter of budget consultation. I think it is on the public record, however, that Cancer Australia's name was associated with two particular projects, the National Centre for Gynaecological Cancers and further additions to the clinical trials research program.

CHAIR—And the last one for Senator Adams is about lymphoedema in terms of the projects that are being considered and also the streams of research within Cancer Australia. Has there been any further work around lymphoedema?

Prof. Currow—I am probably not the best person to answer that in that, since we last met, the National Breast and Ovarian Cancer Centre has been specifically funded by the government to look at both lymphoedema research and practice. It is not a specific priority within Cancer Australia's research priorities but sits broadly within a number of the priorities which we administer.

Senator MILNE—I was just wondering with this research audit to be completed and signed to be ongoing and obviously upgraded, what is the interface between that and the Medical Services Advisory Committee, and the literature searches and so on that they do? What is the proposed interface?

Prof. Currow—The audit that we have done is based around project grants initiated by investigators and really deals with a very broad spectrum of cancer research. I cannot comment on an interface specifically with the Medical Services Advisory Committee. This is not a literature review of that research, but rather a systematic repository of the work that is being done around the country.

Senator MILNE—Okay. Thank you.

CHAIR—Thank you, Professor Currow. We will be in contact about getting a brief through Ms Halton. I think that I can now call the Australian Institute of Health and Welfare. We are almost through No. 1.

Senator BOYCE—Dr Allbon, if we could just start off, could you give me the number of staff that you currently have at the institute. Pick a date.

Dr Allbon—We have approximately 210 staff at the institute itself, but we also have some collaborating arrangements with centres based at some universities around Australia. So they are not actually our staff but they contribute—

Senator BOYCE—They work for you under some sort of contract that you have with the individual or the institution?

Dr Allbon—That is correct.

Senator BOYCE—The 210 staff are full-time staff or—

Dr Allbon—No. That is one of the good things, I guess, about the kind of work we do in the organisation, that it does allow for part-time work or flexible work arrangements. So there are quite a high proportion of part-time staff.

Senator BOYCE—So what is your full-time equivalents?

Dr Allbon—I would have to take that on notice.

Senator BOYCE—Okay. And the 210 staff, that is as of five o'clock yesterday afternoon type of thing, is it?

Dr Allbon—It is a recent figure, yes.

Senator BOYCE—Have there been any changes made to your board and appointments thereto in the last six months?

Dr Allbon—No, in the last six months there have been no new appointments to the board. I am aware, though, that we have three state and territory representatives, health, housing and community services. The community services representative has finished with that appointment and so the state and territory heads of community services will be nominating another person to take the place. That is the only issue.

Senator BOYCE—That is the only—

Dr Allbon—We also have a staff representative vacant on our board due to that particular staff member leaving to work elsewhere.

Senator BOYCE—So there are two vacancies on your board at the present time; is that right?

Dr Allbon—Two positions that we are expecting, yes, to be filled.

Senator BOYCE—And everybody else on that board is appointed for how long? To the end of this financial year, or what?

Dr Allbon—No, they are generally a three-year term, so those terms vary. When those terms will be up depends on when the appointments are made. They are staggered.

Senator BOYCE—I noticed looking at your annual report that you said you had had a major jump in your rental. Could you talk a little bit about that, please?

Dr Allbon—We have had a rental arrangement in place in the building that we are in for some time. The building was actually sold in the course of last year, so we have had to negotiate a new arrangement for our rental with the new building owners. That has been a very long, drawn-out process. It in fact ended up going to arbitration and we have just recently had the results of that arbitration.

Senator BOYCE—Are you able to tell me who the building owner is?

Dr Allbon—I would have to take advice on that. The new building owner?

Senator BOYCE—Yes. You are not able to—

Dr Allbon—I will take that on notice. I am not exactly sure of the title of the new owner.

Senator BOYCE—But you have just been through an arbitration case with them and whatever?

Dr Allbon—We have, and it was arbitrated by a representative from the Australian Property Institute.

Senator BOYCE—I would like to know the name of the landlord there. That would be good. I notice that your revenue from DoHA does not seem—the appropriation—does not look to alter much at all and that you are getting about 70 per cent of your revenue from bodies who use your services—is that correct?

Dr Allbon—It is true that the appropriation amount has not altered over probably about the last 10 to 12 years. It remains at around \$8 million, \$8.7 million at the moment. But the bulk of our funding, another \$17 million to \$18 million, comes from contract arrangements to do specific pieces of work. So it is about one-third, two-thirds.

Senator BOYCE—And the main people who pay you to do this are federal and state government departments—is that correct? The majority of your funding would come from those sources?

Dr Allbon—That is correct. In fact, it is right across housing, community services and health. So sometimes it is housing, state and territory jurisdictions—all of the heads of housing—sometimes it is community services and sometimes it is health. But the federal department of health also engages us to do work.

Senator BOYCE—And individual state government departments or state governments, or does it primarily come through the heads of—

Dr Allbon—We have had one or two contracts with individual state departments, but the bulk of the work—because the majority of what we do is trying to get consistency in data and collections across states and territories to get a national picture, the majority of what we do is engaged from either AHMAC or the housing ministers advisory council.

Senator BOYCE—I think comments have been made here a couple of times today about how the AIHW sits outside the departmental framework. You are a rather unique body. We have talked also about the efficiency dividend being expected by the government of departments. Has the issue of an efficiency dividend been raised with the AIHW?

Dr Allbon—The percentage of our funds that are from appropriation, which is about the \$8.7 million, will be subject to the efficiency dividend and is subject this year to the efficiency dividend. That results in an amount of about \$40,000 for us this financial year.

Senator BOYCE—So that is \$40,000 you will be forfeiting?

Dr Allbon—Yes, a \$40,000 reduction this financial year.

Senator BOYCE—I guess the other issue is that we have seen certainly from state governments that bodies such as yours, which have the ability to operate at a profit, are being asked to contribute to government revenue. Has that suggestion ever been raised with the AIHW?

Dr Allbon—I need to correct you there. We do not operate at a profit.

Senator BOYCE—Sorry, with the potential to operate at a profit. You operate pretty much—

Dr Allbon—We operate on a user pays basis. We carry out work according to an agreed template of costs but we are required to charge the full cost for that, including accommodation, depreciation and all sorts of issues, to make sure it is a full cost.

Senator BOYCE—So you recover costs?

Dr Allbon—We recover the costs, yes.

Senator BOYCE—Okay. I just wanted to talk a bit through some of your key objectives for the upcoming period. You talk about improving the policy relevance of statistical collections. Can you explain that or perhaps even give us an example of what you mean by that?

Dr Allbon—We exist as a national agency to make sure that the evidence base is in place for policy across health, housing and community services. So it is really important that we are well aware of what the key policy issues are and that the data that we are collecting or the data that we are attempting to improve to make it more consistent is the data that is of a high-priority need in a policy sense. We aim to be responsive to policy issues as they arrive. We aim to be as timely as possible to respond to those policy issues, always needing to balance accuracy and quality of the data against timeliness; that is always an issue for us. Our primary direction is to make sure that what we have is relevant to making policy decisions.

Senator BOYCE—One person's relevant policy might be someone else's dead boring policy. How do you go about establishing policy relevance?

Dr Allbon—The institute's board plays a particular role in that. We do have membership on that board from, as I said, state and territory nominees, the federal department of health and other agencies—that is, somebody from Families and Community Services. So the board has a key discussion about the particular policy areas where it believes we should be focused, but we also have numerous discussions with the departments of health, family services and housing to make sure we are picking up the areas that are of primary interest to them.

Senator BOYCE—One other area you mentioned is assisting in the assessment of future statistical collections in the area of e-health. I was involved in an inquiry that looked at rural and regional health service delivery, particularly primary care. We were somewhat disappointed in the lack of submissions we received about innovations in the e-health area. Can you talk a bit more about how the collection of the statistics would underpin perhaps innovation?

Dr Allbon—There are a lot of opportunities as we expand into electronic health for a lot more data to be collected. There are two issues that we have. The first is to make sure that that data can be used where relevant to inform policy debate—I guess a particular area of interest there is in relation to primary care—to ensure that through the use of electronic health we get meaningful statistical data that assists in improving the quality of care and in understanding the outcomes within general practice. So we are particularly keen to see how electronic health will improve the data we have in that whole area of general practice.

We also have the other side which is making sure that the considerable data collections we currently have—for example, the hospital morbidity database that comes off administrative data in all the hospitals—are not in any way threatened by the different ways of collecting information into the future. So we have a double-barrelled interest in that. It is something we are very active in at the moment, in ensuring that those statistical implications or the information that can be used for health management, health policy and research are maximised through electronic health.

Senator BOYCE—When you talk about national infrastructure, are you talking about some sort of information management tool to manage different bases?

Dr Allbon—No, really the interest that we have in this is in making sure that the information which is being developed through the national e-health processes is useful for health management and research statistical use. So we are not the drivers of the actual electronic tools, but we need to work with them to make sure that the outputs will be useful for health research and health management.

Senator BOYCE—I also noticed that you have five new data collection activities that are beginning in the 2007-08 year. Is that correct?

Dr Allbon—I am not quite sure which ones you are referring to.

Senator BOYCE—I will have to go back through the notes. One of them related to blood. There are quite a few data collection activities that you are undertaking. I did not note them when I saw them. I would have to locate them, which I do not think I can do here.

Dr Allbon—We certainly are constantly developing new data as the capacity is there. Of particular involvement at the moment is something like children's services which are not specifically health related. I am trying to think of any new data collections in health. We are certainly improving data collections but I am not aware of any particular new ones at the moment.

Senator BOYCE—One I was particularly interested in was that you are investigating the feasibility of an informal care data repository across the areas of ageing, disability and mental health. I take this to mean holding the data relating to all the investigations that have gone on around quantity and quality of informal care delivered to people with disabilities and people who are ageing. Is that correct?

Dr Allbon—We are at the early stages of doing some work with the Department of Health and Ageing, FaHCSIA and the Australian Bureau of Statistics to look at what the potential is, what kind of data could be held and what its usefulness would be for policy. We are at a fairly early stage of work on that. Certainly, data about informal care is a subject area that is of increasing policy relevance and it is difficult to get data at this point.

Senator BOYCE—I would have thought most of the material that is out there would be very qualitative, like the carers survey that FaHCSIA did and things like that.

Dr Allbon—Yes.

Senator BOYCE—How do you anticipate that progressing at this juncture?

Dr Allbon—As I say, it is still early days. We need to work with all of those stakeholders to see what might be possible and to look at its usefulness in terms of some of the analysis that policymakers want to do about the relationship between formal care and informal care. It would certainly play into that space but it is too early at this stage to say what might be possible.

Senator BOYCE—So it is a conversation that will be continued with the—

Dr Allbon—Particularly with FaHCSIA at the moment and also with the Bureau of Statistics and the Department of Health and Ageing.

Senator BOYCE—And the objective would be to decide, yes, it is worth doing or, no, it is not worth doing. Have you got a sense of when you might be able to come to that decision?

Dr Allbon—The time frames I think are still about six months away.

CHAIR—We have finished outcome 1. We will move to outcome 3, access to medical services.

Senator COLBECK—For the sake of time throughout the day, the standard question on notice will be the information in that letter from Senator Minchin. So if that could be across all groups so that we do not spend time doing that as people come and go all day, that might save a little bit of time.

CHAIR—Thank you, Senator.

Senator COLBECK—I just want to ask some questions in regard to the government's proposed Medicare review. Firstly, who is going to conduct that review?

Mr Kingdon—We are in the process of establishing the review and we are actually setting it up. So there has not actually been a determined group of people yet to do that.

Senator COLBECK—But you will be establishing a review committee or a review group of some form to undertake the review?

Mr Kingdon—To undertake a proper review, yes.

Senator COLBECK—Have you established a process?

Mr Kingdon—That is the safety net review you are referring to?

Senator COLBECK—The ALP's policy document refers to a review of Medicare. It is on page 14 of the ALP's policy document.

Ms Halton—Which policy document?

Senator COLBECK—'New Directions in Australian Health Care'.

Ms Halton—We need to work out which review we are discussing.

Senator COLBECK—I am referring to the safety net review.

Ms Morris—Apologies, the review of the medical benefits schedule was announced in the context of the development of the National Primary Health Care Strategy. We are in the process of considering how we will go about that and consulting with the minister and her office about it. So I cannot give you any details as to how it will work or what the time frames will be, I am sorry.

Senator COLBECK—So you have no information in respect of whether there is a panel or how that might be set up or who might conduct it?

Ms Morris—No, not at this stage.

Senator COLBECK—Or what opportunities there will be for public input and industry input—all of those sorts of things? So there is no information at this point in time about that?

Ms Morris—No, not at this stage, I apologise.

Senator COLBECK—Is there any budget allocated to the review process?

Ms Morris—I am trying to remember if it was in the original budget for it. No, there is not a budget allocated for it this year in particular.

Senator COLBECK—So either there will be a budget allocation in the May budget or it will be done out of existing resources?

Ms Morris—Yes.

Senator COLBECK—Can we go back to the safety net review and just talk about some of the issues in relation to that and the process for setting that up.

CHAIR—Would you like to repeat your question? There was a question at the end of that. We need to go back to the safety net review.

Senator COLBECK—Can you take me through the process that you are undertaking to establish the review panel and how the selection of that panel might be made?

Ms Robertson—It is required under the legislation. Section 4 of the Health Legislation Amendment (Medicare) Act 2004 requires a review to commence into the operation, effectiveness and implications of the act. A person is to be selected from nominations received from independent academic institutions to undertake the review. That is all included in the legislation.

Senator COLBECK—What about practitioners in respect of that, when you talk about ‘independent institutions’?

Ms Robertson—It is independent academic institutions. So when we go out seeking reviewers to undertake the actual review of that part of the act, if there are medical practitioners who are affiliated with academic institutions—

Senator COLBECK—What do you define as an ‘academic institution’—a university?

Ms Robertson—That particular issue is still under consultation with the minister, but certainly we would be looking for people to have appropriate expertise associated with that academic institution, probably in the field of health, economics or something like that.

Senator COLBECK—So does it mean someone who is involved in one of the colleges? You cannot give me a definition of what an ‘academic institution’ means at this point in time?

Ms Robertson—I believe there is no legal definition in that amendment act, no, so it would be the ordinary meaning.

Senator COLBECK—So how am I supposed to understand what you are talking about? That is all I am trying to get a grip on.

Ms Halton—I think you could apply a common-sense definition of what ‘academic institution’ means. I think you would be on very safe ground.

Senator COLBECK—An academic institution is a university.

Ms Halton—A university, an institution which pursues higher learning.

Senator COLBECK—Professional college?

Ms Halton—I think possibly that would not constitute an academic institution. That is not to denigrate the great work done by the colleges, but I think in terms of academic institution

we are talking probably either a research institute or a university or a place of higher learning as generally understood in the community.

Senator COLBECK—So you are looking for nominations from those different academic institutions. What will the selection process be from that group of nominations?

Ms Robertson—We will be seeking nominations from those institutions. As to the actual process, the Minister for Health and Ageing is the one to select the candidate to undertake that review.

Senator COLBECK—Is the minister setting up a selection panel to give her advice? What is the process?

Ms Robertson—The department is providing advice around the procurement of those services.

Senator COLBECK—So the agency is providing advice but not necessarily in the context of an independent selection panel that would work within that process?

Ms Robertson—That is policy advice that we are providing to the minister at the moment.

Senator COLBECK—So what is the time frame for the review commencement and completion?

Mr Kingdon—It would be difficult to give a particular time frame because it is still a matter to be put before the minister, so I would be reluctant to give you a time but it is very soon.

Ms Robertson—It would be some time during 2008.

Senator COLBECK—So you do not know when it will start, but is there a defined time frame for completion of the review from commencement?

Ms Robertson—No. The actual report of the review, once finalised, has to be tabled within both houses of parliament within 15 sitting days. The commencement of the review itself was required under legislation to be commenced within three years of the safety net itself.

Senator COLBECK—So what is the expiry date of the three years?

Ms Robertson—That was in March 2007. So the review was initiated by the previous minister for health and ageing and obviously with the election result we have had to go back to the new Minister for Health and Ageing around the process.

Senator COLBECK—So the process effectively has had to recommence under the new administration?

Ms Robertson—Not completely recommence but new advice has had to go out, yes.

Senator COLBECK—I understand what you are saying. I will go on to the ability of GPs to order MRIs. I understand that measure is on hold pending a review. Can you give me some information surrounding that review process—time frames, when it will commence, when it is expected to be completed?

Mr Kingdon—It is in the process and I cannot again give you a time frame for that.

Senator COLBECK—So we have commenced the review? The review has commenced?

Mr Kingdon—Yes, the department is putting together advice for the minister on this and then it will be put to the minister. So that is the process at the moment, so we are getting all of the background—

Senator COLBECK—So you are effectively conducting an internal departmental review with respect to that particular measure for the capacity of GPs to order MRIs for knee and brain?

Mr Kingdon—Yes, a review to the extent that we provide the minister with adequate advice.

Senator COLBECK—I understand what you are saying.

Mr Kingdon—We then want her to make a decision, and that process is in train right now.

Senator COLBECK—Okay. Of course, the outcome of that depends on the time it takes for you to complete the advice and then for the minister to consider it?

Mr Kingdon—To make a decision, and then if it is a positive decision there would be a whole lot of regulatory change that would also have to follow.

Senator COLBECK—Would you consider that decision would be short term, medium term or long term in time frame, or do you have no idea?

Mr Kingdon—I really cannot give a decision on that.

Senator COLBECK—I just thought I would ask. I was not necessarily expecting an answer, but I know that there are people out there who do have specific interest in where this is going so I was very interested to know. That will do me, thanks, Chair.

Senator HUMPHRIES—I want to ask about the Commonwealth proposals for dental reform and the dental waiting list reduction.

Ms Halton—I am assuming from the introduction of that question you actually want to talk about public dental. There are two election initiatives. If it is public dental, it is actually an acute care issue. If it is teen dental, it is under this area.

Senator HUMPHRIES—Sorry, if it is public dental it is in—

Ms Halton—Acute care.

Senator HUMPHRIES—Acute care. There was a question before about which area it fell in and one of the officers at the table said it is still under item 3. You are saying it is not under outcome 3?

Ms Halton—It depends on which area of dental.

Senator HUMPHRIES—It is not about teen dental.

Ms Halton—In that case it is acute care.

Senator HUMPHRIES—It is acute care.

Senator COLBECK—I had questions on the teen dental one and I put both of them in the same output.

Ms Halton—Teen dental is here.

Senator COLBECK—Okay, fine. The teen dental program has been announced as a \$510 million program by the minister.

Ms Morris—I think that is the entire value of the dental commitments. Teen dental is a subcomponent of that.

Senator COLBECK—I am going to differ with you there, because my research indicates that the combined total of the dental stuff is about \$800 million.

Mr Andreatta—Yes, the government announced a \$510 million measure for the teen dental plan. It has since been revised down to \$325.8 million.

Senator COLBECK—Does Mr Tanner know about the extra money sloshing around in the system?

Ms Halton—Undoubtedly.

Mr Andreatta—So the figure has been revised down to \$325 million—

Senator COLBECK—That was after costing by Finance?

Mr Andreatta—Correct.

Senator COLBECK—So what is going to happen to the additional funds that are remaining? Has there been any decision made on that?

Ms Halton—There are not additional funds. Basically, money that is being appropriated is the estimated cost of the program.

Senator COLBECK—But I am aware of statements by Minister Roxon that the full \$800 million will be spent on dental. So was the revised amount \$326 million? Was that right? Sorry, I cannot see it here in my notes. The revised amount from the \$510 million was how much?

Mr Andreatta—\$325.8 million.

Senator COLBECK—\$325 million, yes. So we do not know where the other funding is going to be allocated to?

Ms Halton—We have in front of us this document which actually shows the money that is appropriated. As Mr Andreatta says—and it is on page 19—the money that is appropriated to teen dental is that amount. So I cannot—

Senator COLBECK—\$325 million?

Ms Halton—I cannot make a comment; if you add up the columns and see what it gets to.

Senator COLBECK—Perhaps it is a question I should direct to the parliamentary secretary.

Ms Halton—Can you point us to that comment? I am not aware of it, Senator.

Senator COLBECK—The comment?

Ms Halton—Yes. You say that there was a separate commitment made. I have to say I am not aware of it.

Senator COLBECK—The Labor Party policy document talks about \$510 million. I am just trying to find the statement by the minister, who, when this change was announced, advised that there would be \$800 million spent on health, on dental. The Labor Party policy document clearly announces \$510 million when they talk about the—

Ms Halton—We have been required to cost together with Finance and then put in the budget documentation the actual cost of delivering the commitment. In this particular case, the cost of delivering this commitment in conjunction with Finance comes out to the amount that we have just been discussing, and that is what is appropriated. So it is about the funding that is required to actually deliver on the commitment, and that is my understanding of exactly what is being done here.

Senator COLBECK—In an article in the *Weekend Australian* a spokesman for the minister said on 1 December 2007:

But a spokesman for incoming health minister Nicola Roxon yesterday stuck by the party's commitment to an overall dental health budget of \$800 million this term ...

It goes on to talk about our previous program. My question is that you have a teen program which was costed when it was announced at \$510 million. Subsequently it has been costed by the department of finance, and that number has come down to \$325 million. That is a difference of \$175 million, which is obviously a lot of money. My question is: what is happening with that \$175 million, given that the minister has said it is going to be spent on dental?

Senator McLucas—I am not following you, Senator.

Senator COLBECK—It is not difficult. Your policy document says that you will spend \$510 million on a teen dental program. It was released in a media statement on 11 November 2007:

A Rudd Labor Government will invest up to \$510 million over three years to assist over one million Australian teenagers between the ages of 12 and 17 with dental costs ...

That is right. I have the same document in front of me. The important words are 'up to'. It is not about the figure; it is about the outcome. The outcome will be—

Senator COLBECK—So you promised—

Senator McLucas—To assist over one million Australian teenagers aged between 12 and 17 with dental costs.

Senator COLBECK—But on 1 December—

Senator McLucas—That is what we are going to achieve.

Senator COLBECK—But on 1 December a spokesperson for the minister said that you will spend \$800 million.

Senator McLucas—That is right, and if you read further on that document says:

The **Teen Dental Plan** builds on Federal Labor's investment of \$290 million to provide up to 1 million additional dental consultations and treatments to help clear public dental waiting lists around the country.

This brings Federal Labor's current investment in better dental health to \$800 million over the forward estimates period.

Senator COLBECK—Which statement is that?

Senator McLucas—I am reading from a media statement of 12 November 2007.

Senator COLBECK—12 November. I do not have a copy of that.

Senator McLucas—You table yours and I will table mine.

Senator COLBECK—Okay. This is off the website. I am reading from a *Weekend Australian* article from 1 December 2007. I am quite happy to give you a copy.

Senator McLucas—I think we are actually agreeing.

Senator COLBECK—I am not sure that we are. You had a program that was touted as being a \$510 million program. You are now telling us it is a \$325 million program. I am just trying to—

Senator McLucas—The outcome is what is important. The important words are—goodness me, I have sat in that chair and others have sat in this chair—'up to'—

Senator COLBECK—You promised to spend \$510 million.

Senator McLucas—What are the words before \$510 million?

Senator COLBECK—'Up to'.

Senator McLucas—That is right.

Senator COLBECK—I could accept, Senator McLucas, a \$2 million or \$3 million variation, but I find it very hard to accept a \$175 million variation.

Senator McLucas—What is not going to vary is the over one million Australian teenagers aged between 12 and 17. That will not vary.

Senator COLBECK—We will come to the cohort shortly. I find it hard to accept that there is a \$175 million gap in your promise. It is quite clear. As I said, I would not be raising any dust if it were \$5 million or \$6 million. That is within the bounds of variation. But I have to say that \$175 million is a fair gap out of what is touted to be a major spend on teen dental care. I think your suggestion that 'up to' is a reasonable out for only spending \$325 million is not a reasonable out. I do not accept that at all.

Senator McLucas—The program will be delivered.

Senator COLBECK—You can satisfy me by saying what you are going to spend the other \$175 million on. The agency has already told me that you have only appropriated \$325 million. So that is all the money that is in the budget. The minister said you are going to spend \$800 million. Where is the other \$175 million? It is not in your appropriations. We have already established that. Where is it at?

Senator McLucas—If I can get any further information for you I will, Senator. But I think we have answered your question. The program will be delivered. The one million Australian teenagers between 12 and 17 will get a service. They can claim \$150 of the cost of a dental check-up a year.

Senator COLBECK—I understand all that. That is all quite clear. But you have gone out there with a big splash saying that you are going to spend \$510 million.

Senator McLucas—It is an excellent program and it will be delivered. To be frank, we will deliver a much better dental health outcome for teenagers in Australia than what they have had previously.

Senator COLBECK—But where is the other \$175 million? Your minister said you would spend it.

Senator McLucas—If there is further information to provide you I will. But can I tell you that we are extremely proud of the way that we will deliver a better dental health outcome for Australians.

Senator COLBECK—You might be very proud but there is \$175 million missing. Your minister said quite clearly—

Senator McLucas—You are saying that.

Senator COLBECK—Your minister said—

Senator McLucas—‘Up to’.

Senator COLBECK—No, your minister said that the government would spend \$800 million in an overall health budget this term. A representative for your minister said that on 1 December in the *Weekend Australian*. So there is \$175 million—

Senator McLucas—There are a number of components—

Senator COLBECK—‘Up to’ does not appear in this article. It has nothing to do with ‘up to’. I accept that that is the figure. The officers have told me you have \$325 million in your appropriation. Your promise was to spend \$510 million. Your minister said through a spokesman on 1 December that you would be spending \$800 million. I am asking: where is the other \$175 million? I think it is reasonable for us to ask. You went to the election with that as a policy. All I am wanting to know is: where is the \$175 million? It is a lot of money. Has Minister Tanner got it back? Where is it?

Senator McLucas—If there is any further information to provide you we will. But to be frank, I think we have answered your question quite clearly.

Senator COLBECK—Well, you have not answered my question.

Senator McLucas—The program will be delivered.

Senator LUNDY—There are only so many ways you can ask the same question.

Senator COLBECK—But you have not told me where the \$175 million is, Senator Lundy. Where is it?

Senator LUNDY—You have an answer. Now move on.

CHAIR—Senator, we have your question on record. Then we had the response.

Senator COLBECK—With respect, I do not have an answer except that there will be some advice.

Senator LUNDY—It is on notice.

Senator COLBECK—I would have expected there would be a better explanation than that.

Senator LUNDY—Sounds reasonable to me.

Senator COLBECK—Just reflecting back, had the situations been reversed I am sure, Senator Lundy, you would be very, very anxious to know where \$175 million had disappeared to.

Senator LUNDY—No, you are alleging it has disappeared.

CHAIR—Senator, the discussions between—

Senator COLBECK—There is no explanation.

Senator LUNDY—You are alleging that. It is not a statement of fact.

Senator COLBECK—I have not been able to get an answer to my question here this morning.

CHAIR—Senator Colbeck, the discussions are between you and the officers and the senator at the table.

Senator COLBECK—With great respect, I have not been able to get a straight answer to any question here today in respect of Labor policy. I have asked about the reform commission. Your 100 days is up on Monday week. We do not know who is going to be the chair, how it is going to be formed, what the selection process is. Your election promise—and I am sure you expect to meet your election commitment, Parliamentary Secretary—is to have this body formed within 100 days of the election. That is Monday week—eight working days from now—and you can give me absolutely no detail at all on how that body is going to be formed.

Senator McLucas—The minister is deliberating on that as we speak.

Senator COLBECK—I asked you this morning about the process for that. You cannot even answer that. Is there a selection panel in place? Who is on the selection panel? What form is the commission going to take?

Senator McLucas—I gave you an undertaking to come back with further information that could be provided.

Senator COLBECK—There is absolutely no information on any of these questions.

Senator McLucas—There is plenty of information, Senator. One million kids between 12 and 17 will get up to \$150 a year that they would not have had—

Senator COLBECK—With \$175 million missing out of the budget—\$175 million gone.

Senator McLucas—That they would not have had under your government. We are looking after the teeth of kids that you were prepared to leave by the wayside.

Senator HUMPHRIES—You spoke about the objective being more important than the input, in effect.

Senator McLucas—The outcome surely is more important to us all for dental health of teens in Australia.

Senator HUMPHRIES—Indeed. I want to clarify what the outcome actually is. You quoted from the policy to say that it was to clear public dental waiting lists in this area.

Senator McLucas—No. There are two separate programs. One is the teen dental program, which is allocating up to \$150 per child—what is the right language?—so they can claim \$150 of the cost of a dental check-up. The other program is a program to clear the public dental waiting lists, which is a completely separate program.

Senator HUMPHRIES—So the \$150 check-up is only a check-up? It is not for treatment following a check-up?

Senator McLucas—It is probably a scale and clean. It is probably analysis of needed orthodontic work—the sorts of things that your children are going through that mine went through and we paid for.

Senator HUMPHRIES—Is that available not means tested or is it done through the Medicare system?

Senator McLucas—It is means tested.

Senator HUMPHRIES—Can you tell us what the threshold is for obtaining that service?

Senator McLucas—I cannot but the officers might be able to.

Ms Morris—It is available to children aged 12 to 17 inclusive who are in receipt of youth allowance or Abstudy or are in families who are eligible for family tax benefit A.

Senator HUMPHRIES—And you expect there are a million children who fall into that category?

Ms Morris—I think it is 1.1 million a year.

Senator HUMPHRIES—Thank you.

Senator COLBECK—I will ask some further questions but following on from that one. When is the program supposed to commence?

Ms Morris—It was announced to take effect from 1 July this year.

Senator COLBECK—I know you are talking about teens, but what about 18- or 19-year-olds who are dependent students who fit within that category?

Ms Morris—They were not within the ambit of the election announcement, Senator.

Senator COLBECK—I understand that, but I am just asking a question. I am aware that particularly with respect to dependent students there are a number of different classifications depending on different types of programs, Abstudy and those sorts of things, and a dependent can be anything from 20 to 24 or 25 years.

Ms Morris—It basically has a specified age range and applies within that age range to teenagers in receipt of one of those three payments or any family in that category.

Senator COLBECK—Who is going to be administering the program?

Ms Morris—We are still in discussions with the government about how the program will actually be run.

Senator COLBECK—A decision has not been made, so it makes it difficult to go any further with the questions. Will it be run by the states, for example? Is that a possibility?

Ms Halton—I think the officer has indicated that there is no decision yet on exactly what the administrative details of this program will be. Again, to anticipate the question, obviously we cannot comment on the advice we might have been given in that regard.

Senator COLBECK—We might have to come back to this again closer to the event.

CHAIR—Are there any other questions on this item?

Senator COLBECK—The other dental program is in a different output, is it not?

CHAIR—Ms Halton, can you explain why they are in two separate outputs? I would have thought that all teeth were in one output. Why are two programs looking at dental care in two separate outcomes?

Ms Halton—The logic of your position is unassailable, Senator. However—

CHAIR—I am often confounded by your structure.

Ms Halton—Indeed. There is a history here. I have to say that it may not stay in two places. The reason it is there at the moment is historical and it is to do with the history of who has tended to deal with the hospital type service. You would recall that under the previous Labor government there was a program and this area dealt with those issues.

CHAIR—So two separate groups of officers are handling the two areas?

Ms Halton—Precisely. However, I am not undertaking that it will remain two separate groups of officers. Once we have sorted out some of the intended implementation detail in both of these areas—

CHAIR—They may come together? So we will have to hold the questions on the other dental program.

Senator COLBECK—So that is in what outcome?

CHAIR—Outcome 13 is where the other dental program is.

Ms Halton—That is correct.

CHAIR—Are there other questions on outcome 3?

Senator HUMPHRIES—What is the general bulk-billing rate for all Medicare services at the moment?

Mr Woodley—For the December quarter 2007 the overall bulk-billing rate for all services was 73.4 per cent.

Senator HUMPHRIES—How does that compare with the historical highest point for bulk-billing of Medicare services?

Mr Woodley—I will need to find that information. According to my quick analysis, there does not appear to have been a higher rate by financial year since Medicare commenced.

Senator HUMPHRIES—I see. To assist you, I understand that GP bulk-billed services peaked in 1996-97 at 79.7 per cent, according to my information. What do they stand at at the moment?

Mr Woodley—At 78.2 per cent.

Senator HUMPHRIES—So about 1½ percentage points below the peak in 1996-97?

Mr Woodley—Correct.

Senator HUMPHRIES—I am looking at a media release from Minister Roxon from the weekend where she says that the bulk-billing rate highlights how much needs to be done to rebuild health services after the last decade of neglect. It would appear that the bulk-billing rates are at either above or just below historically high levels. Can I ask the minister: what is the intention of the government with respect to bulk-billing rates? Do you believe that they are too low and need to rise further? If so, what do you intend to do to achieve that objective?

xmcl—What we do know, and I am sure you agree, is that Australians value having bulk-billed medical services. What we have seen over the last 11½ years is a deterioration of that ability over time. The events of last two-and-a-little-bit years, with the changes that were brought in 2½ years ago, have changed it for certain cohorts of the community, and I think you are aware of that. It is only in the last 2½ years that we have seen any change in the bulk-billing rates other than going downwards. That has turned around for some groups.

We will be looking very closely at making sure we have an effective health system in this country—one that works with the private sector through general practice, as you have identified, and an effective public health system through our cooperation with the states and territories and the National Health and Hospitals Reform Commission. Improving Australia's health service across the whole range of health delivery is our goal. Part of that will be looking at how we best work with particularly GPs but also with specialists to end up with the best possible access to the primary health care through those services.

Senator HUMPHRIES—Thank you, but my question really was: what do you want to do about bulk-billing rates? Do you regard the level they are at at the moment as being satisfactory or is it the policy of the government to further increase those rates? Do you regard them as being indicative of a system which is in need of some improvement in that area?

Senator McLucas—You quoted from the minister's press statement. I thought I had all the minister's press statements here. What was the date of it?

Senator HUMPHRIES—It is 15 February. In fact, she says:

The minor variations in bulk-billing ... suggests that rates have hit a plateau for the moment.

This highlights how much needs to be done to rebuild health services after the last decade of neglect—in the entire decade of the previous Government, GP bulk-billing rates never reached the high levels they reached under the previous Labor Government.

Actually, that is not true because they rose after the change of government to their highest level. But putting that to one side, the minister saying that it is at a plateau would suggest to me that she is concerned about them dropping back, or not rising any further. I am just trying to elucidate whether that indicates that the government wants to see bulk-billing rates continue to rise and whether it has a target. If so, are there any specific measures to achieve that higher target?

Senator McLucas—The minister is right: bulk-billing rates have plateaued. They increased about 2½ years ago for certain cohorts in the community and then they have plateaued.

Senator HUMPHRIES—Indeed, she is right, but that is not my question. My question is: what do you want to do with the rates? Is there a government objective with respect to those rates? Do you regard the rates at this plateau as being satisfactory? I inferred that the minister was saying that this was a problem, but maybe she meant, ‘Fantastic, it has reached a plateau. That is where we want it to stay,’ or does she want it to go higher? What is the government’s view about what the bulk-billing rate should be?

Senator McLucas—I am looking at the Australian Capital Territory bulk-billing rate of 51.3 per cent. I think I know what you would think, as the senator representing that area. Would you be happy that that was plateauing at 51.3 per cent? I know it is not my place to ask you a question. It is a bit of an old habit.

Senator HUMPHRIES—Yes, I am very glad you are asking me questions. But it is not my place to answer them. In fact, I wanted to ask you a question about the ACT’s rate. Perhaps you could take on notice the question of whether the government has an objective or goal with respect to bulk-billing rates. Certainly, there has been a great deal said about bulk-billing rates in the last few years. So I would be interested to know what the government’s views were about the bulk-billing rate. Is it an indicator of success or failure in our health system, for example? You mentioned the ACT. Historically, we have had a lower bulk-billing rate than anywhere else in Australia. That low rate has been criticised frequently by politicians on both sides of the fence, as Senator Lundy would know. Even if it is accepted that the overall rate was satisfactory, are there any measures that the government would consider to lift the rate in those areas of Australia where they are significantly below the national average?

Senator McLucas—I could ask what the previous government did for the last 11½ years to do exactly that, but that would be cheeky.

Senator HUMPHRIES—And irrelevant.

Senator McLucas—But you are seeming to express a view that 51.3 per cent is not satisfactory.

Senator HUMPHRIES—Indeed. I support that view unequivocally. My question is: what can we do about it? That is my question.

Senator McLucas—We have, as we have described, established a whole range of measures that look at not just bulk-billing rates in isolation but a broad analysis of the best way to deliver quality health services across the range of service delivery points that we have in our complex health system in Australia. Part of that health and hospitals review commission work will be to look at the relationship between the service points in our system that we have including, of course, the essential and important role of GPs. As a part of that I am sure the issue of bulk-billing rates will be discussed. How you do it region by region I am not sure I personally have the answer, but course it is a desire of any government—yours, mine, whoever’s it might be—to increase access to GP services. Whether or not you think bulk-billing rates are an indicator of success, access or whatever it might be, I am sure

you are concerned by the bulk- billing rate in the ACT. I would be if I was its representative, too.

Senator HUMPHRIES—Thank you.

Senator MILNE—I just wanted to ask some questions about MSAC. Can you indicate to me how much funding is allocated for MSAC in this financial year and whether any of the additional \$15 million in this output is for MSAC?

Mr Kingdon—There is no specific budget for MSAC, because it is funded out of departmental running costs. So it is on a demand basis. That is why you will not find it specifically allocated in the budget papers.

Senator MILNE—That is why I was looking for it and I could not find any allocation for it.

Mr Kingdon—No, it is not there. It comes out of the allocation which is for outcome 3, which was \$31 million this year.

Senator MILNE—But there is no nominal budget for it; it is just whatever comes up gets considered. One of the stated objectives for MSAC is to narrow the gap between research, knowledge and clinical practice. I would like to ask whether there are any performance indicators that the department uses to determine whether MSAC is narrowing the gap between research, knowledge and clinical practice so that we can have some sense of whether it is meeting this objective. Are there performance indicators and, if there are, what are they?

Mr Woodley—From memory, there is a general performance indicator in the portfolio budget statement that relates to the proportion of services, technologies and procedures going on the MBS which have been subjected to an MSAC health technology assessment. That is the only formal indicator that I am aware of.

Senator MILNE—So at this point no-one could really make a judgement about whether MSAC is meeting its objective of narrowing the gap between research, knowledge and clinical practice? It is just a subjective judgement?

Mr Woodley—That is the only measure I am aware of.

Senator MILNE—Just to continue from there, I understand that MSAC received a report on the use of PET in treatment and planning of recurrent bowel cancer in 2006 and that MSAC forwarded its recommendations to former minister Abbott after its August 2007 meeting. I would like to know from the department why this re-going over, if you like, assessment by MSAC took 14 months to complete.

Mr Kingdon—I do not quite understand ‘re-going over’. The MSAC process, on average, takes between 16 and 18 months. So I am not quite sure what the question is.

Senator MILNE—There was a previous report, but I shall go into more detail on notice if that would help you in that regard. MSAC reviewed its procedures and published a report in May 2005 in which it undertook to establish time frames for committee and advisory panel processes. That was to be used as a key performance indicator. Can you indicate what those key performance indicators for the MSAC committee time frames are and how often MSAC

has met them since its report was published? How often is it meeting that key performance indicator on time frames and what is the key performance indicator?

Mr Woodley—The department monitors and updates the period of time that is taken to undertake and complete an MSAC assessment. There are no formal KPIs other than the one I mentioned earlier. We certainly monitor that progress, but that is the extent of our KPIs at this stage.

Senator MILNE—So that report in May 2005 in which MSAC undertook to establish time frames for the committee and advisory panel processes and use it as a key performance indicator was never achieved?

Mr Woodley—I would have to say that particular outcome of that review has not been followed through in its entirety at this point.

Senator MILNE—So is it something that you intend to follow up on? I would have thought that having a time frame for committee and advisory panel processes would be a good idea, because the community is frustrated about the length of time it is taking. They have no idea whether the delays are appropriate or whether they are stalling tactics to avoid spending money.

Mr Woodley—If I could say this: we are constantly looking at ways to further refine the support that we provide to MSAC in order to provide both evidence based advice to government and also timely advice.

Senator MILNE—Has the government made a decision about the extension of Medicare funding for PET scanners for recurrent colorectal cancer, melanoma and ovarian cancer, given that the government sponsored research showed that treatment is improved in more than 50 per cent of patients with these lethal conditions?

Mr Kingdon—Those three items are being submitted to the minister very soon. They went through an earlier process, but because we had an intervening election we had to restart again. So they will be going to the minister soon.

Senator MILNE—When you say you had to restart, what do you mean by that?

Mr Kingdon—We had to go through the whole process of putting the material together in order to allow the new minister an opportunity to consider those recommendations from the MSAC.

Senator MILNE—When did you make a recommendation to the previous government or previous minister?

Mr Kingdon—I cannot recall when we went to the previous minister.

Ms Halton—In any event, we would not actually provide details of when we gave advice on particular issues. As the officer has indicated, this matter is under consideration. What happened under the previous government is a question of advice, and we cannot comment on advice that was given.

Senator MILNE—Then I will ask Senator McLucas in a different way and I would like this taken on notice. When did the previous minister receive advice from the department

concerning Medicare funding for recurrent colorectal cancer, melanoma and ovarian cancer because—

Senator McLucas—So you are asking me when the previous minister—

Senator MILNE—When the department briefed the former minister.

Senator McLucas—I do not think I can provide you with that information. I am not allowed to ask the department, and I think it is quite inappropriate to ask when, if or what they provided to previous ministers. It is not appropriate that I ask the departmental officials what they told the previous minister.

Senator MILNE—Whilst that might be the case, the community would like to know just how long the former government sat on this information, because we have no idea how long the patients who are suffering from these cancers will have to wait for a government decision on the extension of Medicare funding. However, I take your point that you are about to brief the new minister in that regard. Senator McLucas, is there any time frame that would be given in this case? Is there a protocol about the length of time the government might take to consider such a decision?

Senator McLucas—Not that I am aware of. We are trying to deal with things as expeditiously as we absolutely can. I do not know if officers will be able to say if there is any protocol about how long advice should be considered by a minister.

Senator MILNE—Perhaps you would just take on notice the fact that there are cancer sufferers out there with those particular cancers who are desperate to know whether the Medicare funding is going to be extended and expedited in this regard. My next question again is for the department. I understand that the government received a report in 2003 that demonstrated that PET improved the treatment in more than 50 per cent of bowel cancer patients and reduced the cost of care by approximately \$4,000 per patient. That report was authorised by MSAC health economist Dr Terri Jackson and the Peter MacCallum Cancer Centre. The research protocol was approved and the research was funded by the department's consultative committee for diagnostic imaging. But when it had paid \$79,212 in fact to compile the data showing PET reduced patient suffering and saved money, why did the department decide to proceed with additional data collection such that it did not report to MSAC until June 2006? Who made the decision to go out after extra data collection?

Ms Halton—We do not have that detail here. I will have to find that out. We will come back to you on notice.

Senator MILNE—Specifically in relation to that, what I am really getting to is this: why did the government incur the cost and delay of restudying some cancer indications when other important areas had not been evaluated by MSAC?

Ms Halton—We will go and have a good look at this and come back to you on notice. My memory is that there was not enough data to actually justify the claim but I cannot be confident about that. We will go and have a look at it and we will come back to you in detail.

Senator MILNE—It has been put to me that the MSAC process is a method being used by the government and the health department to essentially cap expenditure and therefore stop significant healthcare developments. That observation is not from me; it is from some fairly

highly placed people. Can the department provide data on the number of new surgical procedures placed on the MBS in the six years before and subsequent to MSAC's commencement? I think it would be very interesting to look at that comparison. Of course this is in the context of the huge cost to government of new technology in medicine.

CHAIR—I think that will have to be taken on notice. That is a significant historical question.

Senator MILNE—Yes, I am asking for that to be put on notice.

Ms Halton—I will take that on notice. I just caveat that by the fact that I am not completely confident that the records will enable us to disentangle that going back that far, but I will see what I can do. Can I make a general observation, though. I am absolutely acutely aware of the issue that you raise because it is raised with us on a regular basis. It is raised with us in an environment where very often people who are incredibly well intentioned want a particular therapy—whatever it might be—stuck on the schedule as fast as possible. There has been a history of attempting to ensure that treatments that we fund—and people are doing other things—actually have an evidence base and are cost effective. There is a vigorous debate inside the academic community, amongst econometricians and amongst a whole series of people, about, firstly, what constitutes evidence and, secondly, on what basis therefore you should actually fund something. This is contested space. I think the fact that there is a debate around this is actually a good thing. We are more advanced at this in respect of pharmaceuticals because the science, if I can put it that way, is very well developed.

In this space it is not as well developed but, nonetheless, the methodology of actually looking at the outcomes of particular treatments, therapies et cetera and the cost-effectiveness of that is something which is recognised worldwide as being an appropriate way to consider the government funding of services. I am very conscious, for example, that even at the WHO, where you are talking of global systems and sometimes systems that are very immature and underfunded, they still attempt to do this in those contexts. So I understand the issue that is being raised with you. As I say, it is raised with me, it is raised with Professor Horvath, it is raised with Mr Learmonth, it is raised with us all the time. We will see what we can do in relation to your question. What I think might be also useful is to give you a little bit of background on the kinds of methodologies that are used and give you some perspective on what some of that debate is about, because this is contested space.

Senator MILNE—I thank you for that, but I do have some experience of politics. You may well have a considerable experience in the department, and I am also very well aware that governments love to pass off these kinds of decisions in contested space for a very long time so that the cost implications of the outcomes can be shifted into the future. With medical technology it is highly emotive space, as you have just indicated, because we are talking about cancer patients' lives in the case of this particular technology and application. Having spent as much time as I have around the whole MSAC process and the whole PET assessments, I am very well aware of just how political this is. That is why I am asking the question: how many before MSAC and how many post MSAC? We all remember former minister Wooldridge. We all remember what happened then. So let us have a very frank discussion here about how realistically we are addressing this or whether we are having cost-shifting, cost-delaying exercises at the expense of public health. In a lot of cases it is false

economy to delay because some of these new technologies, as has been demonstrated to me, actually save substantial costs in the long term. So that is the context in which I asked the question. Yes, it is put to you and it is also put to me from the sufferer's point of view and you have governments in between.

Ms Halton—I am very aware of that. I should say that I was not the secretary of the department under former minister Wooldridge. I am not in any position to make any observation or comment about that. Your point about time limits is well made. You have made the point in relation to appropriate performance indicators. That is a well-made point as well. We will come back to you and I will give you that extra information. It will not resolve the issue, but it might illuminate some of the issues that are being struggled with in this space.

Senator MILNE—Thank you.

CHAIR—Any further questions on this point? Senator Polley, on the same point?

Senator POLLEY—On the same area, yes, and that is in relation to the processes. I think most people here would be aware of the issue surrounding PET and the report that was brought down. From our report that our committee looked into, I think it is fair to say that the majority of people on this committee, if not all, believe there was an issue relating to how the department sets up and protects the integrity of those people taking part in those reviews. I was wondering, as we suggested at the previous hearing, whether anything is being put in place to protect the professional integrity of those professional people in terms of, when a report is handed down, whether they have the opportunity to review that and either have their name removed from or sign off on the reports.

Mr Kingdon—It is a fairly rigid process in terms of reports that are brought down or prepared—

Senator POLLEY—Well, with all respect it obviously has not been in the past.

Mr Kingdon—We are talking about now, sorry. I am talking about as it is now. It is a very rigid process whereby reports are prepared and members are given the opportunity to comment and to agree or disagree. I think that all protection is there in that process in the same way as the very professional way we select the people who undertake these reviews. So I can give an assurance that it is not an issue at present. I am well aware of the comment you are making about the past, but I think that is something that is still a contested issue.

Senator POLLEY—To be helpful to me and others, could you then step me through what changes have been made that are appropriate now, as opposed to when that particular report was handed down? What are the processes and protections that have been put in place that was undertaken to be done so by the department?

Mr Woodley—Senator, I think the previous experience you are referring to has made both the secretariat to the committee and the committee itself much more conscious of the need to observe appropriate process to ensure that all members advisory panels, when appointed, are fully informed about the role of them as individuals on the panel, the role of the panel as a whole in relation to MSAC and the nature of MSAC's advice to government. Certainly the department's record keeping around advisory panel processes is now performed in such a way as to ensure that the views of members of advisory panels are appropriately reflected in

minutes. I believe it is now routine that chairs of advisory panels, who are in turn members of MSAC, in conveying the advice of the advisory panel to the full committee, would be conveying to MSAC the extent to which there may or may not have been a range of views expressed on that advisory panel about the conclusions that their report contained.

Senator POLLEY—With all due respect, in relation to minutes of meetings, we have heard evidence over a number of years in relation to the assertion that minutes had been changed. With all due respect, I do not have a lot of confidence in minutes that have been taken. I guess what I am looking for is: is there an authority statement that the department has developed for those professionals to sign off on?

Ms Halton—Senator, in relation to the minutes, we changed the protocol right across the department in respect of signing off on minutes in respect of the views either completely accepted or dissenting. In fact, that whole experience has changed literally the way we take minutes right across everything we do in the department, not just in this respect. But maybe the best thing to do would be to take this on notice and give you chapter and verse, line by line in relation to those procedures.

Senator POLLEY—That would be very good. Would it be helpful if I tabled an example of an authority statement that is used in other areas that may be of help?

CHAIR—Are there any other questions on this particular issue? Senator Humphries has questions in this area but he is not here.

Senator ADAMS—My questions are about nurse practitioners' access to MBS and PBS. I do not know if I have the right people at the table. As you would be aware, remote area nurses and remote nurse practitioners—I am really speaking about the remotes; I am not talking about nurse practitioners working within a metropolitan area. This is about our remote area nurses and remote nurse practitioners.

Ms Morris—Senator, can I just check that you are talking about nurse practitioners rather than practice nurses?

Senator ADAMS—Absolutely. Sorry, I could go further—

Ms Morris—No, that is fine. It is just that—

Senator ADAMS—I am not talking about nurse practitioners working within a regional or rural doctors surgery or medical service. I am talking about our remote nurse practitioners who have done their masters and who are very competent and qualified people and our remote area nurses, who we are trying to encourage to stay out there. I am talking more about the Centre for Rural and Remote Nurses catchment in the Northern Territory, north-west Western Australia and right across Queensland—in those really remote areas—where they may be lucky to have a clinic visit by a doctor perhaps once every four months. So therefore the communities, whether they are big or small, are completely reliant upon these people for their medical services.

The big problem for them is that, with diagnostic services such as STIs and HIV screening and screening with respect to any chronic disease, they are sending down their pathology swabs and, because they do not have an item number or no doctor is prepared to help them in that respect, the diagnostic labs are not coming up with the results. This is causing a huge

problem for the people living in that area and terrific frustration for the medical people who are dealing with the issues. Also, when it comes to prescribing rights, they do not have a provider number, and a large number of doctors working out in those areas now are foreign trained doctors and they are not prepared to have that nurse practitioner work under their provider number. What strategies are being implemented to support credentialed remote area nurses and remote nurse practitioners to access MBS and PBS to provide this critical health care?

Ms Morris—There are no MBS items currently that are specifically for nurse practitioners, which is what you have just said, and there are none under development. However, you will be aware that the Prime Minister announced an audit of the rural medical workforce late last year. I cannot recall the exact date, but the government has clearly indicated an interest in finding out the facts behind who is and is not there in the various streams of the medical workforce in rural and remote Australia.

Senator ADAMS—We have to wait for the review to see what the results are. Hopefully this is included in it, because it is a huge problem. With the Northern Territory intervention area, those people are doing the training and they are also taking the brunt of a lot of the health service provision once the teams have gone through and said, 'Right, this is going to have to happen and that has to happen.' Where do they go after that? So it is the patient who is suffering. The staff are there doing their best, but under the guidelines they cannot go any further. I have had a number of people come to me about this, not just the Centre for Rural and Remote Nurses. The Health Consumers Council of Western Australia is certainly following this very closely. Michelle Koskie's question was: what action is the government taking to extend prescribing rights under the PBS to nurse practitioners and when will the action be completed? So at least I have got it out there and I have flagged it. Thanks very much.

CHAIR—Any further questions, Senator?

Senator ADAMS—That is just on that one.

CHAIR—Anything else in outcome 3?

Senator ADAMS—I do not know whether radiation oncology problems for cancer patients was raised before I came back. My question goes to the shortage of radiotherapy services. I also want to ask a question on the funding that has been put out to attract students into radiology—that is, how successful it has been and whether we have got any responses to that program.

Ms Halton—Is this actually a workforce question, Senator Adams?

Senator ADAMS—Yes, it is in this program, though. It is something that you gave us today—with all of the different programs. I thought it was in this outcome, but I cannot find it in my numerous pages here. Yes, it is under outcome 3—the radiation therapy internships and undergraduate program.

Ms Korn—This program continues to operate as planned and the number of interns and graduates continues to go through the system as funded under this measure.

Senator ADAMS—So how many? Can you tell me how popular it is?

Ms Korn—We will have to provide that information later to give you the exact numbers.

Senator ADAMS—Do we have the right people here for radiation oncology services questions relating to waiting lists and the associated problems?

Ms Halton—Is it a benefit issue?

Senator ADAMS—No, it is not. It is about the problems with the waiting times, because people just cannot get in to have their radiotherapy—mainly rural people. At the moment we have rural people not having any treatment simply because they cannot get in to have it. That is from the Cancer Council. It is really difficult.

Ms Halton—Indeed. We have been conscious for some years, Senator, of some of the issues and there have historically been a number of initiatives to try to deal with a number of things like workforce supply and some of the issues with respect to equipment. But, as you know, a number of these services are actually provided publicly, so the question of exactly how we answer the specifics of the question gets a little tricky.

Senator ADAMS—I guess it is a matter of just flagging the problem that, no matter what seems to happen, because cancer is causing problems for more and more people, we are just having huge problems and the quality of life and survival rates are being affected.

Ms Halton—Yes. I think there is an understanding, certainly in the department, of those issues. Again, as you know, the whole question of regional and rural access to services is part of the review process underway in the commission et cetera. These issues will no doubt be at the forefront.

Senator ADAMS—Thank you.

Senator McLucas—It does not give me any comfort, I can tell you that.

[3.48 pm]

CHAIR—If there are no further questions on outcome 3, we will now move on to outcome 2—access to pharmaceutical services.

Senator ADAMS—I have questions on a series of different drugs that have been recommended by PBAC. Both Tykerb, which is a breast cancer drug, and Tysabri, which is a drug for multiple sclerosis, were recommended in November and December last year by PBAC. My question is: what is the process from there as to when cabinet may look at these drugs?

Mr Dellar—You are quite right. Those two drugs were recommended by the PBAC in November last year. Following a PBAC recommendation there are a series of processes. There needs to be confirmation with the company on price; there needs to be a review of the expected use of those drugs and confirmation on exactly how those drugs will be used; and there needs to be a restriction settled, which describes who can prescribe those drugs, under what circumstances and for whom. In many cases—and, in fact, in both of these cases—there will be a need for a risk-sharing agreement between the department or, if you like, the Commonwealth and the drug company. When all of those things are settled then the matter is taken to government for a decision if the drug costs more than \$10 million in any one year and, in the case of those two drugs, they do.

Senator ADAMS—So are they just sitting still or are they moving? Can you give me any advice on that?

Mr Dellar—In both cases there has been good progress. We have been in negotiations with the company and we have reviewed prices. In neither case have we yet settled the matter and asked or received a decision on whether or not they will be listed.

Senator ADAMS—There is a pump for Parkinson's disease. So I am just going to say that it is a Parkinson's pump, which I think you are probably aware of. The coalition government agreed during the election campaign to fund \$45 million for this Parkinson's pump. It is something that other countries already have out there. My question is, probably to the minister: will Labor continue to look at this particular medication as it is? As the population is ageing, of course, unfortunately the incidence of Parkinson's disease is rising. This pump is something that just hooks on to your belt. It is a bit like the one we have for diabetes—the same thing. It was a commitment of the former government, so I am just asking if Labor would continue to look at supplying this pharmaceutical.

Senator McLucas—I can tell you that I met with Parkinson's Australia, who made the same request, and I will be discussing that with the minister.

Senator ADAMS—Duodopa also is before the PBAC. That comes with a pump as well. Could I ask where that is sitting at the moment?

Mr Dellar—We have quite detailed arrangements between ourselves and companies about what information is made public. At the present time we do not provide advice on what applications might have been made to the PBAC. So it is not a matter that I can make a comment on.

Senator ADAMS—And that would be the same with the new pro Parkinson's patch that is also there at the moment, I gather?

Mr Dellar—Yes, it is in the same position.

Senator ADAMS—I have another one for the drugs supply for people who have life-threatening diseases. This comes under the heading of the Life Saving Drugs Program. What are the outcomes of the review into the Life Saving Drugs Program initiated by the honourable Tony Abbott last year prior to the election? Is there and will there be a delineated time line for products seeking funding within this program?

Mr O'Connor-Cox—That review is ongoing. It has been not completed as yet.

Senator ADAMS—So it is still ongoing and we are waiting for an answer there. In terms of products that go through the PBAC to the PBS if they meet the cost-benefit criteria on a delineated time line, currently there is no time line from the PBAC to budget funding for products for rare and fatal genetic disorders. People are worried that in the 2003-04 federal budget a risk-sharing agreement for the funding of Fabry's disease was entered into and this expired 12 months ago. At what point will the government review this agreement and raise the current cap?

Mr O'Connor-Cox—That risk-sharing agreement, in fact, expires on 30 June 2008.

Senator ADAMS—It is still going?

Mr O'Connor-Cox—That is correct.

Senator ADAMS—That is good news. There is the problem of support for this program. This group of people are very worried with announcements about funding cutbacks. Will this affect the children with rare diseases such as MPS2 and MPS6 who are awaiting budget approval in this year's budget?

Ms Halton—Senator, you would understand that we cannot make any comment about the budget.

Senator ADAMS—It is just to highlight the fact that these groups of people are still out there. They have been funded before and, of course, having life-threatening diseases. If they cannot have these drugs the end result is not nice.

Ms Halton—I think that is absolutely understood.

Senator ADAMS—I think that is all on that. So I will hand over to someone else.

CHAIR—Senator Colbeck, do you have any questions under this heading?

Senator COLBECK—No.

CHAIR—I propose that there be a 15-minute break now so we can get into the afternoon session.

Proceedings suspended from 3.57 pm to 4.19 pm

Senator COLBECK—I go back to something in outcome 1 that I moved away from earlier in the day: the Healthy Kids Check program. What is the proposed starting date for the Healthy Kids Check program?

Ms Morris—The proposed date of implementation?

Senator COLBECK—Yes.

Ms Morris—Senator, if you will just excuse me, I will need to check it. My brief is here. I am sorry—in the notes I have here I do not have the estimated implementation date, but I do know that we are about to commence consultations with the relevant professions on the item descriptor within the next week.

Senator COLBECK—The relevant professions being GPs, divisions—

Ms Morris—GPs and practice nurses.

Senator COLBECK—I suspect I am going to run into some of the usual problems here, but is it proposed that this be operated through the schools?

Ms Morris—I understand what you are asking, Senator. There will be two parts to it. This is a very two-part discussion that you and I have had this afternoon. There will be an MBS item which can be claimed by a doctor or practice nurse and then—

Senator COLBECK—It is a \$45 fee?

Ms Morris—Yes. There is also some money going to the states to be run through child health clinics. I understand the intention is for some parents to regularly take their children to child health clinics and it is—

Senator COLBECK—Are the checks mandatory?

Ms Morris—No, and I do not think we could make them mandatory.

Senator COLBECK—With respect to the \$45 rebate for those checks, are there any additional costs over and above that?

Ms Morris—That will be the value of the MBS item and this is what it has been announced to be, but the government has no control over what fees individual practitioners actually charge their patients.

Senator COLBECK—Good answer. With respect to the element that is being conducted by the states, are they asking for a management fee to do that work?

Ms Morris—They have not as yet, but we have not yet fully entered into negotiations with them about how the money will be transferred to them. So I hope you have not given them ideas on that score.

Senator COLBECK—I have just come across past practice and that is why I asked the question. My experience in other agencies and programs is that they are not frightened to open their mouths in respect of what their fee might be.

Ms Morris—I am forewarned.

Senator COLBECK—Do we have an actual allocation for the program—a dollar amount?

Ms Morris—I am fairly sure we do, if you will just allow me to flick through my briefs here, Senator. The man who may know the answers has just turned up. \$35 million over four years was committed by the government in its election commitments.

Senator COLBECK—Thank you. That will do on that. I have some general questions with respect to general practice. Do you have a number of GPs that are registered and operating across the country? You might have a number of provider numbers or whatever.

Ms Morris—We would have the number of GPs with provider numbers, but my understanding—correct me if I am wrong, Mr Andreatta—is that a GP may have a provider number for more than one location—

Senator COLBECK—Yes, I understand that.

Ms Morris—And we have a lot of the workforce working part-time in different areas. I think these questions about workforce are probably more appropriately put to our workforce division which come up in 'Health workforce capacity', outcome 12.

Senator COLBECK—Okay. I have a new number there. I will come back to that later. I will move to GP superclinics now and ask some general questions in relation to those. What process are you going to use? I notice in the policy document that it listed some criteria for determining the locations of the clinics so far.

Ms Morris—Yes, Senator.

Senator COLBECK—So there will be a statistical analysis that is applied to those particular criteria?

Ms Morris—Are you asking the criteria for the location?

Senator COLBECK—Yes.

Ms Morris—The locations were announced in the election as part of election commitments—

Senator COLBECK—But they were not all the locations, were they?

Ms Morris—Thirty-one locations were announced. Sometimes they were quite specifically cited and for others it was an area. But there will be a process of community consultation in each of the 31 areas.

Senator COLBECK—I will have to do my research a bit better. I could only find 21.

Ms Morris—Twenty-one?

Senator COLBECK—So there are 31 clinics?

Ms Morris—Yes. I can table the 31 for the record if you would like.

Senator COLBECK—It would be helpful if you could. My reading of the document, I must say, indicated that there is to be a process. The \$220 million will be spent on those 31 locations?

Ms Morris—Yes.

Senator COLBECK—What consultations have or will be taken with current providers in those particular locations?

Ms Morris—There already has been some consultation and there will be a more formal process of consultation. The consultation to date has been done with peak bodies who have been consulted on, I suppose, the program overview—what the program will look like and what the main criteria will be. We have also met with all state and territory governments and talked to them about their potential role in helping with the superclinics and how it fits in with their health systems. We will undertake a program of consultation with each of the 31 areas and that will be consultation in the fullest and broadest sense. It will be with local health care providers—not just GPs but allied health professionals and anyone else with an interest there: local government and the community more broadly. This is a brand new scheme and I think it is important to be very clear about what is on offer and how the program is going to work, and to understand the needs of each community in relation to a superclinic.

Senator COLBECK—I understand that and a lot of my questions will go to that. I suppose I am anticipating, to a certain extent, that some of the detail was still being developed. We will go through the process anyway.

Ms Morris—That is fine.

Senator COLBECK—Perhaps some of my questions will raise some issues that might be considered anyway. The proposal talks about providing capital funding for the establishment of the clinic.

Ms Morris—Principally.

Senator COLBECK—And an incentive of about \$15,000. Is that right?

Ms Morris—It is a workforce relocation incentive for health professionals.

Senator COLBECK—Going to the workforce relocation incentive first, do you have any parameters set around that yet?

Ms Morris—Not formally, no. We have been investigating options for that in consultation with the minister and her office.

Senator COLBECK—I will ask some questions, given your answer. You will understand that they are issues that I have considered as part of preparing for this process. Obviously there is potential for a significant impact on neighbouring practices in an area where one of these clinics may be set up. Would there be consideration of limiting the capacity of someone within an existing practice to move into a superclinic in the same region and get the relocation incentive that goes with that? When you talk about a relocation incentive, are you talking about them having to relocate over a significant distance?

Ms Morris—I do not think we have got to that level of finessing on it. But I think the original intent of the relocation incentive, given that some of the superclinics have been announced in areas of medical workforce shortage and allied health professional shortage, was to encourage existing practitioners to go and work in an area. That is my understanding of the policy.

Senator McLucas—We are very cognisant of the need to work very intimately with existing medical services in any region where a GP superclinic may be established. The last thing you would want to see is an impact on viable and quality services that are functioning in any one area. So the way that we deliver the gap services—and that is where the GP superclinics are targeted, including being able to ensure that we are getting best value out of our hospital, whatever the hospital might be in that region—is part of that consultation that Ms Morris is talking about. Your question is apt. It is a very important point. But you can be assured that we are very aware of the need to work very closely with existing medical services across the spectrum in any region where a GP superclinic is promised.

Senator COLBECK—I appreciate what you say, Senator McLucas. My questions are not necessarily being asked now in a combative sense; I am just putting some issues on the table, if you like.

Senator McLucas—Sure.

Senator COLBECK—I have sat down and thought about this. There is going to be a superclinic in my home town, for example.

Senator McLucas—Mine, too. I am very pleased

Senator COLBECK—I have actually had a look at the dynamics of that. As far as I am aware—and this brings me to my next question—it is not listed as an area of workforce shortage. I am aware that most of the practices have their books closed. There are those tensions that exist within the system. It appears to me there is a possibility that the way the areas of workforce shortage are calculated may have to be looked at in the context of this particular proposal. Would that be a fair assumption?

Ms Morris—I will just paraphrase to make sure that I am understanding your question. You are saying that we would have to take areas of workforce shortage into account in terms of where superclinics are sited or how they operate?

Senator COLBECK—No, it may be that you may need to reconsider how an area is classified as an area of workforce shortage as part of this process.

Ms Morris—I am not sure how areas of workforce shortage are determined. I think I see where you are going. If practitioners move, it will affect the number of practitioners in that area. If you set up a superclinic there may be more practitioners there. I am not sure how the areas of workforce shortage are determined.

Senator COLBECK—Which potentially would be the objective of the process anyway?

Ms Morris—Yes. I understand.

Senator COLBECK—I am just reflecting on an area that will get a GP superclinic that, on my understanding now, is not an area of workforce shortage. It is, by virtue of the process, going to receive additional capacity. Therefore, how does that fit within the overall calculation of the workforce shortage process? Does it mean that you might have to re-examine that process as part of that program?

I know for a fact that the Devonport region is getting one. That is an announcement. I have already had negotiations with respect to additional doctors in that area and been told that it is not an area of workforce shortage. I also know that most of the practices have their books closed. So there are issues. I am not trying to be difficult. I am just recognising that there are tensions within the system and this policy is going to have an impact on that.

Ms Halton—I would describe this as tensions within the system. What I would say is that we have a series of workforce programs and policies. One mechanism for getting doctors into an area will be to define it as an area of workforce shortage and then all the things that flow from that will happen.

There is another objective, though, in relation to GP superclinics. That is the whole notion of what is the structure of primary and ambulatory care. There is not necessarily a one on one relationship between where they are going and an area of workforce shortage. It is also about looking at the provision of an integrated and comprehensive approach to primary care. I would not want people to see the two things as being a synonym. They overlap, I acknowledge, but they are not the same thing.

Senator COLBECK—I understand that. If a doctor is looking to move out of an area of significant need into one of these clinics, will that be a process that is considered as part of this?

Ms Morris—The way that the announcement was made and the way we would envisage in the broad the program being run is that the Commonwealth is providing money principally for capital and that there will be applications from within the designated areas to run a service. I do not know what level of prescription there will be from the Commonwealth as to certain details within that. What we will be looking for, I understand, will be a proposal to run a viable service that provides very good quality integrated primary care, as the secretary, Ms Halton, said, with viable capital works.

Senator COLBECK—And a range of programs within the centre?

Ms Morris—Yes.

Senator COLBECK—I understand that.

Ms Morris—We will not be going down to the level of what actually happens in areas of workforce shortage and what you say if a doctor comes from one area. We will be looking at the service as a whole and what they are trying to deliver. It could well be that existing practitioners within a region get together and run the superclinic. That is something that would be quite allowable, I would think. The purpose is to have good quality, integrated primary care together in the one place.

Senator COLBECK—So the capital funding is in the form of a grant?

Ms Morris—Yes.

Senator COLBECK—So that will be vested in the business, the council, the group of doctors or whoever is the successful tenderer?

Ms Morris—That is right.

Senator COLBECK—The policy document talks generally about between \$1 million and \$10 million as a range but perhaps \$25 million. Was there a specific case in mind with respect to that \$25 million?

Ms Morris—Some \$12.5 million is the highest. That is in South Australia. That is being matched by the South Australian government.

Senator COLBECK—So that is the total grant in the context of that particular site?

Ms Morris—Yes, that is right.

Senator COLBECK—I wondered why that \$25 million was there.

Ms Morris—It stands out. There are two clinics in South Australia that the South Australian government will meet funding on.

Senator COLBECK—You obviously do have a split given the answer to the last question, so can you give me an approximate split of the funding between capital and incentive based on the figures that you currently have? I understand it would be a budgeted number.

Ms Morris—No, we do not. It will in effect be driven by the applications because the allocation is for a particular area and it really depends on who has got—

Senator COLBECK—So apart from a couple of cases, like the one in South Australia, there are not necessarily—

Ms Morris—Part of that could be used for relocation incentives, for example.

Senator COLBECK—I understand that. There are not necessarily assumptions made for the costs that might be applicable to any of the particular sites. That will be based on the process of tenders.

Ms Morris—It will be predominantly capital, I can tell you that. The government will be underwriting recurrent costs through the MBS.

Senator COLBECK—Has any modelling been done on the potential workforce shifts that might occur as part of this process and the potential impacts in areas where the clinics do not exist?

Ms Morris—No, there has been no formal modelling as such.

Senator COLBECK—An underlying concern I have with this process is that it could potentially create a reasonably significant shift in the workforce to these particular locations. My question would be: what will be the impacts in the areas where the GPs have come from to fill the clinics? That is why I ask that question.

Senator McLucas—Hopefully, they come from the city.

Senator COLBECK—You might be right, but even in that case there will potentially still be an impact in that area. I would be interested to know if there has been any work done on what that impact might be.

Senator McLucas—No, we have not. You cannot model that.

Senator COLBECK—I have got the answer to the question so we are just having a conversation now.

Senator McLucas—You cannot model that, I am afraid. There are too many hypotheticals out there. The idea is to use the GP superclinics to do some rebalancing of where we have an undersupply and where we have—I am not going to use the word ‘oversupply’—a better supply of the health workforce, particularly in terms of GPs. This is not just about GPs.

Senator COLBECK—I understand it is about a range of services. I do understand that.

Senator McLucas—We have to be really clear. It is a multidisciplinary approach.

Senator COLBECK—My questions are a bit disjointed because I was expecting the GP stuff to be in a part of it as well, so our division of outcomes is disjointed.

Senator McLucas—It took me some time too.

Mr Davies—Equally, on our side, if our answers sound a bit disjointed, it is actually a reflection of the fact that this is not a one size fits all solution. The sort of intensive consultation that Ms Morris has been talking about is exactly about enabling us to shape the solution to the needs of a particular area. The issue of workforce availability is obviously one of the factors we will be looking at very carefully when people make their submissions and indeed when we evaluate those submissions. I have to say that it is quite labour intensive on our part in making sure that these clinics are really adding to what is available rather than substituting for existing services.

Senator COLBECK—I do not think I have actually asked this question. What sorts of time frames are you looking at in going to market?

Ms Morris—As soon as possible. We have funding over the full forward years, but you are not going to get all the money out the door on one day and they are not all going to be built on one day.

Senator COLBECK—It is going to take them time to come together.

Ms Morris—I keep referring to the community consultations because they loom large in my agenda at present, but we really need to get out there and talk to communities and find out which ones may have proposals ready to go soon with doctors and other allied health professionals willing to participate in a service so we can get an idea about a sensible way to get the money out the door. But we will be moving as quickly as we can. There are some where the sites have actually been identified and there was a level of specificity about what

would happen there. That is something where we will come into a contractual arrangement sooner rather than later. I do not want to say, 'We will do this by such and such a time' because next estimates I will have egg on my face.

Senator COLBECK—I understand where you are coming from.

Ms Morris—It is a priority and we are aware that we can move more quickly on some than others.

Senator COLBECK—I am aware that there are some consortia knocking on the door already, so they obviously have an interest in what the time frame and the process might be in respect of that.

Ms Morris—Yes, and basically we welcome the interest. We are getting a good level of interest from, I think, most areas already, which augurs well.

Senator ADAMS—Just on the same thing looking at Western Australia with Midland and Wanneroo, what feedback have you had from those two areas?

Ms Morris—We have gone to Western Australia and met with the Western Australian state government and the state based divisions of general practice. We have looked around the possible sites. We met with the Western Australian state government because those two sites also were announced as having matching funding from the Western Australian government as per two of the three South Australian ones. We have had quite a lot of feedback. The state government has its views, the division of general practice has its views and I am sure individual practitioners have their own views too and we will hear them in the community consultations.

Senator ADAMS—Has the AMA commented?

Ms Morris—Not formally, no.

Senator HUMPHRIES—I have a question about the variations mentioned on page 79 of the PAES to do with children with autism spectrum disorders. There is \$83,000 this year and \$669,000 next year which has been added to the program. I take it that is the money that was announced by the then Prime Minister about a month or so before the federal election was called and it was then adopted by the incoming government as well. Are those measures the same ones that were announced or has there been any variation to the measures that were announced at that time by the then Prime Minister?

Ms Morris—You said page 79?

Senator HUMPHRIES—Yes, page 79 of the PAES. The first two variations in outcome 5. It is the first measure mentioned there.

Mr Andreatta—That does not relate specifically to the MBS item that is going to be created for the autism service. That relates more to the education and training component of that measure, but I do believe it is part of the announced measure of last year.

Senator HUMPHRIES—So as far as this outcome is concerned, have the measures changed in any way to those that were originally announced in about September?

Mr Andreatta—When you say this outcome, whether the MBS item development—

Ms Morris—That is all we can speak to really.

Senator HUMPHRIES—Yes, whatever you can say with respect to this outcome. I assume you cannot speak for other outcomes. Are the measures referred to here being funded to the same order as was announced back in September or whenever it was?

Ms Morris—I have just had advice from a colleague that if you raise those questions under the mental health outcome they will be able to deal with them there.

Senator HUMPHRIES—For all the outcomes? They will be able to answer for all the outcomes in which—

Ms Morris—We can talk to the MBS item only.

Senator HUMPHRIES—But that is what I am saying. I am saying to you: in respect of the item to which you can speak—which is only outcome 5, and this is to do with education—

Ms Morris—I am just checking for you. I do not want you to have to ask it many times over. The answer is, yes, they will be able to talk to the \$83,000.

Senator HUMPHRIES—About the whole suite of measures that were announced.

Mr Andreatta—I can talk to the MBS item, which is a \$20.7 million allocation to establish autism related items for specialist and allied health professionals.

Senator HUMPHRIES—So in respect of those matters about which you can speak, are the measures which are being funded here with this variation the same measures that were referred to in the original announcement by Prime Minister Howard?

Mr Andreatta—They are, yes.

Senator HUMPHRIES—They have not been varied or changed?

Mr Andreatta—No.

Senator HUMPHRIES—Thank you very much. So autism initiatives come under outcome 11, Mental health?

Mr Andreatta—Yes.

Senator ADAMS—Does e-health come under this?

Ms Morris—It is under a separate outcome.

Senator ADAMS—Which one?

Ms Morris—One of the later ones.

Ms Halton—Depending on what it is, we might be able to answer the question.

Senator ADAMS—It is to do with the membership of the committee and having a clinician on the list of members.

Ms Halton—Which committee, Senator?

Senator ADAMS—The National e-Health Information Principal Committee. I know it is not finalised yet, but there is a concern that there is no doctor on the list of possible members that has been published.

Ms Morris—I will not even try to say the acronym; I will get it wrong. NEHIPC is an AHMAC subcommittee and it effectively replaces the previous committee that had an even less pronounceable acronym—something like NHIMPC. Membership of that committee is currently being finalised. I understand what you are saying. We have not had that concern raised with the Commonwealth.

Senator ADAMS—The AMA has actually put out a press release about not having a doctor on the committee.

Ms Halton—This is an officials committee.

Ms Morris—It is an AHMAC committee.

Ms Halton—It is an AHMAC committee, and possibly they are under some misunderstanding as to what that is. We have a structure under AHMAC—a committee of CEOs and then we have a series of subprincipal committees. Those are actually chaired by one of the CEOs and they include jurisdictional representatives on the particular matter. So NEHIPC is chaired by the Victorian CEO, Fran Thorn, and it includes bureaucrats. That does not mean it is a substitute for appropriate discussions, consultations et cetera with clinicians and other people in the sector, but it is part of the AHMAC committee structure.

Senator ADAMS—Thank you. I just wanted to get that clarified. What action is the Australian government taking to ensure that e-health systems are integrated and standardised Australia wide?

Ms Halton—The answer is NEHTA. The whole point about the establishment of NEHTA was to create standards and then move to implementation, obviously at a later point, in order to have interoperability and appropriate integration. Understanding, as I think we all do, that this is a moving feast and there are a lot of legacy systems and there is some purchasing going on at the moment, what we are hoping is that purchasing—and we have talked to the states about this a lot—will pick up the standards that, as they are developed, are promulgated by NEHTA. That means that, in time, as systems become more sophisticated, interoperability and, appropriately protected by privacy standards, data exchange can be facilitated.

Senator ADAMS—It does sound like a moving feast.

Ms Halton—This is very complicated space.

Senator ADAMS—I know. I have tried to get my head around it and thought I had a basic question. Thank you. I wanted to ask a question about the Health and Hospitals Reform Commission working in areas related to rural and remote health. Can that come in here?

Ms Halton—Yes.

Senator ADAMS—I think my colleagues already asked my first question: when will the government announce the structure, personnel and remit for the Health and Hospitals Reform Commission? Can the government guarantee that the commission and its work will have both the capacity and the remit to work in areas related to rural and remote health?

Ms Halton—As you would know, Senator, the question of ‘can the government guarantee?’ instantly means I am not going to answer that question. What I can tell you from our perspective is—and we did talk to Senator Colbeck about this earlier—that the broad

remit is pretty clear from the material that was attached and released according to the COAG communique. You are aware of what the issues are and timing in respect of any announcements. As I have said, I certainly read those terms of reference as put out by COAG to be very broadly based and to specifically include those issues in respect of rural health services and access et cetera.

Senator McLucas—Have you got a copy of the COAG communique, Senator Adams?

Senator ADAMS—I haven't, no.

Senator McLucas—Would you like to get a copy of that? We can provide you with one.

Senator ADAMS—Thank you very much. No, I have not got one. Given the very high expectations that now exist for the Australian healthcare agreements, can the government guarantee that access to public hospitals will be increased for people in rural, regional and remote areas? How can a new commission contribute to this?

Senator McLucas—That is its brief. We will get you a copy of the communique and you will be able to see. It is those sorts of issues, amongst others, that the commission is to be tasked to look at. We know, Senator Adams, that those of us who live in regional and rural Australia have less access to health services. Then you go to remote Australia, of course. It is all of those issues that the commission is looking at. You would know that the Prime Minister has asked for an audit of the rural and regional workforce—not just the GP workforce but across the board—and that work is occurring now. All of this work that is being undertaken will feed into the commission process. Once we get you a copy of the communique you will be able to clearly see what the commission is being tasked to do.

Senator ADAMS—We have been inundated with organisations asking for a range of bilateral Commonwealth-state issues to be covered within the new Australian healthcare agreements. The National Rural Health Alliance has requested that Indigenous primary health care, dental health, mental health and an agreement on PATS be included in the agreements. How can the government guarantee that such expectations are to be met? Once again, the communique might help me.

Senator McLucas—I do not know that the government can say that all expectations of the community will be met, because sometimes they will be in conflict. I think you should see that the commitment from the government in terms of health is to relook at the way we deliver services and to make sure that we are doing everything we possibly can to even up that imbalance that is currently there.

Senator ADAMS—I think the problem is that everyone is worried because nothing has happened, or it is happening but it is happening slowly.

Senator McLucas—It is happening very quickly, I can assure you, Senator Adams. The people who are sitting behind me know that.

Senator ADAMS—With the agreement finishing on 30 June, are we going to need an interim one-year agreement just to carry on while everything gets put into place?

Senator McLucas—We cannot answer that at this point.

Senator ADAMS—That is the worry. That is why the panic is on: the agreement will be finished and everything will go into limbo until the new one starts. You cannot blame the community thinking that, because a lot of areas are so desperate. My next question is on PATS and it comes from the National Rural Health Alliance as well. If the Australian healthcare agreements do not deliver some bilateral agreement on PATS, by what means will the Commonwealth engage with the states on the matter?

Senator McLucas—I think that is hypothetical.

Senator ADAMS—I think it might be, too, but it is very important.

Senator McLucas—We know. We have heard your advocacy long and loud.

Senator ADAMS—I have a question on primary care policy. During the election campaign, the current health minister promised a primary care policy, and this move was to support older Australians to remain out of hospital and be well supported in the community, amongst other outcomes. What is happening with that particular policy?

Ms Halton—We are intending to deliver on all of the commitments that we have been charged with delivering. That is a commitment, and I can assure you that it has been the subject of discussions. The usual applies: I cannot tell you what advice has been given, but be assured that we are working on it.

Senator ADAMS—So it is being looked at?

Ms Halton—Correct.

Senator ADAMS—That is important. Is this where the networks come in?

Ms Halton—Yes.

Senator ADAMS—We have had a few people becoming rather concerned with the networks, and I do not quite know what is going on. But I thought I would try to find out. What was the cost of the division's network in 2006-07 to the Australian government?

Ms Morris—I will just have to find the right place in my folder for that, Senator, unless my colleague Ms Roe knows off the top of her head. In 2006-07 the total cost was \$76.3 million.

Senator ADAMS—What was the benefit to the Australian government from the work done by the divisions?

Ms Morris—What do you mean by the benefit?

CHAIR—That is a really broad question.

Ms Halton—How long have you got, Senator?

Senator McLucas—A better question might be: what was the benefit to the Australian community?

Senator ADAMS—That is the next one.

Ms Halton—Senator, can we narrow it down a bit? At the end of the day, if we look at the context of where we are going on primary care, we have talked already about GP superclinics and a different, more integrated, more comprehensive model. The reality is that with regard to

the divisions—and I regret to say that I was there at the beginning of them so it just shows I have been around the portfolio too long—the whole notion was to give more cohesion to what were, at that point, very often single isolated general practices and to think about how if you worked across a network you could actually provide better services.

We could go through the many and various initiatives that are actually driven by the divisions. We could talk about how the divisions have implemented programs to improve the quality of primary care, looking at things like the collaboratives. We could talk about the programs that divisions themselves now actually are responsible for administering. For example, they are at the location for some of the mental health initiatives, where it does not necessarily make sense to locate an individual in a practice but it is better to do it on a regional basis. We have just been talking about regional service delivery. They are a very good basis for sharing resources across regions. It is a hard question to answer. Is there benefit? Yes, absolutely. Is it in specific areas? Yes, absolutely. But if we want to narrow it down, it comes down to the particular area of interest. Could some of it be done better? Yes, of course—always. We are in constant dialogue with the network and with the CEO of the network and indeed individual divisions about those issues.

Senator ADAMS—I was on the review of divisions and things have changed quite a lot just since that review was done.

Ms Halton—Yes.

Senator ADAMS—Their role would be devolving out into different areas from the way it was. It is coming from consumers just as to the amount of money that is being spent on these divisions and really what they are getting for those dollars.

Ms Halton—I think if that question is: is the administrative overhead given to the divisions a fair and reasonable way to spend money, that is actually something that we do talk to them about and obviously is under constant review. The net benefit of the divisions, though, is really unarguable in terms of what they actually deliver. As to whether that is always done in the most efficient way, the reality is that we can always do things more efficiently and we constantly strive with the divisions to improve efficiency. If there is a more particular concern, obviously we would be happy to look at it.

Senator ADAMS—I think there have been some programs that perhaps have been taken over by divisions and the community sees them as having been taken away from them and divisions are doing it and they are not involved. Instead of getting closer to the community, they are going the other way.

Ms Halton—I guess it would be good for us to hear some of that feedback.

Senator ADAMS—I will get the relevant people to contact you, I think.

Ms Halton—Yes, if you would be happy to do that, because, again, this is a constant process of evolution. All that feedback is highly relevant and we would appreciate receiving it.

Mr Davies—Senator, since you participated in the review, I think one change you would notice is the proportion of divisions that have a community representative on their boards, which I think was one of your recommendations—

Senator ADAMS—It was.

Mr Davies—We have certainly seen that grow. Like the secretary, I am surprised to hear communities feeling that they are losing touch with divisions, because in a sense that is one of the things that divisions are uniquely well placed to do—to look at a population focus in the primary health area.

Senator ADAMS—It certainly took a lot to break through with that little effort, I can assure you.

Mr Davies—We found your review very helpful, Senator.

Senator ADAMS—I think you were present when I was trying to. I will take that back and I will get the relevant people to contact you, because I think it is fairly important.

Ms Halton—Yes, absolutely.

Senator ADAMS—Coming from Western Australia. I think I might have just about run out of questions.

CHAIR—Are there any further questions under outcome 5?

Senator COLBECK—The autism issues that Senator Humphries talked about in terms of the MBS are under this outcome, but things like the autism centres would be in outcome—

Senator McLucas—Are you talking about the childcare services?

Ms Halton—All FaHCSIA.

Senator McLucas—They are in FaHCSIA.

Ms Halton—Yes.

Senator COLBECK—This is the autism childcare centres that you promised.

Ms Halton—FaHCSIA.

Senator COLBECK—Okay. I can get rid of them altogether. Thank you.

[5.05 pm]

CHAIR—That means that outcome 5 is completed. We will now move on to outcome 6, Rural health.

Ms Halton—We actually have GPET under program 5. Before I send them home, can I just confirm that they are not needed. I am just conscious that Senator Colbeck is saying to me, ‘Am I in the right place?’ and I will say, ‘No, you’re in the wrong place. You should have been back under program 5.’

CHAIR—I do not think we do have anything on GPET.

Ms Halton—Okay. Can I send them home?

Senator COLBECK—Let them go.

Ms Halton—Thank you.

Senator ADAMS—I do not know whether this question is under workforce issues, but it relates once again to the remote area nurses and their advanced practice. Has the advanced practice and remote nurse practitioner training fast-track recommendation been implemented?

Ms Morris—I think that is a question for workforce; sorry.

Senator ADAMS—That is what I was thinking. With regard to funding for the rural and remote nurses association, their funding is the six-month guarantee—

Ms Morris—Senator, that is outcome 12 again.

Senator ADAMS—Where does that come?

Ms Morris—Outcome 12; I am very sorry.

Senator ADAMS—This is my trouble. I have been a little rushed.

Ms Morris—We try and join the dots at our end.

Senator ADAMS—What about our rural cancer patients? That should have been in the other outcome, on access I suppose, shouldn't it?

Ms Morris—Yes, I am sorry.

Senator ADAMS—That is all right. With regard to maternity services, can we do that one in Rural health?

Ms Morris—We can hear the question.

Senator ADAMS—The minister has talked about providing rural women with choices by investing in rural maternity services. What plans are in place for this? How can it come about without first increasing the supply of proceduralists, GPs, midwives and specialists in maternity care?

Ms Halton—Notwithstanding where it fits, that is actually a policy question and it does go to a number of the things that are currently being discussed via reform commissions et cetera. In terms of the announced policy, I cannot point you to something therefore or to a particular place to ask the question other than to note that that issue is a matter for discussion.

Senator ADAMS—Minister, can you help me?

Senator McLucas—It is about how you deliver the service that you were describing. We talked earlier about the role of the commission—the role of the workforce evaluation. That is fundamental to being able to solve the issues of access to health services in regional, rural and remote areas.

Senator ADAMS—So that answer—

Senator McLucas—It is impossible to answer your question in the current context, except to say that we are doing a lot of work on it.

Senator ADAMS—Will the sustainability of country communities and the health of their populations come under this? It is rural, but—

Senator McLucas—I am not sure if it is a workforce question.

Senator ADAMS—It is possibly everything, because it is the service provision that keeps country communities—

Ms Halton—I think that really goes to the aggregate assessment about the balance, the mix, the volume of service, how it is distributed, how it is accessed—that question we were

talking about earlier in terms of bulk-billing. All of those things are part of that assessment, which is really in the mix at the moment.

Mr Davies—If I am understanding your line of questioning on that last question, I know that one of the concerns of the Rural Health Alliance is the contribution that health care and access to health services makes to the viability of rural communities. So I guess at one remove the entire rural health program—this entire outcome—with its objective of improving rural communities, health and access to health services, has deeply embedded in that to ensure the ongoing viability of those communities.

Senator ADAMS—It certainly is, because without health services they are really absolutely stuffed. Everything dovetails into it.

Mr Davies—And that is very much a consideration in all the work that we are doing in that area.

Senator ADAMS—I am looking forward to seeing this review.

Senator COLBECK—The rural and remote mental health initiatives, are they here or there?

Ms Morris—It is outcome 11.

CHAIR—I am interested in PR programs that are focused on rural health education programs. Does that come underneath your area?

Ms Morris—No.

CHAIR—So where would I get information in terms of outcome 12, which is—

Ms Appleyard—Health workforce capacity.

CHAIR—So PR programs are in outcome 12?

Ms Halton—What are you interested in?

CHAIR—I am interested generally. We have had information from the Rural Health Alliance about one of the big issues being an education and engagement process in terms of people feeling involved in their health services and feeling capable of actually saying, 'I need the help.' I am just wondering, because we have talked before about whether a component of the Rural Health Strategy is a specialised PR program—

Ms Morris—That is us.

CHAIR—I thought it was. Can we get some information on what, if anything, is going on in that area? Certainly, the Rural Health Alliance is saying it is a bit like the consumer network—nothing about us without us.

Ms Morris—I will let my colleague address that.

Ms Appleyard—There is a component of the Rural Health Strategy called our communications strategy. As part of that we have a rural health hotline that anybody can ring and can ask questions about not only all of the programs under the strategy but really anything relating to the Commonwealth's role in rural health. That may include scholarships, it may include service delivery or it may include incentive programs. Sometimes people just want to

ring up and have a yarn about something that they are interested in in their local community. So the rural health hotline is a really important component.

We do also have quite a bit of promotional material that gives information about the scholarship programs in particular and the health and training initiatives. We will go along to health related exhibitions or conferences. We have booths set up and we have people there who are able to provide that information, particularly to medical students or students interested in training in rural and remote areas, or careers in rural health.

As far as consumers go, we also get a lot of interest from consumers, both at our booths and through our hotline. You may be aware that we fund the Health Consumers of Rural and Remote Australia—a small secretariat—and we are very active in liaising with them. It is a two-way communication thing: they are feeding to us what are the issues important to consumers and we are feeding to them on the latest policies and policy considerations.

CHAIR—With the hotline, the number is in GP places and QCWA halls and things like that?

Ms Appleyard—Yes.

CHAIR—Are you keeping records on the number of calls that are going through and what they are about?

Ms Appleyard—I am not too sure that we do keep detailed records on those things. I would have to check.

CHAIR—Can you do that in terms of whether there is any mechanism through that process to find out what are the issues that people are wanting to talk about?

Ms Appleyard—Okay.

CHAIR—We had a long discussion at a previous estimates hearing about using local businesses and local people as champions of people getting strong with their health. I remember we had a long discussion one night about hairdressers. In terms of that process it seemed to hit home—that localised stuff. Is that program still operating?

Ms Appleyard—Sorry, what program in particular?

CHAIR—It was a process—I could not find it as I was going through—that was being done, and I believe it was under this program, where we were using local people who wanted to be part of a network to promote people being open about their health issues, giving them advice—not your usual suspects.

Ms Appleyard—All right. It is not something that I am specifically aware of, but I am wondering if it might have been an initiative of the National Rural Health Alliance or HCRRA.

Ms Halton—No, I remember this.

CHAIR—Yes, we had a long discussion and I am sure it was under rural health that in communities under stress—

Ms Halton—I think it might have been mental health.

CHAIR—It could well have been.

Ms Halton—I think it might have been under mental health and whether it was part of drought—

CHAIR—It was looking at communities under stress where you would use the community themselves to actually get people to address their issues and say, ‘I’m having a hard time.’

Ms Halton—That is right, and we had a similar conversation about men versus women in that context; do you remember?

Ms Morris—Yes, I remember that.

Ms Halton—Yes, I think it is mental health.

CHAIR—I will have a look back. I could not find it, and probably in a letter or something I will ask you about it, because it did create interest and it seemed to be one that was low cost but may have some impact.

Mr Davies—Just apropos Senator Adams’s question and the secretary’s attempt to summarise some of the many good things that divisions do—

Ms Halton—He is about to contradict me, I think.

Mr Davies—I am embellishing you.

Ms Halton—Don’t embellish me, Philip!

Mr Davies—If you look at rural divisions of general practice, a lot of those I know are very active in working with their communities on these issues. I have seen a couple personally in WA in the wheat belt who are doing some good stuff.

Senator ADAMS—I was not actually speaking about rural divisions with that question.

Ms Halton—Hence my instruction to not embellish me!

CHAIR—Any further questions?

Senator ADAMS—I just have one on the Regional Health Services program. Could you tell me how that is going? Is it going to continue to be funded?

Ms Appleyard—Regional Health Services is in the third year of the three-year funding agreement. You will be aware that funding under the strategy was made ongoing last year. So there is funding available in the forward estimates. What we are doing in respect of Regional Health Services at the moment is just a normal review process that you would do coming to the end of any funding agreement. State and territory officers are conducting these reviews just to ensure that the services have been operating effectively and that they have been doing what they have been meant to be doing under their funding agreements. Then state and territory officers will be able to provide us with some advice as to whether or not they think services should be re-funded.

Senator ADAMS—Good. That is very positive. Thank you.

Senator COLBECK—There is a note in the PBS with respect to a national governance reform for the RFDS. Could you give us an update on that?

Ms Appleyard—What we found when we did the review of the RFDS is that everybody always thought of the RFDS as one organisation. It was actually nine separate legal entities.

There was a major review undertaken and one of the findings of the review was that the governance arrangements were unwieldy and did not always lead to best practice in terms of program administration and management value for taxpayers' money et cetera.

The significant funding injection that was given to the RFDS was an additional \$154.4 million over four years. With that came an undertaking for the RFDS to reform its governance so that instead of dealing with nine separate legal entities—it is okay to deal with nine separate legal entities because the RFDS can structure whatever way they want, but we just wanted more of a single point of contact and to be able to deal with an organisation, being the Australian council, that speaks for the whole of the RFDS.

As far as the governance reform goes, we think it has been going very well. An independent chair, Tim Fischer, has recently been appointed. There is a deputy independent chair, Air Vice Marshal Norm Gray. There used to be four separate support sections that used to do fundraising. There are now only two. So the national board consequently consists of the four operating sections, two independent members and two support sections. We believe that offers a much better balance. The chair of that board, as I said, is an independent member, Tim Fischer, and generally we would consider that to be best practice in governance.

Senator COLBECK—Thank you.

CHAIR—No further questions under rural health? We will move on to outcome 7, Hearing Services

CHAIR—Do we have any questions in this section?

Senator COLBECK—There are only a couple of questions.

CHAIR—Ms Halton, did the private health people go home?

Ms Halton—No.

CHAIR—I am just looking at the schedule. We had a proposal earlier to swap private health with mental health and Indigenous.

Ms Halton—That is the basis on which we are working—

CHAIR—We have had a subsequent proposal, that is, to have private health on Friday. That was why I was asking you if they had gone home; we will pursue it.

Ms Halton—No, they are on schedule to do it.

Senator HUMPHRIES—The plan, as I understand it, was that they would do it before dinner so they could be then sent home. Given that the whole program has been slipping backwards, I thought we might reschedule it for Friday.

Ms Halton—I have to be honest and say that there is what is called JBC, which is the blood committee which is a meeting between us and the states. That means we will have to cancel this issue which would be a bit of an issue. I would probably rather do them today if that is possible.

Senator HUMPHRIES—I will see if I can organise that.

CHAIR—We have a particular senator who wishes to ask questions in that area and we are looking at his availability. Outcome 7, Senator Colbeck.

Senator COLBECK—I don't have too many questions. In respect of your service locations, has any review process been undertaken in respect of hearing services locations?

Mr Kingdon—No, Senator. It is a market driven response and the allocation of locations—sorry, not the allocation but the determination of locations is driven by people offering to provide those services. In the case of Australian Hearing, which is the government provider service, they make their own decisions as to where they think they can best be located. So they might review their locations, but in terms of the general program there is no specific review.

Senator COLBECK—Excuse me coming to grips with the structure of the process. So you have Australian Hearing and general hearing services, which might be contracted through private providers, within this element of the portfolio?

Mr Kingdon—That is correct. There are voucher clients who can be serviced either by Australian Hearing or private providers and they have to be accredited by the program. Then you have what are called community service obligation clients who are only serviced by Australian Hearing.

Senator COLBECK—Just going to Australian Hearing, which is specifically what I wanted to get to, what oversight or influence of the operations of Australian Hearing do you have from a departmental perspective?

Mr Kingdon—We have no commercial direction responsibility. They contract to us in the same way as the private providers. So we cannot tell them where to service. But in the case of the community service obligation, which is a direct contractual relationship with us with specific money, we can indicate targets that we would like them to meet. But we do not go down normally to any specific recommendation on location, although of course in the case of Indigenous people we are very anxious to ensure that they provide a good coverage for remote communities as well as towns and cities.

Senator COLBECK—So if Australian Hearing were reviewing their location or sites, what interaction would they have with you in that process?

Mr Kingdon—They would advise us if they were going to change a site, but we have no specific control over where they choose. They are a completely independent organisation under a different portfolio and they make their own commercial decisions.

Senator COLBECK—Now you are losing me. So under which portfolio do they sit?

Mr Kingdon—They are under the Human Services portfolio.

Senator COLBECK—Okay. So they are effectively a service provision element under Human Services to provide services for this portfolio?

Mr Kingdon—Yes, that is right.

Senator COLBECK—Are you aware of any review of their sites at the moment? Have they informed you of any proposals to review any of their locations for the provision of services at the moment?

Ms Williams—No, not at this point.

Senator COLBECK—That is all I have at this stage.

CHAIR—If there are no further questions on Hearing Services, I thank the officers. Senator Crossin will have more at a future time.

Ms Halton—We are missing Senator Crossin. I am feeling a sense of deprivation.

CHAIR—There could be a lot on notice. Senator McLucas, we want to see if we can have Private Health before dinner and someone from your office is now arranging that. What we will do, with your indulgence, is move on to outcome 12. We intend to have dinner at 6.30. If the officers from Private Health can be here by about six, we will dedicate that half hour between six and 6.30 to Private Health. Is that okay?

Ms Halton—Fantastic.

Senator SIEWERT—Are we then going back to the program as structured or are we going to Indigenous Health like we said we were going to after dinner?

CHAIR—We are going back to the straight structure and we will work through until 9 o'clock. Then we are going to Sport at nine.

Senator SIEWERT—It is unlikely that we will get to Indigenous Health today, then.

CHAIR—Ms Halton, are people for Indigenous Health here?

Ms Halton—No, not yet.

CHAIR—That is what we will do, then. We will work our way through and then we will do Indigenous Health on Friday. I do not think we will get to it tonight, not with that agenda with Aged Care.

We move to outcome 12, Health Workforce Capacity. I know that Senator Adams has some questions from previous areas that were reflected to your area, but, Senator Colbeck, do you have questions to start with?

Senator COLBECK—Yes, I can go back to where I was in outcome 5 and start again!

Senator McLucas—Just on that: Senator Colbeck, we will provide you with a schema of the department. It is not easy. There is a logic to it, although it is hard to see sometimes.

Senator COLBECK—We actually have had a look at that and tried to work within it, but we have made some assumptions with our locations, questions and terminology. It will come together. We have been pretty close.

Senator McLucas—Yes. The other thing you might like to do is just go through ones that you still have a question mark about and we can put them into the right outcome for you. This is for next time.

Senator COLBECK—I think I have learnt most lessons so far. It is only going to be by accident when we find them. I do not think I can get Aged Care wrong and I think I have got the Acute Care stuff right.

Senator McLucas—We will provide you with that schema that might assist.

Ms Halton—I should say by way of an apology that normally we do this. I have already said to Senator McLucas that this morning at about 6.30 I thought, 'We didn't do it. Oops.' That is just with the change and everything else. It is our normal practice because this is confusing.

Senator COLBECK—I have had a look at the overall chart.

Ms Halton—I am sorry about that. We should have done it again.

Senator COLBECK—I think the interpretation of terminology is the major issue that I have struck. I will go back to where we were with respect to overall workforce numbers. We started looking at GPs. Recognising that GPs have potentially multi provider numbers based on where they are working, can you give us a sense of the overall workforce number of GPs? I would also be interested in some figures on the gender balance within the workforce.

Prof. Calder—In terms of GPs, we use the Medical labour force 2005 report, which is the Australian Institute of Health and Welfare data. That shows that in 2005 there were 22,589 medical practitioners identifying themselves as being in primary care. That is, in a sense, a raw figure because then, as you would have discussed in outcome 5, we have other Medicare data. In terms of the proportion who are female, that is a good question. In 2005 the proportion of female medical practitioners was 32.9 per cent of the total of all practitioners, which was 61,165.

Senator COLBECK—Of all practitioners?

Prof. Calder—Of all practitioners, yes. I am sorry, I do not have it by primary care practitioner.

Senator COLBECK—Is there within the figures an indication of those working full time versus part time?

Prof. Calder—I may not have that by that figure, I do not think. I have it by gender, which is unhelpful. We do not have that, I am sorry.

Senator COLBECK—What about by age cohort?

Prof. Calder—No, I am sorry. I have only got part-time employment by gender, which is not helpful.

Senator COLBECK—Do you have a figure on how many GPs, for example, are over 55?

Prof. Calder—What I have got is the age profile.

Senator COLBECK—And that is in that document that you mentioned before?

Prof. Calder—Yes, all of this is on the public record.

Senator COLBECK—Fine. I think I might be delving into dubious territory now. Is there a methodology applied to determine areas of high need and low need for GPs across the country? Am I asking the right question in the right place here?

Prof. Calder—Yes. It is an appropriate place. We have a method to determine whether an area is regarded as being above or below a median which identifies it as being an area of workforce shortage or not. That is based on the number of practitioners in the area against the population. Does that help?

Senator COLBECK—So it is a ratio of GPs to population. Is that ratio consistent across all regions?

Prof. Calder—No. It is a ratio to the population and we draw a median to reasonably arbitrarily identify an area as eligible to receive further practitioners who are restricted in access to provider numbers. So it is not a status that is fixed, if that is what you are asking.

Senator COLBECK—No, I am not asking that. I am just trying to get a sense of the process that you go through, and I understand what you are talking about in respect of the median. What is your definition of an area and how does that change based on region?

Prof. Calder—I have my colleague here who is an expert in the detail, Senator.

Mr Dennis—Your first question was what is an area, what defines an area. The way that we determine district of workforce shortage is, as Professor Calder said, determined by whether the doctor to population ratio is above or below the national average. That ratio is calculated for each area, and you asked what was the area. The area that we use is what is called a statistical local area, or an SLA. What we are inclined to do for certain geographic areas is to use sets of continuous or joined SLAs so that it makes more sense, and by more sense I mean it encompasses a drawing area for instance—

Senator COLBECK—A general community of interest for example?

Mr Dennis—Yes. So where you might have a large regional centre where the CBD is and a good portion of the commercial district is within that area, there are nonetheless other SLAs that surround that particular area. What we are inclined to do is to treat that area as a whole and average the doctor to population ratio across that entire area because that area is treated as a catchment.

Senator COLBECK—Okay; I understand. I think I will go back and read the report, which I am pretty sure I have a copy of, to take that sort of extra detail in respect of general GP details. The Bringing Nurses Back into the Workforce program is part of this general area?

Prof. Calder—Yes, it is.

Senator COLBECK—Good. Is there a breakdown of the allocation of the funding by state or territory?

Prof. Calder—Yes, there is, Senator.

Ms Knight—The breakdown has been based on a population based formula. There has been an allocation given to each state and territory at this stage and an 80/20 split between public and private services in terms of how to allocate those figures. We do not have that figure in the public domain at this point in time because it is under negotiation.

Senator COLBECK—So it is purely done on a population basis, not on a statistical calculation of workforce need in a state?

Prof. Calder—No, it is done on a population basis.

Senator COLBECK—Purely on a population basis.

Ms Knight—That is probably based on the fact that we recognise that nurses are needed equally across Australia.

Senator COLBECK—What has the level of inquiry been since the program was commenced on 15 January?

Ms Knight—There has been considerable interest via a website. We have not actually counted up the number of calls, but we have probably had in the vicinity of about 280 to 300 calls from nurses who are interested in returning to work.

Senator COLBECK—Sorry; did you say 200 or 300?

Ms Knight—Yes. They are the people who have contacted the department. We have actually heard from other stakeholders that they have also been fielding some inquiries.

Senator COLBECK—Is the program being administered directly by a Commonwealth agency? What is the relationship with the states in respect of the administration of the program?

Prof. Calder—We are working with the states and territories to establish their management and administration of the program within their jurisdictions. We are similarly going to be speaking to the private sector about setting up a system of working with them to manage the share in their sector.

Senator COLBECK—And you have an 80 per cent public and 20 per cent private sector split within the states?

Prof. Calder—Overall.

Senator COLBECK—So the split between public and private within a particular state may vary as long as the balance remains consistent across the national program.

Prof. Calder—That is correct.

Senator COLBECK—Are those levels being negotiated as well as part of the process with the states—the split ratio that might exist in a state—or is that going to be basically driven by market forces?

Prof. Calder—No, it is working from the top down, if you like. It is an 80/20 split and we are negotiating the population share of the 80 per cent across each state and territory jurisdiction and separately we will be working with the private sector on their share of this program. So they will run, in a sense, in parallel.

Ms Knight—Our difficulty, Senator, is that we are still having discussions with the private sector and with the state and territories, so it is a bit difficult for us to give any more detail than that at this point in time.

Senator COLBECK—I would not imagine that you have paid any money out at this point in time given how new the program is and the time frames for actually commencing the process.

Prof. Calder—That is correct.

Senator COLBECK—Do you have any cumulative targets over the life span of the program? I know that you have a target of 1,000 nurses by the end of 2008 and 7,750 over five years, but are there progressive targets as part of the program?

Ms Knight—That level of detail is what we are having discussions about at this point in time. The one thing that is in the public domain is the 1,000 nurses back in 2008, but how that

is actually implemented across the states and territories and the private sector is still subject to negotiation.

Senator COLBECK—So you are really not yet in a position to be actually taking people into the program given that there are still some negotiations that need to be wound out between the states and the Commonwealth?

Prof. Calder—That is right.

Senator COLBECK—I know this is probably a futile question, but have you got any sense of the time frame when you might be able to start that process?

Ms Knight—We are well on our way with our negotiations. Certainly, in discussing with states and territories and the private sector about nurses who are waiting to hear about whether or not they qualify for this, that is part of that initial discussion. What we are clear about is that this is targeted at nurses who have been out of the nursing workforce for longer than 12 months and that in our first discussions and negotiations it will be how we will deal with people who in good faith have come back into the health system in the interim from when the policy was announced to when we actually sign our contracts, and that is part of the finer details that we are discussing at this point in time.

Senator COLBECK—Will this be a one-off per nurse process?

Ms Knight—As in?

Senator COLBECK—Could a nurse come in this year, disappear for a year and come back again?

Ms Knight—No. The program is targeted at bringing nurses back in and building a stable workforce for hospitals. It is very clearly stated at this point in time in our intent that a nurse will receive their first payment at six months after returning and then at 18 months and that a nurse cannot qualify for this program more than once in the entirety of the program.

Senator COLBECK—What about overseas trained nurses who have not worked in Australia for a prerequisite 12-month period? Are there any eligibility qualifications for overseas trained nurses?

Ms Knight—Part of the discussion that we have had is that if you are an overseas trained nurse who has worked in our Australian healthcare system and you have been out of the workforce for a period of time then that would allow a person to be eligible under this criteria, though at this point in time it is not intended for nurses coming into the country because there are other programs that assist in that. This is really about bringing back 30,000 nurses that we believe are out there who are qualified and who are able to come back into our workforce either through some education and training or because they have only been out for a couple of years and they want to come back. So it is really about getting people who know our health system, are able to actually come back and work in our health system and contribute to the health needs that we have right at this point in time.

Senator COLBECK—I do not think I have got anything further that I am going to achieve in respect of that.

CHAIR—What I would suggest is, seeing there is a natural break there, we break on Workforce now and have the private health insurance area so Senator Cormann can ask his question and then return—because I know that Senator Adams has a few there. Just looking at the time, it could be a logical place to make the break.

Ms Halton—They are actually on their way. So can we go to the regulator issue. PHIAC is here. The program people are literally coming.

CHAIR—Senator Cormann, will your questions be to the regulator, to PHIAC or to the officers of the department?

Senator CORMANN—The officers of the department and then maybe PHIAC, depending on what the answers are.

CHAIR—On that basis, my natural break has gone.

Senator CORMANN—We could always get started and see how we go.

Senator McLucas—We need the officers here.

Ms Halton—I am looking forward to the deputy secretary showing us what he is made of here.

Mr Davies—As long as he does not embellish!

Ms Halton—No, he is not allowed to embellish. We do not embellish at all.

Senator CORMANN—And if you cannot, you can take it on notice.

Ms Halton—Just so I can be clear, we will come back to Workforce after the dinner break?

CHAIR—Yes, and then the other questions on Workforce. Thank you for your flexibility.

Senator CORMANN—Thank you. My first question referring to outcome 9 is whether the government has given any indication yet as to whether it intends to maintain the outcome in its current form moving forward—that is, to maintain the number of people who are covered by private health insurance measured by the percentage of people who are covered by private health insurance remaining stable.

Ms Halton—What you are pointing to there is the PBS, which is a departmental document. I can point to you a number of statements made by the now minister in opposition in the election campaign in relation to the important role of private health insurance and maintaining the rebate.

Senator CORMANN—So specifically in terms of maintaining private health insurance membership, and specifically hospital insurance membership, there has not been any specific indication from the government as to whether they want to maintain the percentage of people having hospital insurance at current levels?

Ms Halton—I am not aware of a specific target based commitment that was given, but I am very aware that the now minister made a number of quite specific commitments in relation to the role of private health insurance, maintaining the rebate in respect of private health insurance and, I think, not undermining private health insurance. So I think the number of statements that were made are pretty comprehensive, but perhaps Senator McLucas—

Senator CORMANN—Maybe I could ask a question of PHIAC. Would PHIAC be able to give us an indication as to how private health insurance membership has trended between 1996 and the last quarter of 2007—it may be in broad terms—and then provide on notice the exact figures at a later stage?

Ms Ginnane—Over really the last 10 years we have seen private health insurance largely level off, but over the last two years consistently there have been minor increases and in the last quarter a reasonably significant increase in the number of persons covered for hospital treatment and general treatment coming out of the private health insurance reforms of 2007.

Senator CORMANN—So what would have been the percentage in 1996 and what would be the percentage at the end of 2007?

Ms Ginnane—I am not sure I am able to say that. I can only look at the numbers based on the policy agenda that has been in place, and we have seen growth in particular over the last two years.

Senator CORMANN—So you will take that on notice? I put it to you—

Ms Halton—Not that there has been any notion of filibustering here, because we have not had enough questions for that, but as the officer has sprinted, I am sure at an illegal speed—

Ms Flanagan—And there was actually a policeman on my tail. That would be the ultimate indignity: to be pulled over and have to use the excuse that I had been caught speeding.

Senator CORMANN—Maybe while you are looking for these figures I can just keep—

Ms Halton—Yes, sure.

Senator McLucas—Just while those figures are being found, I think it might be helpful that I quote from a media statement from now Minister Roxon from 26 September 2007, which is headed ‘Liberal scare campaign on private health insurance rebates—Federal Labor to retain rebates’:

Federal Labor rejects the Liberal scare campaign around the private health insurance rebates. The Liberal Party scare campaign this morning—

Senator CORMANN—Can I just interrupt for a minute?

Senator McLucas—No, you asked a very clear question and it warrants an answer. I would really like to put this on the record:

On many occasions for many months Federal Labor has made it crystal clear that we are committed to retaining all of the existing private health insurance rebates, including the 30 per cent general rebate and the 35 to 40 per cent rebates for older Australians. Labor will also maintain Lifetime Health Cover and the Medicare levy surcharge—the other components of the existing private health insurance incentive scheme. The Liberals continue to try to scare people into thinking Labor will taking away the rebates. This is absolutely untrue. The Howard government—

As it was then—

will do anything and say anything to get elected.

It is important that we put it on the record because I think that was where you were heading with your commentary.

Senator CORMANN—You are making assumptions, with all due respect.

Senator McLucas—I think they are pretty well founded.

Senator CORMANN—I might just go back to my question. Essentially, we note in the additional estimates document on page 1.1 that, at the end of December 2006, 43.4 per cent of Australians had private hospital cover. The measure that is currently in our estimates statement is that the measure of progress by the percentage of people covered by health insurance is remaining stable. The commitment so far has been to maintain the number of people covered by private health insurance hospital cover. So far I have not heard yet any indication as to whether the government continues to be committed to at least keeping it at the same level.

Senator McLucas—I will explain the answer to that question, and the secretary did explain it herself. That performance indicator—and that is probably the wrong language—is an objective of the department.

Senator CORMANN—So has the government got an objective to maintain private health insurance membership at the same level it currently is? Incidentally, PHIAC data released recently would indicate that it is now 44.4 per cent.

Senator McLucas—We will be working to ensure the maintenance of the private health insurance industry in Australia and coverage of Australians in the way that it currently operates.

Senator CORMANN—Okay, good. Maybe, then—

Senator McLucas—Just be very clear: you are trying to put a percentage on something. I do not recall the previous government having a benchmark of a percentage of the population of Australia being covered by private health insurance. If you can point me to that, I am happy to be corrected. But like the previous government, we are committed to having a mix of public and private health in Australia and to that end there will be no change to the current rebate system.

Senator CORMANN—So maybe we can go back to the officer. Have you a figure for 1996 in terms of what membership levels were then?

Ms Flanagan—I have a graph, so I cannot give you the exact figure, but in 1996 it looked as though it was in the low 30s. As you have stated, it is around 44 per cent now. The increase came in June 2000 with the introduction of the rebates and Lifetime Health Cover. As Senator McLucas has stated, the government is committed to keeping those. We have never actually had a target of a percentage of people who would be there.

Senator CORMANN—From a risk management perspective, what is your advice from a departmental point of view to the government as to what would be the risks in terms of keeping health insurance membership at the levels that they might be now? What are the risks that you would see?

Ms Halton—You are asking us to tell you about advice that we give to the government. Under the standard protocols you would understand that we are not able to do that.

Senator CORMANN—Fair enough. What are the elements that drive health insurance membership?

Ms Flanagan—There would be a whole range.

Senator CORMANN—What would be the three or four core?

Ms Flanagan—Personal choice et cetera. The two measures that the government has committed to maintaining are Lifetime Health Cover and the rebates. If you look at that graph over time you will see that it had the biggest impact on increasing the rates of participation. So there is a commitment to retain that. But it does bounce around, as you would appreciate, as people make choices, as the population ages et cetera. We have never set a target.

Senator CORMANN—Would it be fair to say that the more affordable the health insurance the more likely people are to take it up?

Ms Flanagan—I think that is true of buying lollies in a sweetshop as well.

Mr Kalisch—It is not just the affordability but the quality of the product. It is really the value proposition for the consumer. We see that funds continually change their mix. We see this as quite a dynamic system. The legislative reforms that were put in place provide the funds with a bit more flexibility around what they can offer in the future.

Senator CORMANN—Affordability is obviously a key element in terms of somebody taking out private health insurance.

Mr Kalisch—I think consumers are fairly astute. The PHIAC website provides them with information around the type of product offered and a comparison of the prices and the product. They would look at both sides of the equation.

Senator CORMANN—Based on historical experience—and maybe PHIAC is able to answer this—when membership levels go down what happens by way of general trends to the level of premiums? What sort of membership would be the first to leave if membership levels were to reduce?

Ms Ginnane—Historically speaking our data does indicate that people who leave private health insurance first tend to be probably between 20 and 40 years. They tend to join less also between the ages of 20 and 29. Although our numbers in the last couple of quarters indicate that take-up in the 20 to 29 years cohort has actually improved over previous times it is not a simple system. It is much more complex. Our data simply is not sophisticated enough. We collect the numbers, not the reasons, why people join or leave private health insurance. The information that we have is partly based on information provided to us by health funds.

Senator CORMANN—The government indicated in opposition that it was committed to the rebate. You have read out a statement in relation to that again now. Are you aware of any proposed changes to the tax status of the 30 per cent rebate? I have read a suggestion that maybe the tax exempt status of the 30 per cent rebate might be under review.

Ms Halton—I have not read that, Senator.

Senator CORMANN—So you have not had any advice from Treasury or otherwise?

Ms Halton—I am not going to make any comment about advice one way or the other, but I have never read that statement.

Senator CORMANN—That is not a proposal that you are—

Ms Halton—I am not going to answer that question because we do not answer those questions. I have never read that suggestion. Out of interest, where did you read it?

Senator CORMANN—There was recently an article in the press. So there is no suggestion by government to review the tax status or in any way change the 30 per cent rebate?

Ms Halton—We have not read that.

Senator CORMANN—Can you take that on notice and see whether there is anything you can provide us with in relation to that?

CHAIR—It is a government process. You could ask that question of members of the government but not officers of the department.

Senator CORMANN—I am asking the government.

Ms Halton—Ask Ken Henry and see what he says and let us know what he says.

Senator CORMANN—Essentially you have confirmed that Lifetime Health Cover will remain in its current form?

Senator McLucas—Yes.

Senator CORMANN—The Medicare levy surcharge policy will remain in its current form?

Senator McLucas—Correct.

Senator CORMANN—There is no suggestion to increase the thresholds that you are aware of?

Senator McLucas—Not that I am aware of.

Senator CORMANN—Has the government given any indication as to whether PHIAC is going to continue to exist in its current form or is there a proposition to merge PHIAC into APRA?

Ms Halton—Ms Ginnane is most interested in that.

Ms Ginnane—Ms Ginnane is not entirely interested.

Ms Halton—Ms Ginnane is going to go off and have a very nice life and retire. Ms Ginnane is completely detached from that question. Again, I cannot comment on that.

Senator CORMANN—You cannot comment on many things.

Ms Halton—Ask me a question about the estimates.

Senator McLucas—If you have a document and you are saying this is where it is said, would you make comment about that—

Senator CORMANN—I was brought here at very short notice. I was going to be here on Friday. I have not got my whole file here, I am sorry. Otherwise I would be able to table some of those documents.

Senator McLucas—That is fine.

Senator CORMANN—I refer to Labor's pre-election commitment not to privatise Medibank Private. I assume that is still the case?

Senator McLucas—That is correct.

Senator CORMANN—You will not proceed with that?

Ms Halton—Understand, if you will, that the actual owner minister for Medibank Private is the Minister for Finance and Deregulation.

Senator CORMANN—I understand that. But I suspected as the Department of Health and Ageing that you would have a view on how privatising or not privatising would impact on the industry?

Ms Halton—We have a view on everything.

Senator CORMANN—But it is not a view that you would share.

Ms Halton—Correct.

Senator CORMANN—That is very interesting. So you do not have a view as to whether that is a good thing or a bad thing?

Senator McLucas—You cannot ask an officer their opinion, Senator.

Senator CORMANN—I know in the past that PHIAC—and I am sure that you will confirm this—has made the comment about the structure of the health insurance industry and how it would be desirable to progress into the future in terms of the number of health funds. Is that a view that is currently being discussed?

Ms Ginnane—I cannot comment on the department but PHIAC has never identified how many funds there ought to be in the industry. Our role as the regulator is to ensure that those funds that are there, however many there are, remain financially viable and act in the best interest of the policy holders of those funds.

Senator CORMANN—So the government does not have a view in terms of the number of private health funds that are currently in the marketplace?

Senator McLucas—It is not a matter for government to be intervening in the number of operators. I think Ms Ginnane's comment is apt. We have to make sure that those that are there are providing quality services to their policy holders and, importantly, that they are viable in the long term.

Senator CORMANN—So you do not have a view from a government point of view about mutual health funds publicly listing and how desirable that is? You do not have a view on that?

Senator McLucas—No.

Senator CORMANN—Essentially, if I summarise, the government has not locked itself into a target in terms of maintaining health insurance or hospital insurance memberships at current levels that you can confirm?

Senator McLucas—Are you trying to write a press release or are you actually asking a question?

Senator CORMANN—I promise you I will not be putting out a press release. I am trying to get some answers.

Senator McLucas—No, we do not have a target, just like the previous government did not have a target. I have answered that question. Do not try to construe your line of questioning into the answers that you are trying to achieve.

Senator CORMANN—I think that it is a fair question. I thought it was a legitimate question to ask. Let me put it this way. Under previous Labor administrations, if you look at the historical records, membership levels went down—and this is a generalisation now—

Senator McLucas—A very big generalisation.

Senator CORMANN—If you look at the record you will find that under previous Labor administrations membership levels went down and in overall terms under coalition administrations membership levels went up. To some extent that is because of a clear commitment under our governments to introduce policies that see that come about. I know that in the lead-up to the election you have committed yourself to the 30 per cent rebate. I am pleased to hear that you are still committed to that and you are not aware of any changes to that at all. I know that you have said that you will keep Lifetime Health Cover but I guess from a general point of view it is clear that we did have an approach where we wanted to at least keep the percentage of people covered by health insurance stable. What you are saying to me is that—

Senator McLucas—I am not sure that that is true. You did not write that in a document. What you have done is conflated an objective from a section of the department into a government policy.

Senator CORMANN—So where did that come from?

Senator McLucas—We will go back to the secretary. Do you want the secretary to explain that again?

Senator CORMANN—Yes please. So it was not consistent with the policy of the former government; is that what we are saying?

Ms Halton—The way this document works is we have inside the department for our purposes ways of ensuring that we are implementing the government's policy et cetera. These are not statements of government policies.

Senator CORMANN—I understand that.

Ms Halton—These are statements from the department.

Senator CORMANN—They are your outcome measures and your performance measures. I understand that. Clearly, your outcome measures and your performance measures would be linked to what your understanding is of the government's expectations or what they want you to help them achieve from a public policy point of view; is that right? The reason this target and this measure was put into your departmental statement is presumably because it helps you achieve a government public policy objective.

Ms Halton—I have a sense of being verballled here. Essentially, that is a statement of what the department has been driving to do.

Senator CORMANN—So that was your own decision? Essentially one day you decided, ‘We want to keep private health insurance memberships stable.’? That is it?

Ms Halton—To say one day we decided is perhaps to trivialise it. Essentially this document is something which is signed off by the department, not by the government.

Senator CORMANN—I understand that. It does not relate in any way to government policy?

Ms Halton—In the broad it does, obviously.

Senator CORMANN—Let us say, theoretically, if government policy were to change and the priorities from a health point of view were to change, I suspect that you would change your performance measures and your targets. Is that not correct?

CHAIR—Senator, we do not deal in theoretical questions at Senate estimates. It is a debating point. In the Senate estimates process there are quite clear guidelines about how questions are framed, and we do not have theoretical questions.

Senator CORMANN—I apologise for framing it as a theoretical question. I am just trying to make myself understood. I feel a little bit frustrated. There is a clear indicator, a clear measure and a clear reference point and target here. As I understand what is being said, there is no linkage between that particular outcome statement indicator, measure and reference point and government policy. What I would like to understand from the government is whether the government is committed to the overall policy objective of at least maintaining current private health insurance membership levels. I am not interested in the specifics at this point. I just want to understand whether the government is committed to maintaining current membership levels in private health insurance.

Senator McLucas—We have explained that. We are committed to maintaining all of the rebates as they currently exist, maintaining Lifetime Health Cover and maintaining the Medicare levy surcharge. What is not written in this document but is implicit is that we will have a viable and effective private health insurance sector in Australia that will ensure that Australians can access quality private health insurance.

Senator CORMANN—Would you be concerned if membership levels started to drop as a proportion of the population?

Senator McLucas—Of course we would be.

Senator CORMANN—You would be?

Senator McLucas—And you would be, too.

Senator CORMANN—Yes, I would be. So presumably, then, you will be assessing—

Senator McLucas—You would wonder why. You would ask questions of the department.

Senator CORMANN—Exactly. Essentially we have established that in December 2007—

Senator McLucas—But that is not happening.

Senator CORMANN—What is not happening?

Senator McLucas—Membership levels are not dropping.

Senator CORMANN—So they are not going to drop?

Senator McLucas—I left my crystal ball at home, I am sorry.

Senator CORMANN—What I am trying to establish is that we reached a point in December 2007 where membership was at 44.4 per cent. Over the last five years in general terms membership levels have been trending up, even though that trending up has slowed down. I am trying to ascertain, at the beginning of this new phase of the new government, what your commitment moving forward is to private health insurance membership levels. You have just said that, yes, you would be concerned about membership levels dropping. Thank you. So, if you are concerned, presumably you would be focused on positive measures to help keep them up. You would be focused on not getting rid of initiatives that are currently in place that would result in membership levels going down. In that context I appreciate the commitments you have made on the 30 per cent rebate, the Lifetime Health Cover and the Medicare levy surcharge. I would like on the record, though, to get specific information whether there are no plans to change the Medicare levy surcharge from the current levels.

Senator McLucas—We have answered that question.

Senator CORMANN—So no change?

Senator McLucas—That is correct.

Senator CORMANN—I will leave it at that.

Senator HUMPHRIES—Can I just follow up one question. In the statements that Ms Roxon made before the election about what the Labor Party's intention was with respect to the rebate, did the now minister confirm that the private health insurance rebate is to stay?

Ms Halton—Yes, that is right.

CHAIR—There being no further questions on the Private Health Insurance Ombudsman, thank you and thank you for your flexibility in coming back so that we could make the program flow. On that basis, because I am very generous, we will have an early dinner rather than bring back outcome 12, Health Workforce Capacity, for 10 minutes. That would be too disruptive. We will return at 7.30 pm on Health Workforce Capacity, and we will continue to work through the program to the end of the evening. Tonight we are going to work through until 9 pm, when we will bring on the Sport portfolio. The last two hours tonight will be on outcome 15, and then any programs that we have not covered this evening will reconvene on Friday at nine o'clock.

Proceedings suspended from 6.13 pm to 7.37 pm

CHAIR—We are going to work through this evening until nine o'clock and then we are going to the sport portfolio, which is outcome 15. In relation to Workforce, Senator Adams has some questions, but in the interim I thought I would ask a little bit about the therapy areas and what work is being done on therapists of different kinds.

Prof. Calder—Could you elaborate.

CHAIR—We were looking at doctors and nurses. I know that Senator Adams will pick up on the issue of nurses when she comes back, and I am sure there are questions there. Has the

department done any modelling on workforce needs in medical therapy areas—speech, occupational, physio?

Prof. Calder—No, none of those areas.

CHAIR—That was my question.

Senator HUMPHRIES—That was worth waiting for!

CHAIR—I thought it was good. I thought it was astute.

Senator COLBECK—This is going to be difficult, because this is what Senator Adams has gone to get. With the nurses back to work program under aged care, would I get the same answers that I got here?

Prof. Calder—Yes and no. There is not the public/private sector split, because it is a different sector.

Senator COLBECK—Yes, but the principles are the same.

Prof. Calder—Yes, the principles are the same.

Ms Halton—Senator Moore, I can tell you that the last time this happened to me, when I was chairing something, was in Geneva. I was chairing the intergovernmental working group on virus sharing. Yes, it is that interesting, but it is quite controversial. I had the Director-General of the WHO sitting next to me throughout the whole proceedings, and whilst countries were consulting on the floor—and we did not want to officially break because we would lose some of our more flighty colleagues—it got to the point where the director-general sang.

Senator COLBECK—You're not going to get any of that out of me!

Ms Halton—She sang *Getting to Know You*.

CHAIR—They often do that at UN meetings, burst into song.

Ms Halton—Yes, I know. She is, of course, as we all know, Chinese, and she actually has a remarkably good singing voice. She can sing in Mandarin, Cantonese and English. She regaled us in English, and this was because, as I said, we did not want to lose people in the process. As a consequence, I have now sent her the CD of *The King and I* so she can practise her singing, because in a couple of places she got the lyrics wrong. Anyway, that is my contribution to the evening.

Senator COLBECK—I have asked a question in this element to save us some time in another one, so I suppose that is one achievement.

CHAIR—You have, and you got the program right, which was good.

Ms Halton—And we got Senator Lundy, and that is not who we want—in the nicest possible way, Senator Lundy.

Senator LUNDY—I'll remember you said that!

Ms Halton—No, we are trying to fill in time waiting for another senator.

CHAIR—The next area is a large area where people have significant questions: aged care.

Senator COLBECK—That is where I have saved time.

Prof. Calder—I did suggest that I bring my staff here, so we could have been the choir of hard work!

Ms Halton—I'm not sure that that means they can sing and I'm not about to encourage it!

CHAIR—Does Workforce have anything to do with dentists?

Prof. Calder—Sorry?

CHAIR—Do you look at dentists in Workforce?

Prof. Calder—We have the dental workforce as a concern but the dental programs sit in another outcome.

CHAIR—I hope Senator Boyce has come in with a lot of questions for Workforce. I have been visiting dental schools, and they are doing modelling on the needs into the future for not just dentists but dental hygienists and dental therapists and seeing that that area has not been well studied.

Prof. Calder—It is an area that needs a lot of work, and we have very little to work with at this point.

Senator COLBECK—Is the dental workforce stuff in one of the other two areas where you find dentistry?

Prof. Calder—No. To the extent that we are able, having just said what I said, we can talk about the dental workforce, but the dental health care programs are in another outcome.

Ms Halton—The issue that we have with the dental workforce—and this is a serious issue—is, firstly, the number of people we train, which is something we are quite concerned about, and, secondly, as you would understand with the medical workforce, we have a certain number of levers—sometimes ineffective and sometimes we wish we had more—to get a reasonable distribution. With dentistry, we do not. We have no levers in that respect. In this committee we have had conversations over many years about where psychiatrists are located, and there is an interesting preponderance in Mosman, which I always think is vaguely amusing but it is also a bit of a problem. But with dentists, because we fund very little, we have no government funding levers to look at the distribution, particularly in regional Australia.

Senator COLBECK—What about education for dentistry in regional areas? I am aware of a proposal under the previous government to try and put something in place along the north-west coast of Tassie, but are there any other—

Prof. Calder—There are two regional dental schools now.

Senator COLBECK—Is South Australia one?

Prof. Calder—Charles Sturt and James Cook.

Senator McLucas—Located in Cairns.

Senator COLBECK—Now, there's a surprise!

CHAIR—I was at the Gold Coast university talking with the dental school there—

Senator COLBECK—Is there a cool climate rural dental clinic or school?

Ms Halton—Cool climate? Is that like a wine, Senator?

Senator COLBECK—No, I am making a distinction because my guess is that it might be difficult to attract people who have trained in a warmer climate to a cooler climate. I wondered whether that demographic is part of the process.

Ms Halton—I do not know that temperature is part of the criterion. Maybe we should look at that, Senator Colbeck!

Mr Kalisch—What you have pointed to is that there are two quite distinct aspects. One is the dental schools at Charles Sturt and James Cook, but then there are also the rural clinical school initiatives that look at partial training and clinical training experiences for dentists that are happening in a number of other locations.

Senator COLBECK—Whereabouts are those particular locations that take up dentistry?

Prof. Calder—Can I turn it around. Under the 2007 budget, six existing dental faculties are being funded to develop extended rural training programs, and they are the universities of Adelaide, Melbourne, Sydney, Western Australia, Queensland and Griffith. Specific sites have yet to be determined, but they are to be in the areas designated as RRMA 3 to 7.

CHAIR—Professor Calder, do you have information there about particular programs that take dental students into Indigenous communities?

Prof. Calder—I do not think so, Senator. We could take that on notice.

CHAIR—There is a program of that kind at a few of the universities, which is linking the community with Indigenous services so the students get the opportunity to have regional placements, but they also have that added incentive of Indigenous community placements.

Prof. Calder—I do not believe I have information specifically on dentistry, but we can take that on notice.

CHAIR—That would be useful. We are relieved to see that Senator Adams has returned to ask questions on Workforce.

Senator ADAMS—On page 30, there is something about clinical training for enrolled nurses which is not, according to the book, going to be continued. Could the minister tell me where the enrolled nurses go for their clinical training.

Senator McLucas—Could I ask the officers to explain.

Prof. Calder—Clinical training for enrolled nurses is normally handled at the state and territory jurisdictional level and is largely in the VET sector. The new measure Bringing Nurses Back into the Workforce will include enrolled nurses.

Senator ADAMS—I gather the money that was put away for hospital based training of enrolled nurses is no longer going there.

Prof. Calder—That is correct.

Senator ADAMS—I have a question on the Council of Remote Area Nurses funding. At the moment the department currently funds CRANA from one six-month guaranteed funding period to the next. Being a centre for rural and remote area nurses, once you get someone up into that area to work and you only guarantee them a six-month contract, it is very difficult.

Firstly, could the department explain the reason for this funding cycle and, secondly, can the reporting cycle be altered to elicit better results?

Prof. Calder—I am not sure that I follow the question, Senator.

Senator ADAMS—Because of the six-month guaranteed funding for this organisation, with their recruitment and attraction of staff they cannot keep them there, if that is all they have.

Prof. Calder—I am advised that there was a six-month arrangement because we were in caretaker period when the contract was due for renewal. That is now to be renegotiated with them, with advice to the minister.

Senator ADAMS—So that is ongoing? They are not going to be cut?

Prof. Calder—It is for discussion.

Ms Knight—We have met with CRANA recently and discussed their reporting requirements. We have undertaken to make it a simpler process for them.

Senator ADAMS—Good, thank you very much. With remote nurse practitioners doing advanced practice, and because it is such a lengthy training course, they are wondering if the recommendation to fast-track the training has been implemented.

Prof. Calder—Again, could you elaborate a bit? That is not something I am familiar with.

Senator ADAMS—You are not familiar with it? There is obviously the advanced practice and remote nurse practitioner training, but there was a fast-track recommendation which they were hoping had been implemented. Do you know anything about that? It would have been to do with their course, because I think the course was—

Prof. Calder—We are going to have to take that one on notice because we do not have an understanding of what the issue is.

Senator ADAMS—I do. Once again it is about having people trained and taking so long for the training. They want to get them out into the field with their master's degrees, and then the actual remote area training they have to do after that.

Prof. Calder—Is this a question from the CRANA group?

Senator ADAMS—Yes, it is.

Prof. Calder—I am not familiar with it. We will take it on notice.

Senator ADAMS—I think that might be all of my Workforce issues, thank you.

Senator COLBECK—Going back to nurses returning to the sector, specifically to the aged-care sector, I have to make a couple of assumptions with respect to this. It appears to me, from the figures in front of me, that of the 1,000 in the first year of the program, 400 are targeted into the aged-care sector. Is that correct?

Ms Knight—No. It is my understanding that we have a target of 1,000 in hospital settings, and Aged Care at this time are negotiating a target of up to 400 in their sector.

Senator COLBECK—So potentially you are looking at a target of 1,400 based on the outcome of those negotiations?

Ms Knight—That is right.

Senator COLBECK—Again, the distribution would be based on a population basis?

Ms Knight—You might need to ask the aged-care sector how they intend to distribute. They are at the early stages of discussion with their sector.

Senator COLBECK—Will the bonuses be taxable?

Dr El-Adhami—They will be taxable.

Senator COLBECK—They are not tax free?

Dr El-Adhami—No.

Senator COLBECK—Is there a differentiation or a process where a nurse might move from the acute-care sector to the aged-care sector? Is there a distinction? If they were to move interstate and/or work part time in one of the sectors, is there a process for dealing with the capacity of people to work part time?

Prof. Calder—As we said earlier, we are looking at some of the detail at present but the intention is that a nurse will be eligible to enter the program once. If there is a transfer between sectors, we would hope to try and manage that, but there certainly would not be a prospect of re-entering.

Senator COLBECK—Are there any other payments that might go with this process—for example, re-registration costs or something of that nature?

Ms Knight—Many of the states and territories at the moment run courses that are very different from one jurisdiction to another. It is the intention that those programs will continue. They are designed to meet the requirements of the regulating body of that state and territory in terms of nurses being work ready. This program is meant to assist nurses, once they have undertaken that training that is required by their state regulatory body, to then re-enter the workforce through those incentives. Each of the states and territories has some support available to the ministers in some instances, and they need to apply through their jurisdictions.

Senator COLBECK—Just to make sure I do not miss out on personal care workers, do they fall within your ambit?

Prof. Calder—No.

Senator COLBECK—All right, thank you.

Senator BOYCE—I am sorry I arrived late. I understand there have been no questions in regard to the Professional Services Review Agency?

Prof. Calder—That is not within my outcome, Senator.

Senator BOYCE—We have it here under outcome 12.

Prof. Calder—Yes, I was surprised by that myself.

Senator BOYCE—So where should that agency be?

Prof. Calder—Outcome 3 or 2, people are advising me.

Senator BOYCE—Access to medical services, because it does just relate to medical professional services?

Prof. Calder—Yes, that is right.

Senator BOYCE—I am prepared to put it on notice. Is that possible? Is that the way to do it now, Chair?

CHAIR—Yes.

Senator BOYCE—What I wanted to do was look at their baseline budget at the current time and their current staffing, please.

Prof. Calder—We will take that on notice.

Senator ADAMS—Is the government concerned about the low level of intake into the general practice of specialist training programs for medical graduates trained in Australia? Given the significantly increased number of medical graduates in the pipeline, what can be done to ensure that significant numbers of them choose general practice?

Prof. Calder—The general practice training program has been close to fully subscribed for the last two years, so in terms of the low number that you quote, we have reached close to our target intake in that time. There have been discussions over the last 12 months about the need to provide increased clinical training. That will be subject to fairly wide-ranging discussions through a number of processes including the rural audit that we have been asked to undertake. The question of increasing general practice intake numbers will be considered in that context.

Senator ADAMS—Given the increased numbers in training, how will they be exposed to rural areas through placement and training, given the lack of capacity of existing practitioners to be their mentors?

Prof. Calder—The current program provides regional training through the 21 regional training providers and the purpose of that structure is to ensure exposure to rural practice. There is a rural pathway, which provides for training in rural areas for practitioners who embark upon it. We will be looking at ways in which that can be enhanced but currently it is well subscribed.

Senator ADAMS—Will the government progress the former government's proposals to increase the training for medical graduates in private hospitals?

Prof. Calder—That program is continuing, if you mean the expanded settings for specialist training. That program is fully subscribed and indeed has a higher subscription level than we were anticipating. We think about 150 places will be filled this year.

Senator ADAMS—Given the major reliance of many rural and regional areas on international medical graduates, what is the government planning to do to ensure that quality and safety are assured while the overseas-trained doctors are provided with every welcome and support?

Prof. Calder—There are in place a number of processes and practices that address that issue, including requiring overseas-trained doctors to enter on the basis of participating in a training program, meeting the Australian Medical Council requirements and so on. Clearly, we will be looking at the need to support them through the rural audit, but there are very well-established practices in place at present.

Senator ADAMS—This may have been asked in dental: how will the government's commitments on public dental health services and teens' dental health be rolled out in rural areas in the absence of extra dentists?

Prof. Calder—It is a question I cannot particularly answer because my concern obviously is to look at enhancements in the dental workforce. There are two rural dental schools that have been established and there are increased numbers of dental undergraduate places as a result. Again, we will be looking at the whole issue of the rural health workforce this month and next month in response to the Prime Minister's requirement for a rural audit.

[7.59 pm]

CHAIR—As there are no further questions on workforce issues, I thank witnesses for appearing. We will now move on to outcome 4, Aged care.

Senator COLBECK—I will quickly run through some things that I asked earlier in the day. To make it easier, I will go through them quickly, but I will ask if the information might be broken down into elements of the agency in respect of workforce, in particular, because I asked first thing this morning about the agency workforce. So if we can have that information broken down by element that would be appreciated.

Ms Halton—Yes, we are going to give you that departmental wide.

Senator COLBECK—That is fine. I have already asked some questions in respect of the efficiency dividend, although I will make a specific point on how you might see that impacting on your element of the agency, Mr Stuart.

Ms Halton—And the same answer applies.

Senator COLBECK—If that saves time, I am happy to do that.

Ms Halton—We cannot answer you, because we are trying to work out what is efficiency and what is staff. We have had the specific question in respect of TGA, which is costs recovered. So I put that down.

Senator COLBECK—Yes, I understand that.

Ms Halton—But, other than that, everyone is in the same boat.

Senator COLBECK—Within your section of the agency, do you have any specific measures that you might be looking at to achieve that at this stage, or is that still in—

Mr Stuart—We are looking at starting to plan for next year and we have only just begun on that process. So we are looking at what are the important things we do, and what are things we may be able to do more efficiently, in preparation of advising the department's executive. But we have only just embarked on the beginning of that process.

Senator COLBECK—So we might explore that a little further later in the year when we get to May. Have you made any specific appointments with respect to committees or boards or review processes since the election? Do you have any coming up in the next, say, six months to 30 June?

Mr Stuart—There is just one that I am aware of. The government has an election commitment to appoint an ambassador for ageing. That is under consideration.

Senator COLBECK—Can you give me any information on the process for that appointment? Is there a selection panel that is in place? How will the appointment be made? I understand the minister will make a final decision, but is there a selection panel or something of that nature in place to undertake the process?

Mr Stuart—No, it is a government decision on advice from the minister.

Senator PATTERSON—Will the department be putting forward any names of people?

Mr Stuart—The department was asked to provide advice and we did so.

Senator PATTERSON—How many people did the department recommend?

Senator McLucas—That goes to the nature of the advice.

Senator PATTERSON—No, it does not. I am not asking who it was. I want to know how many people.

Senator McLucas—It goes to the nature of the advice.

Senator PATTERSON—I would like to know how many people were recommended. It is not a policy issue.

CHAIR—Senator Patterson, I do not believe that that is an appropriate question.

Senator PATTERSON—I would, with respect, Madam Chairman, disagree with you. I am not asking who; I am just asking how many names were presented to the minister.

CHAIR—I acknowledge that, Senator Patterson, but I do not think it is an appropriate question to ask the officials.

Senator PATTERSON—I disagree with you, Madam Chairman. I still ask the question: how many names were given to the minister?

Mr Stuart—I think that that goes to the nature of the advice given by the department to the minister.

Senator PATTERSON—Was it more than one person?

Mr Stuart—I think that goes to the nature of the advice given by the department to the minister.

Senator PATTERSON—We will find out in due course, Mr Stuart, because I will ask questions in May. Thank you.

Senator COLBECK—Was there a commitment to making that appointment within a certain time frame?

Mr Stuart—My memory is that there is not a fixed time frame for that commitment. My memory of it is that there is funding allocated for next financial year, not for this financial year.

Senator COLBECK—Do we know what the remuneration of the ambassador is to be?

Mr Stuart—That will be subject to the Remuneration Tribunal.

Senator COLBECK—Which raises an interesting question. I was not going to ask that question—because we have had some fun with that—but, Parliamentary Secretary, will the

minister be making a submission to the Remuneration Tribunal with respect to the remuneration of the ambassador for ageing?

Senator McLucas—I actually do not know, Senator. I do not have a brief in my folder on that. I am happy to get some information about it. I am not sure how the minister is proposing to or if she is proposing to remunerate the ambassador for ageing.

Senator COLBECK—So you are not certain that there will be a remuneration for the ambassador at this stage?

Senator McLucas—No, I am honestly uncertain. I will find out and get you as much information as I possibly can.

Senator COLBECK—With respect to the costs that are allocated in the forward estimates for post July, do we know what they are allocated for? If, in the circumstance the ambassador is not going to be remunerated, what might the costs be allocated to?

Mr Stuart—I am being advised, I am sorry, that that is still all under consideration by the government.

Senator COLBECK—Can you direct me to whereabouts in the PBS I might find the line item for that?

Mr Stuart—There is no line item for that.

Senator COLBECK—But you indicated to me that there was funding allocated for 1 July. That is not going to be known to us until the May budget?

Mr Stuart—That would be right—yes.

Senator PATTERSON—Will the ambassador require staff?

Mr Stuart—It is anticipated that the department will support the ambassador.

Senator PATTERSON—So there will be no additional staff required for the ambassador?

Mr Stuart—I cannot answer that question. That is subject to budget consideration.

Senator PATTERSON—I am glad you protect the parliamentary secretary as well as you protected me, Mr Stuart.

Senator COLBECK—Do you have a duty statement for the ambassador? Do we know what the functions will be for the ambassador?

Mr Stuart—There was, during the election period, a public announcement which included a range of duties and activities that the ambassador would be expected to undertake.

Senator COLBECK—What role will the ambassador have in respect of—no, I do not think that is the right question.

Senator PATTERSON—Let me come in here: what will the role of the Ambassador for Ageing be vis-a-vis the council for ageing, which we have not got onto? How will they be related? Has that been determined?

Mr Stuart—Senator, I will try to be as helpful as possible.

Senator PATTERSON—Thank you, Mr Stuart.

Mr Stuart—The name of the ambassador, the role of the ambassador, the agenda and the nature of the council are all matters which are being thought about and are under consideration by the government. Until there are decisions made and announced by the government about those things, I will not be able to help you further.

Senator PATTERSON—Maybe the question is better directed to Senator McLucas, given that it is still in the developmental stage. Parliamentary Secretary, can you explain how you see the Ambassador for Ageing relating to the minister or the council for ageing? What will be their various roles?

Senator McLucas—It would be more appropriate for you to wait until Minister Elliott can make a full announcement on her proposals for the Ambassador for Ageing and for the role of the Ministerial Council on Ageing.

Senator PATTERSON—So it has been announced, but you have no idea of how they are going to interact?

Senator McLucas—As a former minister, you would understand how a ministerial council works, I expect.

Senator PATTERSON—But at this stage I thought you would have some idea—you have got this Ambassador for Ageing and a ministerial council—of how the two would interact; what role they would play; whether they meet on a regular basis. Don't you have any idea?

Senator McLucas—I can tell you—and I am sure that Mr Stuart could explain—the policy intent of the Ambassador for Ageing. Given that they were announced on the same day, I think you are constructing too much into that to say that these two are necessarily related. We are talking about a ministerial council, like we have ministerial councils on a range of different programs. Under the former government, we did not have a Ministerial Council on Ageing. You would recall that the former minister for ageing had you call together ministers from the states and territories to deal with the issues that he was confronted with in February of last year, because there was no ministerial council. This government has proposed that there will be a Ministerial Council on Ageing that will work in the same way that most ministerial councils work.

Senator PATTERSON—You do not know yet—

Senator McLucas—It is an opportunity for state and territory ministers with responsibility for ageing to work in a collaborative way with the federal minister for ageing, given the policy splits that exist in our country. State governments do have an interest in ageing, although they do not fund aged care. It is important that we have some sort of cohesive approach to ageing in this country, and that is the purpose of the ministerial council. It is inherent in its name.

Senator COLBECK—Has there been a date proposed for the first ministerial council meeting?

Senator McLucas—No.

Mr Stuart—The minister is very keen to get on with both areas of implementation—both the ambassador and the ministerial council. No doubt the minister will make public statements about both of those things very soon.

Senator COLBECK—I understand that. But I thought there may have been a date set, given the logistics of getting ministers from all the jurisdictions together. Generally those things are set well in advance so that you can achieve it, because it is a big task.

Mr Stuart—In terms of establishing a ministerial council, ministerial councils all operate under the rubric of COAG—the Council of Australian Governments—and they are therefore required to be set up by the Prime Minister and premiers agreeing on the Prime Minister essentially writing to his colleagues and inviting nominations for the council. The council would then meet. The council itself will deliberate on its terms of reference and advise those to COAG. So there are a number of processes to be gone through there, and they will be gone through.

Senator COLBECK—Has the development of a ministerial council been before COAG at this stage—do you know? I am looking through the 20 December communique to see whether it is listed there. Does it have to go before COAG first or is it just a process of the Prime Minister writing to the premiers?

Mr Stuart—It depends on how the Prime Minister decides to take it forward.

Senator COLBECK—Do we know whether that has occurred yet?

Mr Stuart—That would be a matter for—

Senator COLBECK—The Prime Minister and cabinet.

Mr Stuart—the Prime Minister. I really do not think that you can ask me to announce government policy at an estimates hearing.

Senator COLBECK—I am not asking you to do that. The government has said that it is going to set up a Ministerial Council on Ageing.

Mr Stuart—And so it will.

Senator COLBECK—That is the policy. I am coming to the logistics of it and trying to get a sense of the time frame under which the first council meeting might be. Now, you are explaining to us—

Ms Halton—We cannot answer the question, Senator.

Senator COLBECK—You are explaining to me the process by which the ministerial council might be established. It could be established through a meeting of COAG. At the last meeting of COAG, according to the communique that I have, it was not an agenda item, so that deals with that side of it. If it has to go through a meeting of COAG—

Mr Stuart—It does not necessarily have to go through a meeting of COAG. It can also be done through correspondence.

Senator COLBECK—It may be able to be done through prime ministerial communication to the premiers, but you cannot tell us whether or not the Prime Minister has yet written to his state colleagues to invite them to nominate someone to be part of a Ministerial Council on Ageing. If that is the case, that is the case; if you cannot tell me, you cannot tell me.

Mr Stuart—No, I do not think I can answer that question.

Senator COLBECK—So you cannot tell me.

Senator PATTERSON—You would know if the answer is: no. It is either yes or no, not: no, you cannot answer the question. If you cannot answer the question, you have to give us a reason why you cannot answer the question. Is it yes or no, in answer to the question by Senator Colbeck?

Mr Stuart—The answer is that it is—

Senator PATTERSON—No.

Mr Stuart—a matter for government decision and for the government to announce.

Senator PATTERSON—Senator McLucas, can you tell us whether the answer is yes or no?

Senator McLucas—Sorry—what was the question?

Senator COLBECK—I want to know whether the Prime Minister has written to the state premiers advising them to nominate somebody as their representative on the ministerial council.

Senator McLucas—I have no advice from the Prime Minister.

Mr Stuart—Actually, as of this moment, I am uncertain. I do not know.

Ms Halton—We cannot answer the question because we do not know.

Senator PATTERSON—Can you take it on notice?

Ms Halton—We still do not know.

Senator PATTERSON—On notice, you can tell us yes or no.

Senator COLBECK—Perhaps the parliamentary secretary could take it on notice as a question back to the Prime Minister through this portfolio and find out.

Senator PATTERSON—It is a simple answer to the question.

Senator COLBECK—I do not see it as being—

Senator McLucas—Let us cut to the chase. You are trying to find out: are we progressing with the establishment of a Ministerial Council on Ageing?

Senator COLBECK—I am trying to get a sense of the time frame.

Senator McLucas—It is a reasonable question.

Senator COLBECK—Yes.

Senator McLucas—I will provide some information on it to you, but I do not know that I will be telling you whether the Prime Minister has written a letter. I will find out some information—

Senator COLBECK—I do not want to know the contents of the letter. I just want to know whether—

Senator McLucas—about how we are going in establishing the Ministerial Council on Ageing.

Senator COLBECK—All the evidence that I have at the moment does not indicate anything. All I am trying to get is some information.

Senator McLucas—Be assured it is being attended to. If you need more evidence, we will provide you with some information.

Senator HUMPHRIES—This week in the House of Representatives the Prime Minister has been answering repeated questions about what emails he wrote. If he could be asked and answer those questions in the House of Representatives, why can't this committee know whether he wrote a letter to his colleagues, the premiers?

Ms Halton—Because we do not know.

Senator McLucas—Because he actually does not give me his emails.

Senator HUMPHRIES—That is why you take the question on notice: to find out. Isn't that why you take questions on notice: to find out?

Senator McLucas—I have answered the substance of Senator Colbeck's question. I think we can move forward.

Senator LUNDY—They are running out of questions; that is all.

Senator COLBECK—No, we have plenty more questions, Senator Lundy, but we are starting to feel like we are in Stalag 13 here, because nobody knows anything.

Senator LUNDY—We had six minutes wasted on that.

Senator PATTERSON—I saw a lot of questions that were asked by you, Senator Lundy, that were less than useful.

Senator COLBECK—Let us go back to some questions in respect of statistical information. Can you give us some information on grants approved so far?

Mr Stuart—I am aware that the HACC funding has been announced.

Senator COLBECK—Not all of the HACC funding has been announced; is that correct? There were still, the last I saw, two or three states to be signed off by the minister.

Mr Stuart—Yes. HACC is a bit of a moveable thing because there are annual funds and then there are growth funds, but I will ask Mary to address the issue of where we are up to with the HACC expenditure.

Ms M McDonald—In relation to HACC funding, all the state and territory plans have been approved, with the exception of a variation in Queensland and another funding package to come from New South Wales. I would need to take on notice the final announcements but I think most of them have been made, with the exception of the ACT, which is currently in the process of being considered.

Senator COLBECK—Has South Australia been made?

Ms M McDonald—I would have to take that on notice, but my understanding is that it has been.

Senator COLBECK—So all of the state plans have been approved and finalised, with the exception of Queensland and a variation to New South Wales.

Ms M McDonald—Sorry, a variation to Queensland. Queensland did a biannual plan, which means that when your data comes through each year, if you do multiyear plans, you

need to examine the out years on those plans and make sure they are correct. There are sometimes variations to that, given changes in requirements, population or needs within regions.

Senator COLBECK—I notice that the amounts that were allocated and the percentage increase in funding over last year that was nominated by the minister at 8.4 per cent, I think it was, was about \$32 million less than the budget allocation. What is happening to those remaining funds?

Ms M McDonald—The budget allocation contained a number of components. Thirty million dollars of the \$32 million that you have referred to was for the bonus pool. That was part of the HACC agreement but it is not allocated through the funding packages. The bonus pool is allocated when milestones are met by states and territories in implementing the common arrangements. The common arrangements are arrangements being developed between the Commonwealth and the states to simplify the community care system, making it easier for consumers to access the system and also for providers to manage services. For example, they are things like the establishment of access points; places where people can easily find information about services, receive an assessment and be referred to services; and things such as consistent quality arrangements, with the development of a single set of standards that would apply for all community care programs, whether they be managed by the states and territories or by the Commonwealth. So when the states and territories meet milestones that have been agreed through the renegotiation of the HACC agreement arrangements, they would be eligible for bonus payments out of that \$30 million. The other \$2 million relates to the conversion of CDEP places—Community Development Employment Program places—across Australia. Those places are for former CDEP positions which were in the HACC program and which are being converted to full paid positions within the HACC program, so there is \$2 million that is going out for that, and they are being allocated separately.

Senator COLBECK—So the 8.4 per cent would give us a figure, and the remaining amounts would then be allocated based on the state allocations—the bonus amounts.

Ms M McDonald—The CDEP positions are based on the number of positions that are in each state and territory, so there is actually a formula under which the positions are converted. In relation to the bonus pool arrangements, there was a formula that was used to determine those costs as well, which was a fixed amount plus an amount based on the size of the system in each state and territory.

Senator COLBECK—So the states and territories are not necessarily guaranteed to receive that full amount but they could receive up to that amount based on their performance?

Ms M McDonald—If the states and territories meet all their requirements and each of the milestones, they would receive those amounts, and we would expect that over time they would receive those amounts.

Senator COLBECK—Could you give us some information on what those requirements and milestones are?

Ms M McDonald—I would have to take that on notice.

Senator COLBECK—That is fine.

Ms M McDonald—I do not have the information with me but we could provide it.

Senator COLBECK—Have there been any other grant programs approved?

Mr Stuart—Yes, there have. There was approval in December of capital grants by the Minister for Ageing. They were from an aged care approvals round begun in the middle of last year and they were announced by the minister during December. They are available on the department's website at www.health.gov.au.

Senator COLBECK—I have that, thank you.

Mr Stuart—There are also some others.

Senator COLBECK—To save us time, could you give us a list of the different categories that have been announced and we can deal with that.

Mr Stuart—Okay.

Ms Smith—We also have approved one grants round for the community aged care workforce training program. Fifty-five contracts have been offered to RTOs—an allocation of 2,200 training places. A departmental delegate approved those grants in January and that was a process that was commenced before the election.

Senator COLBECK—Could you give us a list of all the facilities that receive Commonwealth funding, please, and that have high-care, low-care and aged-care packages, including the provider's facility address and some contact information. You do not need to answer that now. I am happy to have that put on notice.

Mr Stuart—That is fine. I believe that information is all publicly available, and we will respond and let you know exactly where you can access that information.

Senator COLBECK—Okay, that is fine. Also the number of high- and low-care beds allocated in each state and electorate, please?

Mr Stuart—When you say 'allocated', do you mean operational?

Senator COLBECK—We probably ought to have the operational beds plus the allocated ones, because I am aware that there is a time frame to get them up and running, after which they potentially can be forfeited.

Mr Stuart—Okay. We can provide operational and allocated.

Senator COLBECK—Thank you.

Mr Stuart—But by aged-care planning regions. We do not do that information on an electorate basis.

Senator COLBECK—Have you got a document that describes the areas of bed shortage?

Mr Stuart—We publish regularly a stocktake of aged-care places, and that stocktake compares the available places against the benchmark ratio. Again, we can make that available to you.

Senator COLBECK—Thank you. Does the government have a fixed goal or a benchmark target for aged-care beds? It is something that has been talked about over a period of time, I know, but do you have a specific goal or target?

Mr Stuart—There is an existing benchmark which was established under the former government. It was, until recently, 108 places for every 1,000 people aged 70 or over. That target was met during last year and the target was increased by the former government to 113 places per 1,000 people aged 70 or over. That constitutes both residential places and community care places.

Senator COLBECK—Senator McLucas, given the ageing population, is the government looking at further increments of that or perhaps an indexation process for that, or is it something that you are going to deal with on an ad hoc basis?

Senator McLucas—During the election campaign there was an announcement to the effect that there needs to be a review of that allocation ratio. There is a lot of concern in the sector and in the community that the split between high care, low care and community care—the three different types of community care packages—may not be right. The government committed during the campaign to do a review of the ratio to ensure that it is in line with community needs but also with community expectations for care. That will occur.

Senator COLBECK—Now to the inevitable question.

Senator McLucas—When will that happen?

Senator COLBECK—Yes, please.

Senator McLucas—I am getting to know you. Mr Stuart may be able to help with that.

Senator COLBECK—Do we have any information on the progress of that review, Mr Stuart?

Mr Stuart—Again, there is a process of the department advising the minister. The minister is keen to get on with it but has not yet made any announcement about that review. I want to clarify my earlier point about the target of 113. That is a target that was set under the former government and the target is to be met by 2011. It is not an immediate target for today.

Senator COLBECK—I understand what you mean about that process, but I appreciate the clarification. Can you advise how many facilities currently have full accreditation and any others down the scale of partial or otherwise?

Mr Stuart—That would be a question for the Aged Care Standards and Accreditation Agency. I can see Mark Brandon getting ready to come and answer that for you.

Mr Brandon—As at 31 December 2007, 2,633 homes had three or more years accreditation. In fact, 2,631 had three years accreditation, and two had four years accreditation.

Senator COLBECK—Are there any other groupings underneath the two or three accreditation?

Mr Brandon—Yes. As at 31 December 2007, there were 2,860 accredited homes. Nine had accreditation for less than one year; 46 had accreditation for one year; an additional 34 were accredited for one year because they were a commencing service, and under the

legislation that is the maximum period of time a commencing service can have; 15 had more than one year but less than two years; 103 had two years; and 20 had more than two years but less than three years.

Senator COLBECK—How many facilities currently have sanctions against them?

Ms Smith—Currently there are five homes under sanction, and that information is publicly available on the department's website.

Senator COLBECK—Including all the details of which ones they are?

Ms Smith—Yes.

Senator COLBECK—Did any facilities receive sanctions in more than one review during 2007?

Mr Stuart—Could you clarify the question? Do you mean: were there any homes that received two rounds of sanctions in the one year? Is that what you are asking?

Senator COLBECK—That is correct, yes. That is the question.

Ms Scheetz—I think we would have to take that on notice. My memory is that there were no homes that had more than one sanction during that year, but I think we would need to check that for you.

Senator COLBECK—Thanks.

Senator PATTERSON—I want to ask some questions about young people in nursing homes. In July 2006 the then Australian government and the states and territories agreed to match funding of up to \$244 million to jointly establish a capped five-year program managed by the states and territories. How much money has been committed by the Commonwealth for each of the five years from June 2006?

Mr Broadhead—That initiative is actually being managed in the Families, Housing, Community Services and Indigenous Affairs portfolio.

Senator PATTERSON—So it is in FaHCSIA tomorrow?

Mr Broadhead—I do not know which day, I am afraid.

Senator PATTERSON—So does the department have any relationship?

Mr Broadhead—We liaise with them on it but the actual detail of the program expenditure would be better asked of them.

Senator PATTERSON—Let me ask you a question you may or may not be able to answer. Are those facilities subjected to the same accreditation requirements as aged-care facilities?

Mr Broadhead—I am not sure what you mean by 'those facilities'.

Senator PATTERSON—Well, I think there is one which has been set up by Youngcare in Brisbane. Are they subjected to requirements under this department or are they under FaHCSIA?

Mr Broadhead—We have regulatory requirements of aged-care facilities. We do not have regulatory requirements of disability facilities, which are generally funded by states and territories.

Senator PATTERSON—But these are funded by the Commonwealth.

Mr Broadhead—If that is the case, they would be under a different portfolio.

Senator PATTERSON—FaHCSIA?

Mr Stuart—Let me just try and clarify. There are particular examples around the country, and I am not up on the detail of the one you are talking about.

Senator PATTERSON—It is very new. It was opened in December.

Mr Stuart—We fund and regulate aged-care homes, and all aged-care homes under the act are subject to the accreditation requirements. There are some aged-care homes where particular wings have been set up where people who were formerly spread around within aged-care homes have been moved into particular wings if they are of a similar disability or age group. Where that has occurred and we are funding them through the Aged Care Act, they are also subject to the accreditation requirements of the Aged Care Act. But I am uncertain right now at this meeting whether the service that you are talking about is like one of those or whether it is separately funded.

Senator PATTERSON—There is one in Brighton for people with Huntington's chorea. Does that come under this department or under FaHCSIA? I think it comes under this department, doesn't it?

Mr Broadhead—I would have to take that on notice.

Ms Murnane—We will have to check that. I do not know of any home that has a special Huntington's chorea unit or wing.

Senator PATTERSON—There is one for multiple sclerosis.

Ms Murnane—Certainly there are a number for people who have MS, yes. I know that, and Mr Stuart described the arrangements they come under.

Senator PATTERSON—Are they specifically for MS patients or are they mixed?

Ms Murnane—The ones that I know about are in Melbourne, and they have a component that is general. They get aged-care funding for everybody in the home, including the MS patients, and the state tops up the MS patients. This particular one is run by the MS Society, and they have a separate entrance, they have a bus and they use the state funding to fund activities that are more appropriate to younger people.

Senator PATTERSON—There is no relationship between FaHCSIA and this department on accreditation of the young people in nursing home facilities under the COAG program?

Ms Murnane—No.

Senator PATTERSON—So we are going to have a duplication of accreditation at a Commonwealth level, it would seem.

Mr Broadhead—As I understand it, Senator, the initiative is using funds to assist people move from aged care, which is less appropriate, to disability care, which is more appropriate. In general, disability services are provided by states and territories.

Senator PATTERSON—This is a COAG program funded by the Commonwealth: \$244 million to specifically fund facilities for young people who would otherwise have been in nursing homes. All I am asking is: is there any relationship between FaHCSIA and this department, whatever it is now called, in terms of accreditation? It would seem to me that there is a duplication if we have a whole other accreditation system for youth care in Brisbane and all the other ones that will be set up over the next three or four years.

Ms Halton—Senator Patterson, I might be wrong—in fact, I would like to know this, and we will ask FaHCSIA as well—but I had thought that that COAG program was money provided to the state. I had understood that the services that were going to be funded under that initiative were going to be delivered by the state, not by FaHCSIA. What you have said is news to me, so I will have to go and find out. I accept what you are saying. If FaHCSIA are funding services directly, the question of standards and accreditation is an absolutely fair one, but I had understood that that COAG initiative was money that we were giving the state governments to get the younger people out of our facilities. That was what I understood was happening.

Senator PATTERSON—If that is the case, we have no control over the accreditation or standards of those facilities.

Mr Stuart—Senator, I think that there is a misunderstanding. The COAG program that we are talking about is aimed at identifying people at the younger end who are in aged-care homes and offering them alternative places of accommodation not in aged care. Aged care is accredited under this portfolio through the Aged Care Standards and Accreditation Agency. If those people are then finding their way to perhaps more suitable accommodation, that is very likely to be state/territory run accommodation, which is separately accredited and over which we have no oversight.

Senator PATTERSON—You have not been asked or contracted by either FaHCSIA or the states, whoever ends up being responsible for these new facilities for young people in nursing homes under the COAG agreement, to apply the same standards as there are in aged-care facilities?

Mr Stuart—No.

Ms Halton—No.

Senator PATTERSON—It would seem to me that, whether it is FaHCSIA or the states, you would be a better department, given all your experience, to be doing it. Thank you very much for that.

Senator McLucas—Can I provide a point of clarification, Senator. You keep talking about facilities. My recollection is that the purpose of the program is to provide alternative accommodation. It is not necessarily prescribed to be the building of a large congregate care facility.

Senator PATTERSON—The first one, with all due respect, is in your state, isn't it?

Senator McLucas—That is correct.

Senator PATTERSON—I presume you went to the opening, with Youngcare, in December, or you know about it.

Senator McLucas—But a range of the models that have been proposed are not congregate care.

Senator PATTERSON—Whether they are congregate care or not, with all due—

Senator McLucas—In terms of talking about an accreditation program for facilities, the money will not necessarily end up building places where larger numbers of people live. I am trying to provide a point of clarification around the use of the word ‘facilities’.

Senator PATTERSON—All I am saying is that we have committed \$244 million of Commonwealth funding to provide supported accommodation for people who will be otherwise inappropriately placed in nursing homes, and I believe we have, as a parliament and as a Commonwealth, some obligation to ensure that appropriate standards are met; whether it is in group homes of five, 30 or whatever—a group home like Youngcare—and that they are appropriately accredited. In some states there is not appropriate accreditation for supported accommodation and the standards are less than satisfactory. If the Commonwealth government has any obligation to the young people that they are funding in nursing homes, there needs to be some arrangement—either through FaHCSIA or this department—to ensure that there is appropriate accreditation.

Mr Stuart—Senator, if FaHCSIA are not monitoring this hearing—

Senator PATTERSON—I will be there tomorrow.

Mr Stuart—we will make sure they understand they are going to get this question, and you can address it to them tomorrow.

Senator PATTERSON—Thank you.

Senator BOYCE—You mentioned some nursing home wings, where people had been congregated, that were more appropriate. Can you give us a list of the types and number of residents in those sorts of—

Mr Stuart—Yes, we can take that on notice. I do not have it to hand.

Senator BOYCE—Are there many? Are we talking two or three, or 20 or 30?

Ms Murnane—I doubt that it would be 20. It would probably be more than two or three but I would say under 10.

Senator BOYCE—I would like as much information as possible about the number of residents in each one and the purpose of their being there et cetera.

Mr Stuart—We will provide you with a brief description of those that we can identify.

Senator BOYCE—But you could identify all of the ones that meet the criteria you spoke about—

Mr Stuart—I think so.

Senator BOYCE—where people are being congregated in a section, presumably, of a current nursing home?

Mr Stuart—Yes, that is right, a wing or a section. I think we should be able to do so through our state and territory offices.

Senator BOYCE—Thank you.

CHAIR—Senator?

Senator COLBECK—I have just one more question, I hope, to the accreditation people. How many facilities do not currently meet fire service standards? We have had this conversation before, haven't we, Senator McLucas? We were on opposite sides of the table.

Ms Smith—Senator, all homes are required to meet state and territory local government fire and safety regulations.

Senator COLBECK—I understand that.

Ms Smith—The Commonwealth then has in place higher national standards. Currently 2,826 services have provided evidence of meeting the certification fire and safety standards, and that represents about 98 per cent of services. As at 14 February, 57 services have not yet met the higher fire and safety standards set by the Commonwealth, but all those homes have confirmed time frames for building works that are planned or are in progress to meet the standards.

Senator COLBECK—What would be the latest date that any of those homes might meet the standard, given that you have a program from each of them? When would you expect that all homes would meet the standard?

Ms Scheetz—We are aware that 14 of those 57 have finished their building work and are awaiting approval from an assessor so that they can provide that evidence to us. We are aware that another 15 have indicated that their works will be complete during February and March. So by the end of March, that is another 29, and there will be 28 then that we will continue to case manage.

Senator COLBECK—Given that you have told me that all facilities have given you programs to complete the works, can you give me a date when you expect the last of them will have completed the works? I cannot see how they could have given you a program that did not have an end date, because that is not a program.

Ms Scheetz—I will need to take that on notice. Our state and territory officers case manage all of these homes, so they have the records for the progress. They have informed us that all homes had intended to have all of the building work done during this year but—

Senator COLBECK—This financial year?

Ms Scheetz—This calendar year. Some homes were working towards meeting the 2008 privacy and space targets. They are doing all of the building works towards the one target. But I think it would be better if I got that specific information on notice for you, Senator.

Senator COLBECK—I am content with that.

Senator PATTERSON—I want to ask a question of Senator McLucas, because it is more a policy question. Will the government commit to continuing the annual additional payment, a 1.75 per cent conditional adjustment payment, to residential care services introduced in the 2004 federal budget?

Senator McLucas—I understand it is part of budget deliberations.

Senator PATTERSON—So you are not prepared to say that it will continue?

Senator McLucas—It is being considered in the budget, like you would have done if you were in government.

Senator PATTERSON—So you cannot commit to it at this stage?

Senator McLucas—It is part of the budget deliberations.

Senator PATTERSON—So I cannot go out and say there is a commitment to continue that?

Mr Stuart—Could I clarify what you mean by ‘continue’ because, as we answered in the previous estimates hearing in this room, the conditional adjustment payment at the current rate of seven per cent is in the forward estimates and will certainly continue.

Senator PATTERSON—I guess that is a question for the budget estimates, but at the moment the minister cannot commit to the 1.75 per cent conditional adjustment.

Mr Stuart—I am trying to clarify the question.

Senator PATTERSON—You know exactly the question I am asking, Mr Stuart. There was an additional payment in 2004. Will that continue? It is not a question for you; it is a question for Senator McLucas. The same question can apply to the community care program, which is subjected to the same labour costs.

Senator McLucas—Mr Stuart is correct. There is a provision in the forward estimates for CAP to continue at the current level of seven per cent of basic subsidy, which started at 1.7 per cent and grew over four years. The future of CAP is currently being considered by government.

Senator PATTERSON—So we will not know until the May budget?

Senator McLucas—It is in the forward estimates.

Senator PATTERSON—So you are saying you will keep the forward estimates?

Senator McLucas—It is being considered in the context of a budget, Senator. You know this process. You have been here, too.

Senator PATTERSON—Yes, but I have also had to answer questions in estimates. Sometimes they are not easy. You can take this on notice, because it is a quite difficult one: what proportion of places allocated in the 2007 aged-care approvals round were taken up in each state; what was the ratio of applications to places in each state; and were any places originally targeted for one state allocated to another?

Ms Halton—We will take that on notice.

Senator PATTERSON—I have a series of other questions that, if they are not asked, I will put on notice.

Senator HUMPHRIES—I want to take us back to Belvedere Park in Victoria. I recall that, at the time the Senate debated this issue of Belvedere Park in September, there were calls for action to be taken on the accreditation of Belvedere Park. Can you tell us whether Belvedere Park is still operating and whether it is accredited at this stage?

Ms Smith—On 16 August the department imposed sanctions on Saitta Pty Ltd, who are the operators of Belvedere Park, revoking their approval as a provider of aged-care services. That followed an accreditation audit by the Aged Care Standards and Accreditation Agency in which they were found noncompliant with 42 out of the 44 outcomes. Belvedere Park has not operated since 22 August and all 25 former residents were relocated to new homes. The provider did challenge that decision in the AAT and that action is underway at the moment.

Senator HUMPHRIES—The supposed principal of Belvedere Park was one Graeme Menere, who was also referred to in the Senate debate. Is Mr Menere operating any nursing homes at the present time?

Ms Smith—Belvedere Park was the only nursing home being operated by Mr Menere, and that home is no longer operating.

Senator HUMPHRIES—He is not operating any other nursing homes at the moment?

Ms Smith—That is correct.

Senator HUMPHRIES—In the course of that debate, reference was also made by Senator McLucas to Kerry and Malcolm Bishop in Queensland, who she mentioned were operating nursing homes in two states, despite having received jail terms for fraud in respect of aged-care subsidies. Can you tell me whether either Mr or Mrs Bishop are presently operating nursing homes in Australia?

Mr Stuart—They are not key personnel or approved providers of any aged-care homes in Australia.

Senator HUMPHRIES—The context of this debate was a bit wider than that technical involvement in a nursing home. It was alleged during that debate, by Senator McLucas, that a number of people—Mr Menere at one stage and Mr and Mrs Bishop—were key personnel with respect to those facilities. The point was made there that they should not be operating aged-care facilities in Australia. So, irrespective of whether they are officially the principals or recognised under the law as the people who are operating them, are they in fact operating any nursing home facilities in Australia?

Mr Stuart—This is the point at issue. The department suspected that they were illegally participating in operating an aged-care home, and has assisted the DPP with some inquiries. The DPP is currently considering both that evidence and what it may do next.

Senator HUMPHRIES—So the matter is effectively under—

Mr Stuart—It is in front of the DPP.

Ms Smith—Can I clarify what I just said about Mr Graeme Menere. He was not the approved provider of Belvedere Park. He was a disqualified individual, but the department

had concerns that he was exercising influence in the running of that home and that was one of the issues that was behind the department's imposition of sanctions on that facility.

Senator HUMPHRIES—That is the sense in which I was asking the question. When you said he is not operating a nursing home at the moment, you include the sense that he is not involved in some way that might be in breach of the legislation?

Ms Smith—My understanding is that he is in no way involved with nursing homes at the moment.

Senator HUMPHRIES—That is good.

Ms Murnane—Unfortunately, people break the law and sometimes they do that in a way that cannot be detected. We do not believe he is; we have no information that he is. He certainly is not an approved operator or key personnel on our records.

Senator HUMPHRIES—Indeed, you are absolutely right, but I note that during that debate the test was applied about qualitative nursing home care in this form:

We have to be absolutely sure that all aged-care facilities are providing the quality of care that Australians expect of our 3,000-odd aged-care facilities.

Can we say today that that is the case; that all aged-care facilities are providing the quality of care that Australians expect?

Ms Murnane—I think that the CEO of the Aged Care Standards and Accreditation Agency has just given you the figures in relation to accreditation. That establishes that the vast majority of aged-care homes in Australia are providing care of satisfactory quality. There are some homes that have sanctions on them because they have been found not to be providing care of a satisfactory quality against all the standards and they are being monitored so that they improve. Some homes close when they are found to be deficient in standards, because the deficiency is so egregious.

Senator HUMPHRIES—I am reassured that the vast majority are meeting that standard, but I remind Senator McLucas that the test she applied was that all homes should meet that standard in Australia.

Senator McLucas—And I still believe that.

Senator HUMPHRIES—Can we be assured that they are?

Senator McLucas—And I think all Australians feel that way too.

Senator HUMPHRIES—Yes, but is it happening? Are they all meeting that standard of care that Australians expect?

Senator McLucas—As you know, Senator, we are monitoring every home, and Mr Brandon has given you an understanding of what is the status of each of the almost 3,000 residential aged-care facilities in Australia. I can assure you of our commitment to ensure that standards are upheld and that older Australians are being cared for.

Senator HUMPHRIES—Thank you.

Senator PATTERSON—I would like to ask about the Murwillumbah Nursing Home. How many accreditation standards has that nursing home failed, and what standards it has failed on?

Mr Brandon—The review audit at the Murwillumbah Nursing Home has only just been completed and they are still within their appeals period, so the matter is not resolved.

Senator PATTERSON—Initially, how many standards did they fail?

Mr Brandon—I think at the moment that remains protected information until it is able to be released at the completion of the appeals period.

Senator PATTERSON—Ms Halton, is that protected information?

Ms Halton—Yes, I think it is, Senator.

Senator PATTERSON—So if I have a relative in the Murwillumbah Nursing Home, I cannot find out how many standards that failed?

Ms Halton—I will confirm that, Senator. That is my understanding, but I will confirm that.

Senator PATTERSON—For how long is it protected information?

Mr Brandon—Under the process, the facility has a period in which they can apply for reconsideration.

Senator PATTERSON—When will that be up?

Mr Brandon—That will be up—

Senator PATTERSON—Let me pretend I am the daughter of somebody in the home. When will I know how many standards they failed and what is going to happen?

Mr Brandon—Senator, if you were the daughter of a resident of the home, my advice to you would be to talk to the owners of the home, because they would have a copy of the report and it is open for them to talk to you about it.

Senator PATTERSON—So we can advise the relatives that they will have access to that information. Is that what you are telling me?

Mr Brandon—You asked me what I would say. I would advise the relatives to talk to the owners of the home.

Senator PATTERSON—You advised me, as the daughter, to go to the home. Will I be able to get the information? Do not tell me if I cannot get the information. I do not know the answer to this. You tell me. Can I get the information, as a relative of a resident in the Murwillumbah Nursing Home?

Ms Smith—My understanding is that the approved provider has actually held meetings within the home with residents and has actually discussed the outcome of the agency's—

Senator PATTERSON—And told them how many standards they failed?

Ms Smith—Certainly, in broad terms, they have discussed the outcome of the visit and what they are doing to address the issues that have been identified.

Senator PATTERSON—How long have they got before they have to meet those standards? Is there a deadline in time?

Mr Brandon—We made the decision on 8 February and, in accordance with the legislation—that is, the Accreditation Grant Principles 1999—they have 14 days in which to lodge an application for reconsideration.

Senator PATTERSON—The media reports say it will remain open for six months. Is that correct?

Mr Brandon—The period in which it could remain open is a matter for the department.

Senator PATTERSON—I am trying to clarify it, because there have been media reports that have said it will be open for six months. What measures are in place—and I should know this but I have forgotten—and what will happen now? Tell me, as the daughter of somebody who is in the nursing home, what I will expect so that we can tell the resident what to expect? They have now been told by the nursing home what has happened. What is the next process?

Mr Brandon—We would impose a timetable for improvement, which requires them to be compliant with all the standards by a set period of time.

Senator PATTERSON—When is that? Just tell me the date. I want to know. My mother is in the nursing home and I am desperate.

Mr Brandon—We are getting caught up in the protected information.

Senator PATTERSON—It is not protected information. I am the daughter and I want to know when the government is going to make the decision about whether they have failed or not failed and what is going to happen to my mum.

Mr Brandon—What I can tell you is that, as a matter of agency policy, we would normally impose a timetable for improvement of three months.

Senator PATTERSON—So what is the date?

Mr Brandon—In the normal circumstances—

Senator PATTERSON—Hang on, what is the date that you would expect the Murwillumbah Nursing Home to comply with the standards? Tell me the date.

Mr Brandon—I think the date is protected information, but I want to take advice.

Senator PATTERSON—No, it cannot be protected information. Ms Halton, just tell me. That cannot be protected information. I, as a relative, want to know what date I can be assured that I will know whether they have met the standards or not. That is a reasonable question.

Ms Halton—Yes. I would be surprised if that was protected, I have to say.

Senator PATTERSON—Thank you. So what is the date?

Ms Halton—Let us check.

Senator PATTERSON—I cannot believe we do not know.

Ms Halton—Is it protected? The date is protected.

Senator PATTERSON—The date cannot be protected information. This is nonsense!

CHAIR—Senator, maybe it would be useful to have this taken on notice.

Senator PATTERSON—No.

Ms Smith—Senator, I think there is a distinction between what we are able to say in a public hearing at this point of the process, what will be made publicly available in due course once the provider's appeal rights have finished, and what the provider is able to tell residents and their families as part of the process of keeping residents in their facility informed.

Senator PATTERSON—No. You have told me it is three months. When does the clock start and when does the clock finish? It is a simple question. What date is the nursing home expected to comply with the standards and requirements of the accreditation?

Mr Brandon—My response was that, in accordance with our policy, our normal period of timetable for improvement is three months.

Senator PATTERSON—You have told me three months. When does the clock start for that nursing home?

Mr Brandon—The clock starts when we make the review audit decision.

Senator PATTERSON—And when was that? With all due respect, Ms Murnane knew every nursing home in Australia when I used to ask questions nine years ago. This has been in the public arena. It is not something that has come as a shock to you. When did the clock start for that three months?

Mr Brandon—I think I said earlier that we made the decision on 8 February.

Senator PATTERSON—So 8 February plus three months. Is that a calendar three months or is it days in three months?

Mr Brandon—The normal period for a timetable improvement is three months from the day in which—

Senator PATTERSON—Calendar three months?

Mr Brandon—Yes, that was—

Senator PATTERSON—So now we know it is three months from 8 February. Simple! We could have had the answer to the question a little while ago. 'Protected information,' you told me. Mr Brandon, that is not good enough, with all due respect. We will be watching that date for what happens with the Murwillumbah Nursing Home. Thank you very much.

Senator McLucas—Could I just make the point, before we leave that, Senator, that the legislation that we are working on is the legislation that your government brought in.

Senator PATTERSON—That is fine. I know.

Senator McLucas—In fact, you were the minister.

Senator PATTERSON—No, I was not. I was the senior minister. I was not the Minister for Ageing. That was somebody else. But I just wanted to know the date. It was a simple question, not protected information, Senator McLucas.

CHAIR—Senators, in accordance with what we agreed earlier, that will end the questions on aged care, which is item 4. I know there are other senators who had questions that will have to be put on notice for aged care

**Outcome 15—Australian Sports Anti-Doping Authority Agency
Australian Sport Commission Agency**

Senator BERNARDI—On drug testing, how many positive tests were recorded last year? It is not available on the website.

Mr Ings—Senator, are you looking at this particular financial year?

Senator BERNARDI—We can go back to the most recent financial year. I am happy with that.

Mr Ings—Through six months of this financial year, there have been 15 entires which have been made on the ASADA register of findings. Of those, I believe that three are the result of non-analytical matters—not positive drug tests. The other 12 relate to positive drug tests. For the statistics earlier than that, I will have to take that on notice and get that to you.

Senator BERNARDI—If you would not mind: specifically for the previous financial year, for the whole year. The rest, I think, are available on your website.

Mr Ings—Yes, absolutely.

Senator BERNARDI—Would you be able to tell me how many tests have actually been conducted by ASADA.

Mr Ings—Yes, I can. The commitment that ASADA has is to conduct 4,200 government funded tests per year. That has been conducted in previous years, and ASADA is on track to conduct 4,200 government funded tests this financial year. In addition to that, ASADA will conduct between 2,200 and 2,400 user-pays tests, where the sportsmen themselves will make their contribution to the financing of those tests.

Senator BERNARDI—Have the 4,200 government funded tests per year been static over the last decade, or have they been increasing incrementally annually?

Mr Ings—I cannot go back a decade. I would have to get those—

Senator BERNARDI—Of course. ASADA has not existed for a decade. My apologies. Has there been a rise since the formation of ASADA or has it been a constant?

Mr Ings—Since the launch of ASADA it has been a standard. We have been in operation for two years. It has been 4,200 government funded tests.

Senator BERNARDI—Is there any provision to increase that through the pursuit of additional funding?

Mr Ings—The outcome expected at the start of this year is to conduct 4,200 government funded tests and that is our target for this financial year.

Senator BERNARDI—You do not expect to exceed that target?

Mr Ings—No. That is the target that we have budgeted on for this financial year.

Senator BERNARDI—In regard to targeted testing and the 2,200 to 2,400 that you undertake at a fee-for-service level, do you do that for the AFL or any other major football codes?

Mr Ings—Yes, indeed. ASADA has a number of user-pay contracts. ASADA does have user-pay relationships with the major professional leagues, including the AFL, and ASADA will conduct several hundred user-pay tests on behalf of the AFL for the AFL anti-doping program.

Senator BERNARDI—Do you know how many anti-doping tests are conducted by the AFL, or is it entirely done by ASADA?

Mr Ings—There are two distinct programs for the AFL: the anti-doping component is conducted by ASADA, and of course quite separate from ASADA there is an illicit drugs program operated by the AFL. We are not privy to the exact numbers of tests that the AFL conduct there.

Senator BERNARDI—Have you ever been approached to conduct those tests—the illicit drug testing—on behalf of the AFL?

Mr Ings—Yes, indeed. For several years with ASDA and, I believe, for the first six months of ASADA, there was a contract in place where ASDA and ASADA would provide testing under the illicit drugs program for the AFL.

Senator BERNARDI—That contract ceased because commercial negotiations broke down. Was it a cost issue or a serviceability issue?

Mr Ings—The AFL is free to use any provider that they wish for the services that they need. For the illicit drugs program, the type of testing that ASADA does is to the wider gold standard. The testing currently conducted by the AFL, using another provider, is to a lower standard, and that is a decision made by the AFL to pursue that path.

Senator BERNARDI—But ASADA is the definitive standard by which the WADA code is implemented across the world's best practice?

Mr Ings—ASADA is obligated under its legislation to enact the WADA code. Under the WADA code, there is an international standard for testing. That is the gold standard which is applied by ASADA and other anti-doping agencies around the world.

Senator BERNARDI—The efficiency dividend, which has risen—it increased from 1.25 per cent to 3.25 per cent—will have an obvious impact on ASADA's funding. How do you plan to cope with the decreased availability of funds and the maintenance or expectation of maintaining such a rigid standard and a level of testing?

Mr Ings—ASADA is certainly aware of the efficiency dividend. We are still working through the possible implications of that efficiency dividend but we firmly believe that as an authority we will be able to achieve our outcomes with the appropriation of the day.

Senator BERNARDI—You are telling me that there will not be any risk to the quantum of tests conducted under the government funded program?

Mr Ings—No, there will not. That is correct.

Senator BERNARDI—Does that mean there are risks and implications for your staffing levels?

Mr Ings—It is too early to ascertain that. I would expect none but it is really too early. We will need to go back, as part of our budgeting process, to identify the amounts involved and to work out where the efficiency savings can be delivered.

Senator BERNARDI—There are only limited areas in which you can achieve efficiency savings—in the testing itself; in staffing levels; or in the promotion and marketing of the services that you provide and the education programs.

Ms Halton—Senator, as I have already pointed out, in respect of the entire portfolio, we are looking at the question of efficiencies and the balance of how that efficiency dividend will be delivered, in terms of whether it is in respect of staffing or if it is in respect of the processes—everything from ordering newspapers. The trivial all adds up. We are going through that process right across the portfolio. We are happy to tell you what we do when we have decided what we are going to do; but we have not decided what we are going to do yet.

Senator BERNARDI—Sure. I would appreciate that, if you would let us know—if you can take that on notice—as you implement them. It is close to \$800,000, is it, over the course of the quadrennium, the efficiency dividends?

Mr Ings—I think the number is lower than that over four years. I do not have the exact numbers. We are looking at it on an annual basis. But we believe that we can deliver our programs within the appropriation.

Senator BERNARDI—Do you believe that the current level of testing is at a world leading standard for Australian sport?

Mr Ings—Yes, I do. One thing that is very important to remember is that testing alone will only detect one possible violation of the eight violations under the WADA code. So with the launch of ASADA, there have been many new programs which have been launched in investigations and working with Customs and other law enforcement agencies. The combination of the testing that we have, with the new functions and powers and investigations and other relationships, means that the program has more of an impact overall holistically to detect and deter doping in Australian sport than ever before.

Senator BERNARDI—You recently had a victory, I guess, by working with Customs. There was a power-lifter, was it, who was in possession of a banned anabolic substance?

Mr Ings—We have had a number of such announcements. In fact, yesterday we announced that there was a surf lifesaver who has received a two-year suspension for the possession of anabolic steroids. That was as a result of a joint undertaking and investigation between ASADA investigators and the Australian Customs Service.

Senator BERNARDI—That may be the one I am referring to. I should have said ‘lifesaver’ instead of ‘power-lifter’.

Ms Halton—He might have been both, Senator, assuming it was a he. It is possible. The point that is worth making is that one of the advantages—and I hope one of the advantages—of the sport function coming into this portfolio, apart from the fact that Mr Ings and his colleagues have already created good relationships with Customs and police et cetera, is that these are relationships that this portfolio has made a bit of a study of, but we have other functions inside the portfolio in respect of therapeutic goods, for example. Mr Ings and I have

already had a conversation about how we might get the most out of those possible opportunities, in terms of the prosecution of the function that he has brought with him to the portfolio. I think there are some real opportunities here.

Senator BERNARDI—There are other avenues that ASADA participates in, aside from simply the testing. One of those is the education process.

Mr Ings—Yes.

Senator BERNARDI—You have two hotlines, do you—two hot phone free-call numbers; 1800 numbers or something—one to provide athlete education and one for people to report doping violations or suspect—

Mr Ings—That is correct. We have a general hotline, which athletes or athletes' support personnel can call to get information about medications and substances to ensure that they do not become inadvertently involved in doping, and we have a separate hotline, which we call the Stamp Out Doping Hotline, which is a public number that is manned by trained investigators to receive calls from members of the public.

Ms Halton—Staffed or resourced, not manned.

Senator BERNARDI—The PC brigade has got you there, Mr Ings.

Ms Halton—He will learn, Senator!

Senator BERNARDI—I hope he doesn't! It is outsourced, did you say?

Mr Ings—No, we have internal investigators and we have investigators through tender on contract, and they field the calls. They are trained in how to field these calls. We have policies and procedures in place about how to take and manage the information, and that is available to the public and athletes to provide us with clues and tips and evidence or information which may be beneficial in tracking down those who may be involved in doping.

Senator BERNARDI—But one of the material contracts on your website is the outsourcing of a call centre—some \$400,000, if I recall.

Mr Ings—That is correct. That is the call centre that takes the medication calls. ASADA also operates an athlete whereabouts system, where athletes, online, by fax or by telephone, can update their whereabouts in our online system to facilitate no-notice testing out there in the field. That call centre contract is for both medications and the Athlete Whereabouts Program.

Senator BERNARDI—Can you provide the information as to how many calls are received by your respective hotlines and in what areas the inquiries fall.

Mr Ings—I can take that question on notice between the two different services that we have.

Senator BERNARDI—Did you suggest that there were two services within the anti-doping hotline, one for athletes and one to check on substances?

Mr Ings—That is correct.

Senator BERNARDI—And there was another service within that as well, or was the second service Stamp Out Doping?

Mr Ings—There are two lines. One is the line for athlete whereabouts information or medical information. The second line resourced by our investigators is for Stamp Out Doping calls, so we have the two lines, and I can take on notice the statistics of the calls to those lines.

Senator BERNARDI—Thank you. How many staff are employed currently at ASADA, within the department framework itself rather than external consultants?

Mr Ings—We have 63 full-time equivalents.

Senator BERNARDI—Has that changed over the last year?

Mr Ings—It has increased. I think we are one over our forecast, but in moving from ASDA to ASADA there has been growth. Obviously, there has been a significant increase in funding for our new functions and services—in excess of \$3½ million to \$4 million a year—so I believe we have approximately 10 additional staff. Again, I could give you those exact numbers.

Senator BERNARDI—You mentioned that you are building up a number of strategic alliances. What is your relationship like with the AOC?

Mr Ings—The relationship with the AOC, we believe, is excellent. We have a very close working relationship. They are a major partner for ASADA. The Australian Olympic team is the most important team in Australian sport over the coming 12 months, and we work very closely with them.

Senator BERNARDI—Will you be teaming up with the AOC to make any significant anti-drug announcements?

Mr Ings—It has been released this afternoon that the minister, Kate Ellis, will be making an announcement tomorrow, but I am not at liberty to go into any more detail. That is for the minister to announce at the appropriate time.

Senator BERNARDI—Interesting. Thank you, Mr Ings, I hope that was painless.

Mr Ings—Thank you.

Senator BERNARDI—I have nothing further for ASADA, Chair.

CHAIR—Thank you, Mr Ings.

Mr Ings—Thank you very much.

Senator BERNARDI—Chair, I have some questions for the Australian Sports Commission.

[9.26 pm]

Australian Sports Commission

Senator BERNARDI—How many staff are employed by the ASC currently?

Mr Peters—In full-time equivalents, 753.

Senator BERNARDI—They are spread across how many sports or administrative functions?

Mr Peters—We have seven divisions that they are spread across. I have a breakdown of the numbers that I can give you.

Senator BERNARDI—Would you mind?

Mr Peters—If I use round figures, 223 at the Australian Institute of Sport; 63 at the national sports programs division—this is where we have Indigenous programs, programs for people with disability, women in sport, ethics, our international program and the newest of our programs: national talent identification, which is being rolled out at the moment—103 in commercial and facilities, and this area covers the running of the AIS facility in Canberra; 96 in corporate services; 22 in finance; 34 in sports performance and development; 202 in community sport, the great bulk of those being the Active After-school Communities Program; and eight in government services administration around parliament and the department.

Senator BERNARDI—That is quite a significant payroll. Are the staffing levels under any threat due to the efficiency dividend enacted by this government?

Mr Peters—We are reviewing all of our functions at the moment. There are some areas into which we think, through the use of e-education, we may be able to redirect some of our staff, but at this stage it is too early to tell. There is a board meeting scheduled for 11 March, where the board has asked us to have options available as to a way we may absorb—that is a word we do not like using—or how we cater for the two per cent efficiency dividend. As the secretary said, there is a much bigger discussion, and one of the advantages of being in the larger portfolio is that there may well be some efficiencies we can gain from being in that position.

Senator BERNARDI—Is there any risk to the programs provided by either the ASC or directly through the Australian Institute of Sport and one of their elite sport programs?

Mr Peters—I do not think we will see the cessation of any programs, but, as you may remember from your time on the board, we fund through the AIS and the sporting organisations on a quadrennium basis based on Olympic cycles. As we lead into the Olympic cycle—and we are in the middle of it at the moment—we meet with all of the national sporting organisations, those that have Australian Institute of Sport programs and those that have developmental programs. They put forward their four-year strategy to us. We look at how relevant the sport is to Australia, how efficiently it is run and how effective it is in achieving what it said it would achieve in the previous four years. That process will conclude so that prior to the Olympics our board can be informed as to what our initial opinions are and then, post the Olympics, our board will make decisions in relation to which sports to continue to support at what levels, because we need to ensure that we have decisions out early enough so that sports can employ people leading towards London and the next four-year cycle. That is still the process that we are working on, so we are in the midst of those discussions with national sporting organisations now.

Senator BERNARDI—So the board ultimately determines where the funding goes through the ASC—is that right?—for particular sports.

Mr Peters—Yes. The board has accepted the recommendations in the past and made decisions as to which sports should be funded going forward. At this stage we have no indication that that system will change.

Senator BERNARDI—I can say tongue in cheek that previous appointments to the board have been outstanding.

Senator LUNDY—Are you talking of yourself, Senator?

Senator BERNARDI—You should get a sense of humour, Senator Lundy!

Senator LUNDY—I didn't hear that bit!

Senator BERNARDI—What is the composition currently of the board? How many people are on it?

Mr Peters—The *Australian Sports Commission Act 1989* provides for up to 12 members on the Australian Sports Commission Board. Currently, eight members and one ex-officio member sit on the Board, with five of those positions ending in early April. We have four vacancies, and the chairman has indicated he will stand down in November, so at the moment we have four vacancies on the board but five up for reappointment in early April.

Senator BERNARDI—I will direct this question then to Senator Stephens. What would be the process for assessing the respective merits of potential board candidates and replacing or continuing the positions of those whose tenure expires?

Senator Stephens—I understand that, in relation to those members of the board whose term is expiring, their tenure has been extended on a temporary basis to accommodate this change. I would anticipate, for the recruitment of the new board members, that we will adhere to our commitment to transparency in government appointments and that it will be done quite openly. I would presume—only presume; I cannot confirm this, but I can certainly ask for you—that it would be by advertisement.

Senator BERNARDI—By advertisement and nominations?

Senator Stephens—Yes.

Senator BERNARDI—There was a model suggested called the Conroy model, I think that is what Senator Conroy described it as, in which an independent organisation would be convened to choose board members. Is that something that you would intend to pursue?

Senator Stephens—I have not been part of the discussions on the Conroy model.

Senator BERNARDI—It was 'something slash Conroy model'.

Senator Stephens—Yes. It was referred to last night as well.

Senator FIERRAVANTI-WELLS—On the ABC.

Senator Stephens—However, I would imagine that the minister will have a very clear idea of how she wants to do that.

Senator BERNARDI—Okay. Perhaps you could take that on notice then and advise us of the process that will be taking place.

Senator Stephens—Certainly.

Senator BERNARDI—We have not had a very clear answer on the process and the framework in which it will take place in any estimates committee, so I do appreciate you

using your best endeavours to get a straight answer in the name of open and accountable government and for the ASC.

Senator LUNDY—Just out of interest, Senator Bernardi, how were you appointed to the board?

Senator BERNARDI—I would guess it was on merit, just like most of the people in the Labor Party, Senator Lundy. We do not have quotas on boards, but thank you for the question.

Senator LUNDY—That is very funny!

Senator BERNARDI—We are not questioning you, Senator Lundy; we are questioning the department, okay?

Senator LUNDY—I was just curious.

Senator BERNARDI—No, it is just ridiculous!

Senator FIERRAVANTI-WELLS—We do not have to focus on female members of parliament.

Senator BERNARDI—Yes. I would like to ask you, Mr Peters, about the expectations at the Olympics. What is your assessment of Australia's medal potential at the Olympics?

Mr Peters—Beijing?

Senator BERNARDI—Yes.

Senator Stephens—We are going to hold you to this.

Ms Halton—I am actually watching with a crystal ball, Senator.

Senator BERNARDI—I understand that this is calculated and we cannot hold you to it—

Ms Halton—I know, exactly.

Senator BERNARDI—but I am just trying to assess where we are in Australia's sporting system right now.

Ms Halton—Prognostication only.

Senator BERNARDI—Yes, I understand that.

Mr Peters—We have a system that is also used by the Australian Olympic Committee which looks at performances of athletes in recent world championships and Olympic qualifiers. We look at athletes' times as compared to others on the world stage. At this stage our predictions are we will win somewhere between 42 and 43 medals. We are hoping Anna Meares recovers from her horrific cycling accident.

Senator BERNARDI—She got back on her bike today, didn't she?

Mr Peters—Yes, she did, gingerly. It took a lot of guts and determination.

Senator BERNARDI—Yes, she is a wonderful athlete. So 42 or 43 medals?

Mr Peters—Yes.

Senator BERNARDI—How many of those would you expect or hope to be gold?

Mr Peters—We would hope 43, but that may be a bit optimistic. We think it will be in the order of 15 or 16 gold medals.

Senator LUNDY—It is probably worth asking this: how accurate have your predictions been in the past, Mr Peters, because I know this is something that is discussed leading up to every Olympics, so how close were you in your predictions with the outcomes in previous Olympics?

Mr Peters—In the three games I have been involved in—the two Commonwealth Games and the Athens Olympics—we have been within one medal. I would hasten to add we have not always got the sports right.

Ms Halton—I might outsource him to do the Treasury estimates.

Senator LUNDY—Yes. That is not a bad record.

Senator BERNARDI—Some of the sports have received significant amounts of funding over the course of time and most recently, if I might target one, the Football Federation of Australia. Both the now opposition and the government committed substantial amounts of money—I think it was \$32 million by the government—to the Football Federation of Australia. Does this money come out of existing programs or is it additional funding?

Mr Peters—The money to the Football Federation of Australia has been additional money.

Senator BERNARDI—And that is to further develop the game.

Mr Peters—Yes.

Senator BERNARDI—Specifically, what programs will it be targeted at, or will it be given to the Football Federation of Australia as—

Mr Peters—We are in discussions with the Football Federation of Australia. As you would appreciate, with additional estimates we have had to wait until budgets have been confirmed. I think we will see, as Senator Lundy has talked about previously, the establishment of a women's league, hopefully televised or at least packaged, which I think is a very exciting initiative. We will see the support of our junior teams and our senior women's teams in Asia. The federation's decision to go into Asia we totally agree with, but the costs of competing are astronomical and we will not see the financial returns from the big games against the Koreans and Japanese for some years, so I think the investment is a worthwhile one. We will also see the development of a youth league within Australia which will underpin the A-league. We will see some movement towards the firming of their administration, and hopefully that will deliver a World Cup in 2018 or 2022.

Senator BERNARDI—Is there any focus on Olympic football preparations?

Mr Peters—It is one of the programs. Olympic soccer is an under-23 program, and you can add, I think it is three senior players, to your squad. It is certainly not seen as the pinnacle tournament in soccer, but it is important for us to be in Asia competing, both in the men's and women's Olympic qualifiers, as part of our obligation to the Asian region.

Senator BERNARDI—Some people have suggested that football should not even be in the Olympic Games and Australia should not be funding an under-23 Olympic football competition. How would you respond to that?

Mr Peters—No-one has made that comment to me, and I think lots of people have different opinions.

Senator BERNARDI—They do. Some carry more weight than others, I would suggest. The same people have suggested that the majority of walkers are actually cheating on the rules in the program, and that has no business being an Olympic sport either, and yet we put a lot of money into our walkers, don't we?

Mr Peters—We have some sensational walkers, who do the country proud, and those people should perhaps sit down and talk to Nathan Deakes about the dedication and the sacrifices he makes to represent his country.

Senator BERNARDI—I am sure they will, because it is Minister Ellis's chief-of-staff who has made those comments, so I am sure that he will be delighted to have a chat with Mr Deakes and find out about it. Going to these particular sports programs, how many elite sports are done through the AIS? Can you remind me again?

Mr Peters—There are 35 programs, because we have men's and women's. There are 26 sports and we also have taekwondo at the moment. We are supporting their athletes and coaches in the lead-up to the Beijing Olympics after the disintegration of their administration.

Senator BERNARDI—I think Senator Fierravanti-Wells has some questions about taekwondo. Would you like to do that now?

Senator FIERRAVANTI-WELLS—Whilst you are on that, could you give me a little bit of background in relation to that? I understand that there were governance issues associated with the association but I understand that they may now have been resolved. Could you tell me what the situation is there?

Mr Peters—Within Australia, the group that chose not to adopt best practice governance—and in fact did things like fire their coach and athletes while they were overseas and closed down training venues as these athletes were preparing for the Olympics—has seen the light. After the Australian Olympic Committee deregistered them, after we held their funds and after the International Taekwondo Federation deregistered them, they decided they would come back on board. We need to be convinced, as the Australian Olympic Committee does, that there is a sincere and genuine attempt by these administrators to support their athletes into the future, and we have said we will review this and, as I said before, we are reviewing all sports leading into Beijing. We will review their status and make a recommendation to our board post Beijing.

Senator FIERRAVANTI-WELLS—I understand this body that you have referred to in those terms has got, what, about 24,000 members or thereabouts?

Mr Peters—I do not have the figures with me at the moment but it is a very popular sport, which is why we invested in a talent identification program for them. They also have issues about a lot of their clubs running as commercial ventures, and the relationship between running amateur sport and commercial clubs is sometimes a difficulty, and we think that may well have led to some of their early resistance. There is no doubt they are a sport that has good participation for men and women, and they have the ability to perform on the international stage. That is why we did not walk away from their athletes and coaches; we

have actually put in place a program that the AIS is supporting to ensure that those athletes and coaches can compete at the Olympic Games.

Senator FIERRAVANTI-WELLS—I understand that they met with the previous minister and they have sought meetings with the minister of the moment. Is that something that you are planning on doing? I mean, there are clear issues which I understand; government issues relating to their constitution.

Mr Peters—Yes.

Senator FIERRAVANTI-WELLS—I do not want to go into the merits of that at this point, but we do have thousands of people out there who are interested in this sport and I would have thought that it is important, from their perspective, that any issues be resolved and be resolved quickly, given that it is a sport that is quite popular.

Mr Peters—I agree. I am not aware of what requests have been made, but certainly I am aware that the minister is meeting with the sports that have asked to meet with her. I understand the AOC has said that they will resume discussions post the Olympics. Our response has been similar. We spent a lot of time and effort getting them to a point and we are reviewing all sports at the moment and their strategic directions, and tae kwon do will be part of that review.

Senator FIERRAVANTI-WELLS—Have you made comments in relation to the need to reduce the number of funded bodies and funded sports?

Mr Peters—There was an article in October in *Inside Sport* in which there were some quotes from me suggesting that, given the international competition that we have, we may at some point in time be forced to look at targeting sports, which is a theme that is not new. It is just the reality of a country of 20 million people that has been quite exceptional in its sporting performance now competing against much bigger countries with enormous budgets who have decided that they will also use sport as a way of getting international recognition. It is just a discussion and debate of the realities of life.

Senator FIERRAVANTI-WELLS—So any actions in relation to this sport and this particular association are not part of a bigger agenda of reducing funding, and a way of reducing funding to this particular body or this particular sport?

Mr Peters—No, I would say the opposite. We specifically set up a talent identification program for tae kwon do, one of 17 sports that we believe had a future and that had athletes that could compete on the international stage. The requirement we have, as with all national sporting organisations who are receiving public funds, is that they need to be transparent in the way that they run their business and transparent in their accountability. So the administrators in this case have let their athletes down considerably. I think we have shown goodwill towards the sport. We now need to concentrate on Beijing and our planning post Beijing, and that is the process we are in at the moment.

Senator FIERRAVANTI-WELLS—Assuming the association gets its house in order, if I can put it that way, you are happy to at least have discussions in relation to continuing a dialogue with them. Is that, in summary, what you are saying?

Mr Peters—Yes.

Senator FIERRAVANTI-WELLS—So it is likely that the minister will meet with them shortly to discuss their issues. Is that what you are saying?

Mr Peters—As I say, the minister has shown that she is prepared to meet with all sports.

Senator FIERRAVANTI-WELLS—I am asking about this one in particular. Perhaps if you could take that on notice, Senator, and pass it on to the minister, in the hope that she may find some time to meet with this particular group of people, given the large number of members that they do have.

Mr Peters—Yes.

Senator FIERRAVANTI-WELLS—Thank you.

Senator Stephens—Chair, may I take this opportunity to respond with additional information to Senator Bernardi, please?

CHAIR—Certainly.

Senator Stephens—Senator Bernardi, I have just had some advice that the board appointments are actually made by the minister, as you would have known. They are not advertised, but the minister has undertaken consultations in an effort to achieve an appropriate balance. So those consultations are ongoing, but no decision has been made yet.

Senator BERNARDI—So the Conroy model will not be employed of the creation of a new board appointment?

Senator Stephens—I am not aware of the details of the Conroy model and therefore I will leave it in the hands of the cabinet to deal with it appropriately.

Ms Halton—The Conroy model is the cabinet model by the sounds of it, Senator.

Senator Stephens—Thank you.

CHAIR—Are there further questions?

Senator BERNARDI—Yes, there are. I do have some other questions. Mr Peters, you just mentioned about the talent ID program, and in response to a question you said that that was ‘being rolled out’. Is there a new talent ID initiative, or is this a pre-existing one that is continuing?

Mr Peters—In the 2006-07 budget we received funding to expand our talent ID program into a number of sports that we believed had significant opportunities to perform on the international stage. We also received funding to look at some of the Asian-centric sports—like the tae kwon dos, the judos, the badmintons—where maybe we could run a more efficient system by being linked to Asia and create more competition that way. We also received additional funding for the Indigenous talent identification program, looking for young athletes in basketball, hockey, softball, athletics and boxing.

Senator BERNARDI—Does the Indigenous talent identification program or the Indigenous sports program work in conjunction with other departments, or is it purely administered within the Australian Sports Commission?

Mr Peters—The talent identification program is administered through our department. We have an MOU, for want of a better term, with the department and state governments, which

delivers funding to employ 28 Indigenous sport and recreation officers around Australia, and they assist in the roll-out of a whole lot of programs, in conjunction with state governments, as I said. That is the extent of our interaction, other than when we are aware of programs and we assist the implementation of them.

Senator BERNARDI—I guess the engagement of your agency or the Sports Commission within the Health and Ageing portfolio is actually quite a neat fit, particularly in regard to Indigenous youth, to get them engaged in sport.

Senator LUNDY—I agree completely. I agree. It is good for you.

Senator BERNARDI—Because it is a health outcome as much as any other outcome, I guess.

Mr Peters—Yes.

Senator BERNARDI—I may be getting off the topic here a little bit. But with that in mind, have you received any invitation, or have you been involved in the Northern Territory emergency response or some of the more dysfunctional Aboriginal communities to engage in that?

Mr Peters—The secretary and I have had discussions about how we can work together as an agency. Our staff this week are attending a meeting, which involves the roll-out of a number of programs across government. Direct meetings in relation to the intervention program I am not aware of but, as you may remember, the active after schools program is having great successes in a number of the Indigenous communities within the Northern Territory, and we think that is an exceptionally good model to engage people in idle time—not just the young people but their parents. So, as you would appreciate, moving into a new department, it is a very good fit for us, and those discussions have begun.

Senator BERNARDI—Of the 202, I think you said, employees within the Active After-school Communities program you administer, how many of those are Indigenous employees?

Mr Peters—I do not have the number. I think we have divided at the moment into rural and remote, but I would say a limited number.

Senator BERNARDI—Of course, it is a limited number. Would you be able to provide me with a specific number? You can take it on notice and let me know. It is not important immediately.

Mr Peters—We will take that on notice.

Senator BERNARDI—Similarly, you may know the numbers offhand of how many Indigenous people are working within the Indigenous Sport Unit within the ASC. Can you tell me that now or do you want to take it on notice?

Mr Peters—The majority in the Indigenous unit and all of the 28 additional officers are Indigenous people.

Senator BERNARDI—The majority.

Mr Peters—Yes. It is either five out of six or six out of seven. So I will take that on notice.

Senator BERNARDI—So it is a small number. I understand and accept that. In the variations table, there is a description of a rephasing of funds from the Australian Paralympic Committee, an additional contribution. What does ‘rephasing’ mean?

Mr Peters—There is \$1 million provided for the Paralympic Games. One of the recommendations that came out of the Senate inquiry into women in sport was that there was perhaps an opportunity through the Paralympic Committee to promote women’s sport at the Paralympics. The rephasing means the money that was actually in an out year has been brought forward a year because the Olympics are obviously this year.

Senator BERNARDI—So no funding has been lost. It is not additional funding.

Mr Peters—No, it is just moving the \$1 million forward a year to capitalise on the Olympics that will take place this year.

Senator BERNARDI—The ASC does fund Paralympics. Is that the peak organisation for the Paralympians or Paralympics?

Mr Peters—Yes.

Senator BERNARDI—It also has a disability sports area. Am I right?

Mr Peters—Yes.

Senator BERNARDI—What are the programs you are enacting in it?

Mr Peters—We have two major programs in our disabilities unit. The first is Project CONNECT, which is a program where we work with national sporting organisations to mainstream athletes with a disability. We actually work with them, accepting that there are so many challenges for sporting organisations that we need to provide assistance to help them create pathways for athletes with a disability. We have a gold, silver and bronze medal scheme where there are different stages of an organisation’s development. We support them financially and we support them with resources. Again, we are happy to provide more detail about that.

The second project is Sportability, which I think is one of the most exciting programs around at the moment. It is for severely handicapped people and, at the last two Prime Minister’s Games at Manuka Oval, table cricket has been played with severely disabled young people. It is about creating opportunities for them, so a number of the sports link into the Paralympic Games. A number of them are activities that young and older people with a disability can participate in. We have rolled that out over a number of sports. We have been involved in the design and extension of kits, and we now have a partnership with a private sector company to provide those kits to schools and sporting organisations.

Senator BERNARDI—It is a delicate area, I guess, but how do you target people with disabilities to get involved in sport? Do you work with disability organisations, is it linked in through various departments, or is it something the ASC does itself through a marketing drive?

Mr Peters—It is a difficulty because some people are born with a disability and some, unfortunately, acquire a disability through an accident. How do we focus onto those people? How do we create opportunities for those people to see sports as a means to an end? Sport

across so many areas, whether it be health, education or social inclusion, is a way of engaging with people, so we work with the state departments. A report and national plan were done for people with disability to look at pathways. That has been considered by the Standing Committee on Recreational and Sport and the Sport and Recreation Ministers Council. The key is that we believe pathways can be established so that people with disability can be accessed and be aware of the opportunities but, as with all things, it comes down to a resource issue.

Senator BERNARDI—That leads to the next question. If you are mainstreaming people with disabilities into national sporting organisations, that diverts resources away from able-bodied athletes and ultimately the elite performance of able-bodied athletes. For good or for bad, governments are judged, quite frankly, by the performance at Olympic Games and various other areas. Is there a risk that, by pursuing the mainstreaming of disabled athletes, we are risking our future high performance?

Mr Peters—There is a risk in terms of a whole lot of issues in sport as to how we sustain performers on the international stage. It goes from able-bodied versus disability. Is Australia ever going to have a major sporting event, given the amount of money being bid by overseas countries? Our athletes have to travel. Do we set bases up in the rest of the world? All these issues impinge on whether we will be a successful country in 10 or 15 years time. You have identified an issue. When you deal with the emotions sometimes and the passion of people that work in the disability area, those judgments are difficult. That is our job.

Senator BERNARDI—So it comes down to resources. There is no specific problem with the mainstreaming, as long as there are adequate resources to deal with the separate wings of the whole of sport?

Ms Halton—It seems to me that there is no difference here between sport, education et cetera. This is something which has been pursued in this country since, to my knowledge, the early 1980s, the Year of People with Disabilities, when all the reports were done. Your point is right—that to support people with disabilities in mainstream environments often takes resourcing—but what is being pointed out here is that we have a proud record in both respects.

Senator BERNARDI—I accept that and I am not having a go at you. I am just trying to get to the potential threats to resourcing levels for sport and participation in this country. Mr Peters referred to what is happening overseas. What is happening in some of our competitor nations as far as sports funding goes?

Senator LUNDY—Senator Bernardi, before the Sports Commission answers that, can I just ask a corollary to your questions about disability sport?

Senator BERNARDI—Please do.

Senator LUNDY—We talked earlier about the performance of Olympic athletes and the medal tally. There is a relationship between participation in disability sport and opportunities for Paralympians. Could you use this opportunity, please, to go through our performance at the Paralympics and what our medal prospects are and how that links back into inspiring people with disabilities to take up a sport.

Mr Peters—We work with the Paralympic Committee, again trying to identify performances. The Paralympic area is a lot more difficult to predict medals because often a sport will not have a world championship for two years. That is one of the disadvantages of Paralympians. For example, in track and field at the moment, we have a number of our sprinters training with our able-bodied squads and they will not go overseas and compete between now and the Paralympics. The Paralympic Committee at the moment are saying that their position is under threat in terms of a top-five finish in the world.

We are seeing other countries that, to their credit, whilst they are investing significantly in able-bodied sport, are also investing significantly in Paralympic sport. Countries like China, Russia, France, Spain and the UK now have far more resources dedicated to the Paralympic sport than ever before. There is a correlation. We need to inspire our future sportspeople by, if we can, having our athletes with a disability on the international stage. Some people use Sydney as an example where, for the first time, our athletes were not athletes with a disability, they were athletes. I think that has been quite an inspirational motto used by the Paralympic Committee since then to argue their case. We would argue, as would the CEO of any organisation, ‘Give us more resources, we’ll be more successful.’

Senator LUNDY—Thank you.

Senator BERNARDI—Mr Peters, just going back to the overseas model—and it applies equally to elite sport and elite Paralympic sport—can you provide a brief comparison of what our major competitor countries are doing? I specifically mention the UK. China, I believe, will be an emerging threat in Beijing, and maybe Germany and the USA?

Mr Peters—As you would probably appreciate, it is difficult to find out figures from China, Russia and Germany, but as we send coaches and athletes to these countries and we assess what their performances are, we have no doubt their investment is increasing considerably. The Western countries tend to be a little bit more open. The United Kingdom have as their stated goal to finish fourth in the London Olympics which is, funnily enough, where we are at the moment. Their investment in national sporting organisations of high-performance sport is around £144 million a year. On top of that, they support individual athletes.

One of the advantages that the European countries have, and to that extent some of the Asian countries, is that the cost of them going to competitions and flying one hour to get to another country is relatively minimal compared to the costs associated with the 20 or 30 hours that our athletes have to travel. There is a disadvantage for us in a comparison with the United Kingdom, because they are not real costs that we are talking about. But there has been a significant increase in everything they are doing and, as we have often discussed before in this forum, other countries are copying our systems.

The AIS was an unbelievable initiative, and over the years there has been great bipartisan support. Everyone else has an AIS now. So how do we get better as an AIS? That comes down to research and retaining our staff and things like that. The active after-school program is a way of tackling the lack of mobility skills in our young children coming through. So I think we are being innovative in trying to address this, but at the end of the day it is about having the best people, sports scientists and sports medicine, with the best research, working with

coaches and athletes and putting our athletes in the best competition and training environments. That is the challenge for us.

The United Kingdom and Canada, who for a number of years focused on participation in recreation, have decided they perhaps do not like getting beaten all the time. They have now put Can\$122 million into their grants system. Their Olympic committee is looking at finding another \$14 million. They want to up the support for their athletes. They are calling on the private sector to partner up with them. Again, the difficulty we have in Australia is that we have a lot of national companies investing in AFL football, rugby league, rugby union and cricket—week-in, week-out competition—where they get recognition. They do not invest in Olympic sports, because our athletes are normally overseas training. Great basketball players like the Lauren Jacksons and the Penny Taylors will always be overseas because that is the only place they can earn a living. Again, we have a complication in the way our private sector is not putting money into the development of sport.

New Zealand has now upped their investment in elite sport to \$44 million for a population of four million. They are public figures we can access, and we know what they are doing. We know China is putting enormous resources in. We know Russia will be resurgent. We have had staff recently in Germany, and they are reinvigorating all the training facilities that used to be in the East German regime so that they can put their athletes into these situations. That is perhaps a longwinded answer, but it is about the challenges. The great thing is that I think we can meet those challenges. That is the expertise I think we have in the Australian Institute of Sport and within the commission.

Senator LUNDY—You made a comment earlier about the post-Olympics period. After the Sydney Olympics, the funding cycle of sport meant that unfortunately we lost a lot of our coaches overseas. They have gone on to do great things for other countries. What is your thinking about the post-Beijing strategy and how it relates to funding cycles in sport? Could you elaborate on what you said earlier, because I think with all of these challenges confronting us in the future, as you mentioned, hanging on to our often best-in-the-world staff is a critical element in what constitutes success down the track.

Mr Peters—One of the difficulties in Sydney was that the funding was through to December. So by the time everyone had soaked up the euphoria of an unbelievable performance and everything else, a lot of our coaches were wondering where the next job was going to come from. They were approached, as they are continually approached, as are our sports scientists and our administrators. We have noticed in recent years that the trend is that it is a lot of our assistant coaches et cetera that now go overseas. They all want to come back, so we are benefiting in some way. But there are some coaches crucial to our system that we do not want to lose. If I can use an example of our women's soccer coach—a fantastic performance by our women's team recently—

Senator LUNDY—Tom Sermanni.

Mr Peters—he was approached with enormous incentives from the United States. With Peter Fricker, myself and others, and with the FFA and the benefits of the government's funding, we were able to put a proposal to him. It was nowhere near what he could have earned overseas. I think we can counter that. We do not have to offer some of these exorbitant

salaries, but if we can show some respect for the people in terms of supporting them financially, and within an environment of best practice, then we will keep most of these people. But the reality is that, if the assistant coaches go away, there are not enough jobs in Australia to maintain, and they all want to come back and it is actually a benefit. Unashamedly, if we have a sport in which we think we need coaching expertise, we will go and get Chinese coaches and Russian coaches to supplement our programs and hopefully put coaches underneath them that can learn. I think that has been an important part of the AIS success as well.

Senator LUNDY—I noticed that Cheryl Salisbury was today voted Australia's favourite sporting moment with her goal that got them through to the quarter finals, so it was quite a credit to the Matildas and Tom Sermanni. I think we would all agree on that.

Mr Peters—Yes.

Senator BERNARDI—Have you finished, Senator Lundy?

Senator LUNDY—Yes, thank you.

Senator BERNARDI—Does the same apply to our sports scientists and our sports medicine people?

Mr Peters—Yes.

Senator BERNARDI—Are the salaries that are offered through the ASC and the AIS competitive with international salaries?

Mr Peters—No.

Senator BERNARDI—Could you hazard a guess as to how much lower they are than they perhaps would be otherwise?

Mr Peters—It is hard to guess, but if some of our best scientists are on \$70,000, they could go to the Middle East and earn five times that or they could go to the UK and earn probably three times that.

Senator BERNARDI—The ability to remunerate our best and brightest, in not only sports science and medicine but also in coaching, from what you said before, is going to be an ongoing issue for us.

Mr Peters—Yes.

Ms Halton—This is an issue we have right across health and medical research. If you look at our best and brightest researchers in health and medical research, including in sports science, our ability to match what is available overseas is quite restricted. Sometimes we can be creative, and there have been a number of things we have done in the broader health context in this respect—this is one of the things we need to talk to the commission about as well—but we need to understand that some countries, and it is quite a few, are unashamed about offering enormous incentives to our scientists to go and work there. It is a challenge for us right across research.

Senator BERNARDI—I am not trying to score a partisan point here for the Labor members, but the challenge with a large efficiency dividend is that that may put enormous pressures on the ability to remunerate people appropriately—the key personnel—and you

would hope that you could find efficiencies in other areas than simply in staffing levels for those key positions that are going to benefit Australian sport. But it is going to be an ongoing issue, I would imagine. We train them. Is Allan Hahn still there?

Mr Peters—Yes.

Senator BERNARDI—He would be a very appropriate catch for some other country, I would imagine.

Mr Peters—I am sure it is the same in other portfolios. We have to admire the dedication of a lot of our people.

Ms Halton—Let us be clear. A lot of people want to live here.

Senator BERNARDI—It's a great country!

Ms Halton—Indeed, and we have had quite a bit of success in bringing people back to Australia in a number of areas, sometimes with appropriate recognition. Recognition is not always money.

Senator BERNARDI—Yes, I understand. Taking a step back from elite sport for a moment and going to the active after-school program, funding has been received until when for that program? How long is it scheduled to continue?

Mr Peters—At this stage the program will continue through to 31 December 2010.

Senator BERNARDI—There is no commitment after that from the government, Minister? Are you prepared to make any promises past then?

Senator Stephens—Not at this stage, thank you.

Senator BERNARDI—I was being optimistic, trying to flush you out.

Senator Stephens—It was very optimistic. I think that that would be part of our future budget considerations, recognising that it is a very successful program.

Senator BERNARDI—And it has benefits, obviously, not only for Australia's sporting future but for the health and consequences of our children in fighting obesity. Is that something that the Sports Commission is concerned with as well, or not specifically?

Mr Peters—Sorry, concerned with?

Senator BERNARDI—Concerned with health issues for young people, or is your motivation more to get people mobile so they can maybe fulfil our sports aspirations collectively for the future?

Mr Peters—We have a strong philosophy in the commission that sport creates many opportunities for other portfolios to achieve their end aim. If we have all of our young people in schools physically active, enjoying physical activity, learning the mobility skills and being introduced to sport and they enjoy that activity, then they will go on and play sport. But our primary aim, and the targeted group with the Active After-School Communities Program, is inactive children in school sites and after-school sites. Yes, we believe this is an initiative that can achieve a number of aims and ultimately will have young people coming out of primary school being able to catch a ball, which is a worry in a lot of our scenarios at the moment.

Senator BERNARDI—How many schools are participating in that now?

Mr Peters—There are a number of primary schools and a number of active after-school sites. There is a subtle difference, but we call them centres. There are around 3,150 at the moment, with some variations in the sites, and 148,000 children in the program.

Senator BERNARDI—Is demand higher than your ability to service that demand?

Mr Peters—Yes. We chose the last call not to go out with a public advertisement because we already had a waiting list. The figure could vary between 600 and 80,0 because some may not have been suitable sites. We have always had a considerable excess, and we were quite easily able to fill the quota this time by not going to advertisement.

Senator BERNARDI—So how do you contact outside of your waiting lists? The schools hear about it and make contact with the ASC and then jump on the list?

Mr Peters—Yes. The key for us delivering the program is having a state manager and regional coordinators. Word of mouth, obviously, within the education system has been a great advertisement for us. We have also been very pleased with the way that state education departments and the community have embraced the program. So it is word of mouth, and we certainly do not have any difficulty meeting—

Senator BERNARDI—Have you received any reports or done any evaluation of the effectiveness of the program? It has been running for four years.

Mr Peters—Yes. The major component of any program when introduced, we believe, is the actual research in terms of whether it achieves its objectives. Part of the program from day 1 has been a major research program which is about attitude change. We have a national committee that involves the Primary Schools Principals Association and the Australian Council of Health, Physical Education and Recreation—I hope I got that right—and we have also done a number of case studies in different communities to look at the impact of engaging young people within the mobility skill learning set, but also within their environments. The next challenge for us all is the strengthening of club structures within states and territories so that, when young people want to go on in the community and play sport, there is actually somewhere for them to do it.

Senator LUNDY—That is music to my ears! There was a review, wasn't there, of the program early last year?

Mr Peters—Yes. The culmination into the third year was when we had the first report done. We have ongoing research going on.

Senator LUNDY—What were the summary results of that review, Mr Peters?

Mr Peters—I can read out a whole lot of figures, but summary results are that it is a fantastic program, it achieves its aims and there is enormous unmet demand. The pleasing thing in terms of results was that these were parents talking about the change in the attitudes of their children. It was teachers talking about their ability to work within the system. There are now something like 23,000 people trained in community coaching, ranging from teachers to parents to providers, so the teachers are now equipped with skills about how to run even recess time programs back within that school environment. So there are a whole lot of spin-offs. You talk about the broader concept for social inclusion. The senator is about to hit an area up there, and we think there are a lot of examples of how this has really worked in

different areas. We have a program that is running with Immigration in Macquarie Fields-Lakemba, which is having tremendous integration results that we believe can establish role models for a whole lot of other programs.

Ms Halton—I think the important thing to remember about that evaluation is that it did not just change attitudes; it actually changed behaviour in those kids who were otherwise inactive and, in many cases, overweight. I am remembering now from reading that report, and it is some time since I read it. Basically these children became more physically active and prepared to engage. So it is attitude and behaviour, which is what we are looking for in this space.

Senator LUNDY—Mr Peters, you mentioned integration with clubs. That is certainly an issue I have raised in the past a lot—what the fit is like and how those relationships can be fostered more effectively. Can you elaborate a bit more about how you will change the program to better align it with the function and operation of those community clubs for kids?

Mr Peters—I would not say we have changed the program but, with a number of people who have now gone through the community coaching program, we have now equipped the community with more skills to run within the club structure. The challenge still is how community clubs survive with the increase in the costs that local governments used to pick up that now fall on clubs, such as the insurance issue that we went through a few years ago. Then we come down to side issues about whether parents are available now to run clubs or not. Some of the state governments, like Western Australia and South Australia, have been doing some good work. We have certainly been looking at whether we can partner up with them to expand the development of what we would call a community sport officer—someone in the community that can actually link the club to the school and make it easy for people to participate.

It was one of the variations that we put into the program in Macquarie Fields and Lakemba, where we actually had a young lady appointed in that role and it has been an outstanding success. As I have explored before, it becomes a resource issue—not just between investing in able-bodied Olympic or Paralympic athletes, but the whole community sport issue becomes a major concern for all of us. Where does a demarcation or cooperative arrangement between states and territories and the federal government come in?

Senator LUNDY—And local government.

Mr Peters—And local government, yes.

Senator BERNARDI—Senator Brandis has a couple of questions, Chair.

Senator BRANDIS—Thank you. I would like to ask questions about the cancellation by the government of the Australian National Rugby Academy at Ballymore in Queensland and its contribution to the Rugby League Hall of Fame. In his press release of 6 February this year, Mr Tanner, the finance minister, listed, among 45 programs that the new government had decided to defund or reduce Commonwealth contribution towards, the Australian National Rugby Academy, to which the previous government had committed \$25 million, and the Rugby League Hall of Fame, to which the previous government had committed \$10 million. Taking each of those two projects in sequence, I am right in recalling, am I not, that the

former Prime Minister announced the \$25 million contribution to the Australian National Rugby Academy at Ballymore on 30 June 2007?

Mr Rowe—I do not have the precise date of that announcement but it was certainly around that time.

Senator BRANDIS—It was 30 June 2007. At the time that decision was made, was it not the case that in the letters that passed between the department, as it was then configured, and the Australian Rugby Union, the Australian Rugby Union were led to believe that they could safely proceed with preliminary works to develop the site—I am thinking of architects' drawings, engineering work, surveying works and the like—because the funds would be drawn down?

Mr Rowe—Senator, could I ask you to clarify the question? Are you asking me whether the department caused the Australian Rugby Union to think that they could proceed with the project?

Senator BRANDIS—Yes, I am, effectively, Mr Rowe. There was a letter sent to the Australian Rugby Union from the department, was there not?

Mr Rowe—My information is that you yourself wrote to the Australian Rugby Union and advised them of the then government's decision, and that was subject to the Queensland government providing secure tenure, and that the department would be in contact with the Australian Rugby Union to pursue the development of the funding agreement. In line with that request, contact was made via telephone and email to the Australian Rugby Union to discuss the information that would be required to develop an appropriate funding agreement.

Senator BRANDIS—What was the date of that telephone contact and email?

Mr Rowe—I do not have that precise information.

Senator BRANDIS—You can take that on notice.

Mr Rowe—Yes, I certainly can. The information that was required to start the preparation has not been provided by the Australian Rugby Union. We understand that the Australian Rugby Union did have some difficulty getting secure tenure. That was the condition of the commitment. That may have prevented—and I suspect it probably did prevent—the Australian Rugby Union providing the information that the department required to proceed with the preparation of an agreement.

Senator BRANDIS—You may or may not be aware of this, Mr Rowe, or other officers at the table, but let me put it to you in any event, because it was widely reported in the press at the time and mentioned in the Prime Minister's speech at Ballimore on 30 June. Are you aware that the then Premier of Queensland, Mr Beattie, had a meeting with the Prime Minister in Brisbane on 29 June, at which time the Prime Minister mentioned to Mr Beattie the announcement the following day and that Mr Beattie made an announcement himself that afternoon saying that, as far as the state government was concerned, the project had its complete support and any issues in relation to usage or land tenure would not present a problem to the extent to which they were—as they were—within the jurisdiction of the Queensland state government?

Mr Rowe—I was not aware of that conversation or, indeed, the announcement or comment by the then Premier. The information I have was that the Australian Rugby Union was not able to provide to the department evidence of the Queensland government's secure tenure, which was an essential element.

Senator BRANDIS—Choosing our words carefully, Mr Rowe, the provision of secure tenure was, of course, a precondition of the commencement of the redevelopment of Ballimore, but it would not be right to say, would it, that the provision of secure tenure was a precondition of the then government's commitment or decision?

Mr Rowe—I could not speculate on the preconditions of the government's decision. The government, I guess, made a decision. But, in terms of the government fulfilling that commitment—I think as advised to the ARU by letter by yourself, Senator, at the time—that was a precondition of the grant, the funding being provided.

Senator BRANDIS—'Provided' is the right verb, is it not, Mr Rowe? It was a time-limited condition in the sense that, once the tenure issues had been resolved, the money would be provided; the transfer payment would be made to the ARU's account. It was not the case, was it, that the decision itself depended upon the tenure questions being resolved first?

Mr Rowe—You are referring to the government's decision?

Senator BRANDIS—Yes.

Mr Rowe—Again, I cannot comment on the precondition of the government's decision, because that is a matter for the government at the time.

Senator BRANDIS—Indeed. But do you understand the distinction I am drawing between a communication that says, 'If you sort out this issue'—that is the issue of land tenure—'then the government will consider providing funding to you for a nominated project,' versus, 'The government has decided to provide funding to you for a nominated project and that money will be paid as soon as these tenure issues are resolved'? Do you see the distinction?

Mr Rowe—I need to point out that the department needed to have evidence of the security of the tenure so that it could develop then a funding agreement.

Senator BRANDIS—Absolutely, but that is in the second of the two categories I mentioned. The decision having been made, the payment of the money awaited the department being satisfied as to issues of tenure. The decision did not await the government being satisfied as to issues of tenure.

Ms Halton—Can I make a point about this? This was obviously undertaken in a previous department. Certainly, the practice in this portfolio is that there are basically two kinds of arrangements. The first is a grant that is paid without condition or is subject to one or two conditions. The other is a funding agreement in respect of certain conditions and certain undertakings in respect of both parties. As I understand what Mr Rowe is saying, this was in the latter category; in other words, there had to be an exchange of documentation and the signatures by both parties in respect of that agreement. That is what Mr Rowe is attempting to say.

Senator BRANDIS—That is fine. But, in terms of the dichotomy I have suggested, this was not a case, was it, where the government was saying to the ARU, 'If you sort out these

tenure issues, we will consider giving you money'? It was a case in which the government said to the ARU, 'We have decided to give you the money and we will transfer it to you once the tenure issues have been sorted out'; in other words, the resolution of the tenure issues was post not pre decision.

Mr Rowe—The resolution of the tenure issues was post the government decision, but the resolution of the tenure issue was not a condition on which payment would be made. The resolution of the tenure issue was one of the factors that would need to be part of the funding agreement.

Senator BRANDIS—I understand that; of course.

Mr Rowe—And as a range of other things.

Senator BRANDIS—As a range of other things were.

Mr Rowe—Once the department and the proponent—in this case the ARU—were satisfied with the funding agreement, it would be duly executed. Depending on the terms of the funding agreement, there may have been an amount at the early, mid part; in the normal course of events, there would be milestones along the way.

Senator BRANDIS—Indeed. Can you understand why the ARU now consider themselves to be aggrieved? The Prime Minister had told them that the government had made a decision to fund the project to the tune of \$25 million, subject to issues of tenure being sorted out, and the Premier, within whose jurisdiction issues of tenure lay, had told them that there were no problems with issues of tenure and he would sort it out. Can you understand why they might be, to put it gently, most surprised to learn that the money was not going to be forthcoming?

Ms Halton—You are asking the officer for an opinion, which I do not believe he should provide you with.

Senator BRANDIS—All right; I will not persist. I suppose that, post Mr Tanner's 6 February announcement, the issue may be moot but, in fact, there were no outstanding issues of tenure in the end, were there?

Mr Rowe—I do not have information to that effect and the department did not have information to that effect.

Senator BRANDIS—Was this decision made by the strategic budget subcommittee of cabinet prior to Christmas 2007?

Ms Halton—Again, we cannot comment a decision of government. It has been announced as a decision of government. The taking of that decision is not something we can go into.

Senator BRANDIS—Ms Halton, unfortunately for you, that evidence was given by the government yesterday—

Ms Halton—The government is entitled to give that; the officers cannot.

Senator BRANDIS—at the Finance and Public Administration Estimates Committee. You may take it that that decision was made and the government, through its ministers, has confirmed that that decision was made—

Ms Halton—And that is within their brief to do.

Senator BRANDIS—by the strategic budget subcommittee of cabinet and that that strategic budget subcommittee of cabinet met shortly prior to Christmas 2007. Is it not the case that the Minister for Sport was not consulted in relation to this matter before this decision was made?

CHAIR—Senator, that is not a question the officers can answer.

Senator BRANDIS—Yes, it is.

CHAIR—No, it is not.

Senator BRANDIS—It was a question that was answered yesterday at the finance and public administration estimates committee.

CHAIR—That may be so, but it is not a question to which the officers can make a response.

Senator BRANDIS—Madam Chair, I will re-put the question in different words.

CHAIR—Please do.

Senator BRANDIS—But I would draw to your attention the fact that this question was answered yesterday in another estimates committee operating under the same standing orders and procedural rules.

CHAIR—Not by the officers of the department.

Senator BRANDIS—Not by these officers.

CHAIR—Not by any officer of the department.

Senator BRANDIS—In fact, when I sought to pursue this line of questioning a little further yesterday, I was told—I cannot remember, Senator Stephens, whether it was by you or whether it was by your colleague Senator Sherry, who took your place at the table—that these questions should be pursued in this estimates committee, not the finance and public administration estimates committee. So here I am.

CHAIR—Senator, as you know, questions to do with advice or decisions by government cannot be answered by officers.

Senator BRANDIS—I am not asking about advice and I am not asking about internal processes of government. I am asking to know a procedural matter.

CHAIR—It is an issue of discussion—

Senator BRANDIS—Let me re-put my question, Madam Chair.

CHAIR—Okay.

Senator BRANDIS—But your ruling is inconsistent with the ruling of chairs of other estimates committees more experienced than your good self.

CHAIR—I stand by my ruling.

Senator BRANDIS—You are at liberty to stand by your ruling. I will persist with my question but I will put it in different terms. Was the Minister for Sport made aware of this matter before the decision to terminate the funding was made?

Ms Halton—You are asking the senator, I assume.

Senator BRANDIS—I am asking whoever can answer the question.

Senator Stephens—Senator, I addressed this issue in general terms yesterday when you asked me these questions. I understand that there was consultation with the ministers involved in each of their portfolio areas. I cannot confirm that the Minister for Sport was consulted on this issue.

Senator BRANDIS—I am sorry, Senator Stephens, but I am completely unable to understand that answer. We were told yesterday in the finance and public administration estimates committee, by a Dr Grimes, a public servant, that in each of the 45 cases, before the decision of the cabinet subcommittee was taken, the minister would have been consulted. The answer you have just given seems to be consistent with that evidence. Having said, as I heard it, that the ministers would have been consulted, or words to that effect—if that is what you meant to say—you then go on to say that you cannot say whether in this particular case the minister was consulted. If you are able to tell us that in all 45 cases the ministers were consulted, then must it not follow that you are telling us that in one of the 45 cases the minister was consulted?

Senator Stephens—Senator Brandis, as I responded to you yesterday, I understood that that was the process. However, you asked me to confirm that Minister Ellis was consulted, and I said, ‘I cannot confirm that she was consulted.’ However, the general evidence that was provided yesterday indicated that all ministers would not have been consulted.

Senator BRANDIS—Perhaps you would care to take the particular question on notice. Was the general process—about which you have explained to us that the ministers were, in general, consulted—observed in this particular case in relation to Minister Ellis in relation to this particular decision?

Senator Stephens—Certainly I will take the question on notice, and if the minister wishes to respond she can.

Senator BRANDIS—No. It is not a question of whether the minister wishes to respond. The minister is obliged to respond to a proper question. Nobody has suggested this is not a proper question, and I note that you have not objected to it, nor did you object to it yesterday in another estimates committee.

Senator Stephens—We will take the question on notice.

Senator BRANDIS—Thank you. May I also ask you—and I suspect you will want to take this on notice too—what steps Minister Ellis took to inform herself as to the effect on the Australian Rugby Union and the Queensland Rugby Union of the withdrawal of Commonwealth government support for the Australian National Rugby Academy, were that to occur? Do you understand what I am asking you?

Senator Stephens—Certainly, Senator, I understand the question that you are asking me. In terms of giving you a partial answer, certainly I can confirm that the Minister for Sport was consulted as part of the process.

Senator BRANDIS—Prior to the cabinet subcommittee decision?

Senator Stephens—I have no information about when that was but I can confirm that she was consulted.

Senator BRANDIS—Perhaps when you take it on notice you can tell me the date on which she was consulted. What steps did the minister take to inform herself?

Senator Stephens—I understand that there has been comprehensive consultation with the Rugby Union Academy and there are ongoing discussions around that issue. There have been continuous negotiations and discussions since the announcement.

Senator BRANDIS—No, I am not interested in since the announcement.

Senator Stephens—Sorry.

Senator BRANDIS—My question is only directed to what steps the minister took. You have told us that the minister was consulted.

Senator Stephens—Yes.

Senator BRANDIS—Let us put the evidence together brick by brick. We know the decision was made, because Mr Tanner made a press statement on 6 February. We know the minister was consulted, because you have told us. We assume that the minister was consulted prior to the decision, because if the minister was consulted post the decision it would not properly, in any meaningful use of the English language, be a consultation. Nevertheless, you were going to kindly confirm the date of the consultation for me. What I now want to know is, prior to the decision being made, what steps the minister took to inform herself of the consequences for the Australian Rugby Union and for those concerned with the development of the Ballymore project of the impact upon them of the withdrawal of Commonwealth funding. Would you take that on notice, please.

Senator Stephens—I will seek that information for you, Senator.

Senator BRANDIS—In particular, would you please advise me whether the minister, if the minister sought to inform herself of the impact of such a decision on the Australian Rugby Union and those concerned in the Ballymore project, was aware that the Australian Rugby Union and those responsible for the project had entered into contractual commitments of several hundred thousand dollars with professional firms in order to prepare the early stages for the commencement of the project. Would you find that out as well.

Senator Stephens—I will seek advice from the minister.

Senator BRANDIS—Finally, if the answer to that question is yes—that is, that she was aware, if she undertook these inquiries about the contractual commitments of the ARU—can you please tell us the date on which she first became aware. Will you take that on notice as well.

Senator Stephens—Yes.

Senator BRANDIS—Mr Rowe, can you remind me of the date on which the announcement of \$10 million for the Australian Rugby League Hall of Fame was made?

Mr Rowe—I do not have that precise date with me but I can get it for you.

Senator BRANDIS—You can confirm, though, that that was a decision of government made prior to the caretaker period?

Mr Rowe—That is correct.

Senator BRANDIS—It was not an election promise; it was a decision of government.

Mr Rowe—No, it was not an election promise. It was included in the MYEFO and the PEFO—

Senator BRANDIS—The fact that it was in the MYEFO and the PEFO—as was the Ballymore commitment, incidentally—illustrates that it was not an election promise but a decision of government.

Mr Rowe—I can give you the precise date. The announcement was made on 30 September 2007.

Senator BRANDIS—Yes, thank you, and I have just been handed the press statement by the Prime Minister. Thank you—30 September. I want to know the answer to the two broad questions that I put about the last project that was cancelled—that is, whether prior to the decision of the strategic budget committee of cabinet being made the minister was consulted in relation to the proposed withdrawal of Commonwealth funding for the Rugby League Hall of Fame. Secondly, I would like to know what steps, if any, the minister took to inform herself of the effect upon the Australian Rugby League of the withdrawal of Commonwealth funding for this project before the decision was made, and on what date, if she undertook that inquiry, she became aware of those matters. Could you take those on notice, please.

Senator Stephens—Certainly.

Senator BRANDIS—Thank you.

Senator BERNARDI—May I add another question to that. When did the minister inform both the ARU and the NRL of these cuts in their funding?

Senator Stephens—Certainly.

Senator BRANDIS—I think it was not the minister; I think it was out of the blue on 6 February.

Senator BERNARDI—‘Out of the blue’ is the quote in the paper, Senator Brandis.

Senator BRANDIS—But perhaps I am wrong.

Senator BERNARDI—Yes, and if it was not the minister, who did inform them prior to the announcement, if indeed they were?

CHAIR—Do you have a further question, Senator Bernardi, in the short time we have left?

Senator BERNARDI—Yes, I do. We do not have much time, but I shall try and be brief. How many DLOs are allocated to the minister’s office in regard to sport?

Ms Halton—We have already answered this for the whole portfolio.

Senator BERNARDI—You have?

Ms Halton—Yes: for the whole portfolio, one.

Senator BERNARDI—It has been tabled already?

Ms Halton—Yes, it has.

Senator BERNARDI—That is fine. Thank you. Can I turn to the Confederation of Australian Sport, briefly. Does the ASC financially support the Confederation of Australian Sport?

Mr Peters—Not at this stage.

Senator BERNARDI—Has it ever supported the Confederation of Australian Sport?

Mr Peters—It has in the past provided sponsorships for two awards as part of our awards night.

Senator BERNARDI—You no longer provide awards?

Mr Peters—No. In the late nineties the board made a decision that sponsorship of events would not be part of the daily work of the commission because of the other priorities we had. At a stage when the Confederation of Sport was struggling financially it was decided that a sponsorship for coaching and volunteer awards would be provided in an attempt to help them resurrect themselves. There was no long-term commitment to that, and that was withdrawn last year.

Senator BERNARDI—Thank you. Are you involved at all in the Australian Sport Awards which were announced today?

Mr Peters—No.

Senator BERNARDI—You are not involved at all?

Mr Peters—No.

Senator BERNARDI—I am asking for an opinion. You do not think it is important for our peak body to be involved in something entitled the ‘Australian Sport Awards’ and have some sort of engagement with them, either financially or from a sponsorship perspective?

Mr Peters—I sit on their assessment panel.

Senator LUNDY—That is involvement.

Senator BERNARDI—Well, it is involvement.

Senator LUNDY—I have a declaration to make: I sat on the assessment panel—

Senator BERNARDI—I have been reminded that I sat on it, too.

Senator LUNDY—Well, we are all in the same boat.

Senator BERNARDI—We are in the same boat.

Senator LUNDY—Ms Halton, have you been asked to sit on the assessment panel?

Ms Halton—No. I am feeling left out.

Senator BERNARDI—I raise this because today I received the announcement of the winners via email or something, and I just noticed that it is a conspicuous absence from what purports to be quite significant Australian Sport Awards and there is no dealing-in of this from our peak sporting body. Based on what you said before, the Australian government is the

major sponsor of sport in this country, if I can put it that way, and I am surprised we are not involved in the peak awards, as I am reading it.

Ms Halton—But let's be realistic here. The reality is that it is important for the commission to target its expenditure on its principal objectives, whilst I take your point that this is an important award and everyone is very interested in it. Clearly, luminaries have sat on its assessment panels—excluding myself, of course. You have to ask yourself a material question, which is: is investment of the commission's funding best used in an award which is operating in any event? I would have to say that I think there are priorities that have to be structured here, and clearly that is what has happened.

Senator BERNARDI—Yes, but there are also great gains to be made for minor amounts of money. We can debate this on and on and I do not really want to. Let us touch briefly on the investment of the commission in targeting the development of Australian sports, specifically the Australian Sports Foundation, which you know, once again, I was involved with at a point in time. The Australian Sports Foundation facilitates donations from individuals and organisations and provides tax benefits to those people, and it flows on to sports and events in this country. What quantum flowed through the Australian Sports Foundation in the last financial year?

Mr Peters—Grants totalling \$9.44 million were issued to 212 projects to date in this financial year, and in 2006-07 there was \$10.6 million paid through the foundation.

Senator BERNARDI—What is the allocation of funding towards the Sports Foundation from the ASC?

Mr Peters—We provide the majority of the administration funds, which is around \$450,000, to the foundation. Their operating budget is around \$610,000 or \$615,000. The rest of the money they achieve through some interest gained with funds that flow through their accounts.

Senator BERNARDI—Has there been any modelling done in regard to the capacity to expand the role of the Sports Foundation and therefore benefit Australian sporting organisations further?

Mr Peters—Certainly the foundation board has identified that, if they had additional funds for marketing and staff to put out around Australia, they believe they could achieve a greater awareness of the benefits. Again, that is a debate about whether that is a responsibility for us or for state governments and local governments to engage more in promotion. That is one of the ongoing debates we have at our board, as you would be aware.

Senator BERNARDI—I am trying to ascertain whether it is a vehicle in which the reliance on direct government funding and more responsibility being placed on private individuals or organisations would be an effective way of developing sport over the course of time—a small allocation. If \$400,000 provides the opportunity for \$10 million worth of benefit to sport, I wonder whether an increase in that level might provide a greater benefit to Australian sport.

Mr Peters—As I said before, the foundation would argue that if they had additional resources they would achieve more, but we have a difficult task when balancing across the

whole range of programs as to where we allocate funds. At one stage there was an administrative fee charged, because some of the major beneficiaries of this fund are professional football codes, and they are the sorts of alternatives that have been explored in the past.

Senator BERNARDI—I get the impression, Mr Peters, that you are underfunded.

Mr Peters—It would be remiss of me as a CEO not to argue that. Good policy and good programs deserve good funding.

Ms Halton—All CEOs argue that, I can assure you.

Senator BERNARDI—They do. It is in every response that Mr Peters has given us today. Speaking of funding, what do we do for athletes that do not reach the absolute pinnacle? There are any number of people that participate in sport and try and achieve serious goals. They may spend many years training outside of, say, the AIS environment, wearing their own costs for travel to various things and training expenses. Is there any program that seeks to support those athletes that are not direct AIS scholarship holders?

Mr Peters—There is the Australian government sports training grant, which provides up to \$18,000 for an athlete that is regarded as a medal potential athlete. We work with the national sporting organisations and review allocations each year. Some sports, in discussions with their athletes, choose to allocate funds over a whole squad—for example, hockey, who may not choose their team until two or three months out before a major championship—as against some individual sports, like diving, that may allocate some athletes the full \$18,000. That helps athletes survive in a fairly difficult world. It is means tested. The few of our athletes that can actually earn a living out of sport do not receive those funds. That is one avenue for support. The state institutes and academies also have programs where they offer scholarships to athletes that are not in the AIS.

Senator BERNARDI—What about career development? If they spend 10 years of their youth, from 20 to 30 or thereabouts, pursuing the goal of a sport, at the end, when they retire, are there programs in place to ensure that there are career opportunities for these athletes?

Mr Peters—There are programs in place for both athletes and, now, coaches. An important aspect that you have identified is that a lot of these athletes, if not the majority, put their careers on hold to represent their country. The National ACE program looks at the academic career and education opportunities for athletes. So AIS athletes and athletes that are in states and territories associated with our ACE program are given educational advice and, if possible, they are found part-time jobs if their schedules allow that, so that they are engaged in something that may well support them post their athletics career. It is a major component of the AIS program.

I do not have the numbers of athletes studying in Canberra this year, but last year there were in the order of 80 athletes that we organised to do schooling in Canberra while they were training. There is the idea of setting up something like a European training base in Italy, where we believe a lot of our athletes will be based, as they have study facilities for them. We have the university network—and I can check the figure—where we have around 35 universities we have negotiated with to allow athletes to do modified study programs over a longer period of time.

In recognition of the great pressures on coaches, who can also face a fairly swift end if their own performances or those of their athletes are not adequate, we are also looking at how we support them through career development outside of coaching and how we provide welfare programs for their families because of the amount of time they spend away from home. It certainly is a major emphasis of the AIS and the commission to support the whole life of an athlete because of the dedication they show towards achieving their goal.

Senator BERNARDI—Changing tack a bit, because we have a short amount of time, there are headline sports, banner sports, that are treated across the world with enormous amounts of respect and carry a great deal of weight. One of those is track and field, to be generic, as a group of sports. Australia does not perform very well in track and field. We have invested a lot of money in track and field over time. Is the future for the Australian sporting system to continue to persevere in trying to get those elusive gold medals in track and field or are we going to continue to target what I will declare to be softer areas which are being underdeveloped by other nations, such as skeleton, in which we had great success? What is the future direction for sport in that regard?

Mr Peters—My crystal ball is not here at the moment, but if you look at track and field—

Senator BERNARDI—But you are responsible for setting the strategic direction with the board, so you must have some vision for this, Mr Peters, I presume.

Mr Peters—Track and field are core skills of any sport. The challenge track and field has is that, when a young male or female athlete at 13 or 14 years comes out and has performed exceptionally, there are a whole lot of other codes looking to entice them, often with a career that may well support them financially. For track and field, we are working to create a vision for young athletes coming through. As I mentioned briefly before, Varese creates an opportunity for young athletes to realise they can go to Europe and compete on the European circuit for three months, come back to Australia, be involved in the Australian circuit then perhaps go back to Europe or one of our other training bases we hope to establish, so there is some excitement rather than waiting around every four years for a Commonwealth Games or an Olympic Games.

That is the challenge for track and field. How do they retain their athletes within the system? They are an absolutely vital sport for us at the primary school level, in particular, to have the mobility skills that are utilised in all the other sports. The challenge again for us is that that is an enormous investment. How do we look at talent transfer? That is another issue that we are looking at: when an athlete in one sport is recognised as not being able to make it to the top, can they compete in another sport? Talent transfer is something else we are looking for in that track and field area.

Senator BERNARDI—Thank you. I am mindful of the time. Given the current budgetary constraints and any advice you may have received from the minister, can you provide us with an assurance that the 35 programs across 26 sports will be maintained at the Australian Institute of Sport for the next quadrennium?

Mr Peters—At this stage we are working on the same process we have over the last 10 to 12 years of working on Olympic cycles. All sports are aware that, at the end of the day, there is accountability on performance. The AIS is about being a centre of excellence. If we dilute

our funding in key sports, then we may well dilute the performance, so we are in the same process we go about every four years of assessing what sports told us they would achieve in the last four years. They will be judged on their Olympic performance and the performances of their development programs, and the board at the moment is challenged post Olympics to make decisions on where funding will be in the next four years.

Senator BERNARDI—That is directly for the AIS. What about outside of the AIS into other programs like, if I may say, the \$4 million annually for the next quadrennium identified in these budget papers for the Football Federation of Australia? If you do not get national television coverage for women's sport, will that funding be cut? Maybe this should be directed to the minister.

Ms Halton—It is a hypothetical and we do not do hypotheticals. At the end of the day, right across all portfolios you are asking us to speculate.

Senator BERNARDI—I guess I am asking you to speculate, but planning for sport is a long-term program and one expects that you need to be able to maintain these things for four years.

Ms Halton—Yes—sure.

Senator BERNARDI—Anyway, I understand that time is finished, and I accept that. I thank you very much for the courtesy you have extended to us in answering these questions. There will be many more at the next estimates, I can assure you.

CHAIR—Thank you very much. And welcome to the portfolio, which I did not say before. I thank all the officers for their patience and flexibility today. We will see some of you back here again on Friday. I thank Hansard, as always, and all the senators who stayed the course.

Committee adjourned at 10.59 pm