



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

SENATE

STANDING COMMITTEE ON COMMUNITY AFFAIRS

ESTIMATES

(Budget Estimates)

THURSDAY, 5 JUNE 2008

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**SENATE STANDING COMMITTEE ON
COMMUNITY AFFAIRS
Thursday, 5 June 2008**

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

Participating members: Senators Abetz, Barnett, Bartlett, Bernardi, Birmingham, Mark Bishop, Boswell, Brandis, Bob Brown, Bushby, George Campbell, Chapman, Colbeck, Jacinta Collins, Coonan, Cormann, Crossin, Eggleston, Ellison, Fielding, Fierravanti-Wells, Fifield, Fisher, Forshaw, Heffernan, Hogg, Hurley, Hutchins, Johnston, Joyce, Kemp, Kirk, Lightfoot, Ian Macdonald, Sandy Macdonald, McEwen, McGauran, McLucas, Marshall, Mason, Milne, Minchin, Nash, Nettle, O'Brien, Parry, Patterson, Payne, Ronaldson, Scullion, Siewert, Stephens, Sterle, Stott Despoja, Troeth, Trood, Watson, Webber and Wortley

Senators in attendance: Senators Adams, Allison, Bernardi, Carol Brown, Boyce, Colbeck, Fisher, Humphries, Kemp, Lundy, Ian Macdonald, Mason, Milne, Moore, Parry, Patterson, Polley, Ronaldson, Siewert and Webber

Committee met at 9.02 am

HEALTH AND AGEING PORTFOLIO

Consideration resumed from 4 June 2008

In Attendance

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

Senator Chris Evans, Minister for Immigration and Citizenship

Department of Health and Ageing

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, Chief Operating Officer, Business Group

Mr Stephen Sheehan, Chief Financial Officer, Business Group

Ms Laurie Van Veen, Assistant Secretary, Communications Branch

Ms Tracey Frey, Assistant Secretary, Corporate Support Branch

Mr David Watts, Assistant Secretary, Legal Services Branch

Ms Erin Bowen, Acting Assistant Secretary, People Branch

Ms Ida Thurbon, Acting 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, PSD
Ms Shirley Browne, Assistant Secretary, Ministerial and Parliamentary Support Branch
Ms Linda Powell, Assistant Secretary, Budget Branch
Mr Greg Coombs, Assistant Secretary, Economic and Statistical Analysis Branch
Mr Damian Coburn, Assistant Secretary, Policy Strategies Branch
Ms Gayle Anderson, Assistant Secretary, International 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, Population Health Division
Associate Professor Rosemary Knight, Principal Adviser
Ms Cath Peachey, Assistant Secretary (Acting), Healthy Living Branch
Ms Virginia Hart, Assistant Secretary, Drug Strategy Branch
Mr Peter Morris, Assistant Secretary, Population Health Strategy Unit
Ms Andriana Koukari, Assistant Secretary, Population Health Programs Branch
Mr Bill Rowe, Assistant Secretary, Sport Branch

Regulatory Policy and Governance Division

Ms Linda Addison, First Assistant Secretary
Ms Jenny Hefford, Assistant Secretary, Regulatory Policy Branch
Ms Alice Creelman, Assistant Secretary, Governance and Agency Relationships Branch
Ms Kylie Jonasson, Assistant Secretary, Research Policy and Biotechnology Branch

Therapeutic Goods Administration

Dr Rohan Hammett, National Manager
Dr Ruth Lopert, Acting Principal Medical Adviser
Dr Larry Kelly, Acting Director, Office of Devices, Blood and Tissues
Mr Pio Cesarin, Director, Office of Non Prescription Medicines
Mr Craig Jordan, Chief Financial Officer, Business Management Group
Ms Terry Lee, General Counsel, Business Management Group
Professor Albert Farrugia, Principal Scientific Adviser, Office of Devices, Blood and Tissues
Dr Jon Rankin, Medical Officer, Office of Prescription, Therapeutic Goods Administration

Australian Institute of Health and Welfare

Dr Penny Allbon, Director (CEO)
Ms Julie Roediger, Deputy Director
Mr Andrew Kettle, Senior Executive Business Group
Ms Susan Killion, Senior Executive, Health and Functioning Group

Australian Radiation Protection and Nuclear Safety Agency

Dr John Loy, Chief Executive Officer, ARPANSA
Ms Rhonda Evans, Director, Regulator and Policy Branch (ARPANSA)

Food Standards Australia New Zealand

Mr Steve McCutcheon, CEO
Ms Melanie Fisher, General Manager, Food Standards (Canberra)

Dr Paul Brent, Chief Scientist
Mr Dean Stockwell, General Manager, Food Standards (Wellington)
Dr Andrew Bartholomaeus, General Manager, Risk Assessment
Mr John Fladun, General Manager, Operations

Office of the Gene Technology Regulator

Ms Elizabeth Flynn

Outcome 2—Access to Pharmaceutical Services

Pharmaceutical Benefits Division

Mr Stephen Dellar, Acting First Assistant Secretary
Ms Sarah Major, Assistant Secretary, Community Pharmacy Branch
Mr Andrew Mitchell, Acting Assistant Secretary, Pharmaceutical Evaluation Branch
Mr Declan O'Connor-Cox, Assistant Secretary, Access and Systems Branch
Ms Sue Campion, Assistant Secretary, Policy and Analysis Branch
Dr John Primrose, Medical Officer
Mr Kim Bessell, Senior Pharmacy Adviser

Outcome 3—Access to Medical Services

Medical Benefits Division

Mr Tony Kingdon, First Assistant Secretary, Medical Benefits Division
Ms Yvonne Korn, Assistant Secretary, Diagnostics and Technology Branch
Mr Peter Woodley, Assistant Secretary, MBS Policy Development Branch
Ms Samantha Robertson, Assistant Secretary, MBS Policy Implementation Branch
Ms Jenny Williams, Acting Assistant Secretary, Office of Hearing Services

Primary and Ambulatory Care

Ms Megan Morris, First Assistant Secretary
Ms Sharon Appleyard, Assistant Secretary, Rural Health Branch
Ms Lisa McGlynn, Assistant Secretary, eHealth Branch
Ms Gay Santiago, Acting 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, Former Assistant Secretary, Primary Care Practice Support Branch
Ms Judy Daniel, Assistant Secretary, Primary Care Chronic Disease Branch

Outcome 4—Aged Care and Population Ageing

Ageing and Aged Care Division

Mr Andrew Stuart, First Assistant Secretary, Ageing and Aged Care Division
Professor David Cullen, Acting Assistant Secretary, Policy and Evaluation Branch
Ms Allison Rosevear, Assistant Secretary, Residential Program Management Branch
Ms Melinda Bromley, Assistant Secretary, Office for an Ageing Australia
Ms Mary McDonald, Assistant Secretary, Community Care Branch

Office of Aged Care, Quality and Compliance

Ms Carolyn Smith, First Assistant Secretary
Ms Teresa Ward, 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

Mark Brandon, Chief Executive Officer
Ross Bushrod, General Manager, Operations
Chris Falvey, General Manager, Corporate Affairs

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

See outcome 3

General Practice, Training and Education

Mr Erich Janssen, Chief Executive Officer

Outcome 6—Rural Health**Primary and Ambulatory Care Division**

See outcome 3

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 David de Carvalho, Assistant Secretary, Policy and Analysis Branch
Mr Mark Thomann, Assistant Secretary, Budget and Planning Branch
Dr Tim Williams, Senior Medical Adviser
Dr John Walker, Acting Assistant Secretary, Health Strategies Branch
Ms Rachel Balmanno, Assistant Secretary, Family Health and Wellbeing Branch
Mr Garry Fisk, Acting Assistant Secretary, Performance Management Branch
Ms Joy Savage, Assistant Secretary, Northern Territory Emergency Coordination Centre

Outcome 9—Private Health**Acute Care Division**

Ms Kerry Flanagan, First Assistant Secretary, Acute Care Division
Dr Bernie Towler, Medical Officer, Acute Care Division
Mr Paul Currall, Medical Indemnity Branch, Acute Care Division
Ms Gail Yapp, Acute Care Strategies Branch, Acute Care Division
Ms Georgie Harman, Acute Care Development Branch, Acute Care Division
Ms Veronica Hancock, Private Health Insurance Branch, Acute Care Division
Ms Louise Clarke, Healthcare Services and Financing Branch, Acute Care Division

Private Health Insurance Administration Council

Mr Shaun Gath, Chief Executive Officer

Medibank Private

Mr Michael Sammells, Chief Financial Officer

Outcome 10—Health System Capacity and Quality**Primary and Ambulatory Care**

See outcome 3

Regulatory Policy and Governance Division

See outcome 1

Cancer Australia

Professor David Currow, Chief Executive Officer, Cancer Australia

National Health and Medical Research Council

Professor Warwick Anderson, Chief Executive Officer

Dr Clive Morris, Chief Knowledge and Development Officer

Ms Hilary Russell, Chief Operations Officer

Professional Services Review

Dr Tony Webber

Ms Alison Millett

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

Professor Rosemary Calder, First Assistant Secretary, Mental Health and Workforce Division

Professor Rick McLean, Principal Medical Adviser, Medical Education and Workforce

Professor Harvey Whiteford, Principal Medical Adviser Mental Health, Mental Health and Workforce Division

Ms Jennifer Thomson, Principal Medical Adviser General Practice, Mental Health and Workforce Division

Mr David Dennis, Assistant Secretary, Workforce Distribution 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, Mental Health and Workforce Division

National Health and Hospitals Reform Commission

Dr Christine Bennett, Chair

Mr Peter Broadbent, Head, Policy and Strategy

Outcome 12—Health Workforce Capacity**Mental Health and Workforce Division**

See outcome 11

Outcome 13—Acute Care**Acute Care Division**

See outcome 9

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

Ms Cath Halbert, First Assistant Secretary, Office of Health Protection

Ms Fay Gardner, Acting Assistant Secretary, Health Protection Policy Branch

Ms Raelene Thompson, Assistant Secretary, Surveillance Branch

Dr Gary Lum, Assistant Secretary, Health Emergency Management and Biosecurity Branch

Dr Margaret Hartley, Assistant Secretary, Office of Chemical Safety

Dr Marion Healy, Director, National Industrial Chemicals Notification and Assessment Scheme

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 Branch
Mr Simon Cotterell, Assistant Secretary, Health Policy Taskforce, Pharmaceutical Benefits Division

Outcome 15—Sport**Population Health Division**

See outcome 1

Australian Sports Commission

Mr Mark Peters, Chief Executive Officer, Australian Sports Commission
Professor Peter Fricker, Director, Australian Institute of Sport
Mr Brent Espeland, Director, Sports Performance and Development
Mr Steve Jones, Director, Commercial and Facilities Division

Australian Sports Anti-Doping Authority

Mr Richard Ings, Chairman, Australian Sports Anti-Doping Authority
Ms Catherine Shadbolt, Chief Operating Officer, Australian Sports Anti-Doping Authority
Mr Kevin Isaacs, Group Director, Australian Sports Anti-Doping Authority
Ms Geetha Nair, Group Director, Australian Sports Anti-Doping Authority
Mr Harry Rothenfluh, Acting Group Director, Detection, Australian Sports Anti-Doping Authority

CHAIR (Senator Moore)—Good morning, everyone. I declare open this hearing of the Senate Standing Committee on Community Affairs, continuing the budget estimates for the health and ageing portfolio. I welcome back Senator Jan McLucas, Parliamentary Secretary to the Minister for Health and Ageing, and departmental secretary, Ms Jane Halton, and today's officers from the Department of Health and Ageing. Officers are reminded that, when called to answer a question for the first time, they should state their full name and the capacity in which they appear and speak clearly into the microphones to assist Hansard to record proceedings. Mobile phones and other technical equipment should be turned off or to silent. The committee will now continue with the program as circulated, commencing with outcome 3, Access to medical services.

Senator COLBECK—I want to start with the Teen Dental Program, something that we spent a fair bit of time on during the last round of estimates. We now have our third number for the Teen Dental Program. We started with an election commitment of \$510 million, which was revised down to \$325.8 million, and it is now \$360 million. What is the reason for the latest variation in the figures?

Ms Morris—This is an entitlement based program, similar to an MBS item, though it will be a dental benefit. Estimates are based on assumptions about take-up, based on eligible teenagers in the age range. The figure that is in the budget is a five-year figure. When we discussed this at the last estimates, we were looking at a four-year total.

Senator COLBECK—I was going to come to that, because that is actually the fourth figure. The figure that I was talking about, \$360 million, was in a joint press release from the Prime Minister and the health minister on 2 March. I can understand that the budget papers,

which look at an outlook over five years, give a figure that comes to \$490.7 million. That is the fourth number that we have had, and I have not done a calculation or broken down the annual figure on that. I am really just trying to get to the bottom of where the numbers are at on this. There was an election commitment to spend \$800 million on dental health. We had considerable discussion about that at the last estimates as to where the rest of the money has gone. There is still a significant difference between the promise of \$510 million and \$360 million over three years.

Ms Morris—I can only reiterate that the number in the budget is based on assumptions about take-up of the item by the eligible age group. The amount that will actually be spent by the government will be, as it is with any MBS item or with an income support program, based on the number of people who actually qualify and use this scheme. It could end up being higher, it could end up being lower; we will not know until the scheme starts and patients start using the item. It is our best assumption at this stage, and that is what is in the budget.

Senator COLBECK—The budget papers put it at \$5.4 million for 2007-08. What has that money been expended on to this stage?

Ms Morris—My understanding is that that is the start-up costs for systems to be set up by Medicare Australia to actually run the program.

Senator COLBECK—When does the rebate become available?

Ms Morris—From 1 July.

Senator COLBECK—Given that there has been a series of numbers, has a range of modelling been undertaken and obviously refined over time in determining the number of figures that we have had?

Ms Morris—Yes; as I said, it is based on assumptions about take-up amongst the eligible age group.

Senator COLBECK—The program still focuses on an oral examination, clean, scale and x-rays of teens in the eligible age group?

Ms Morris—Yes, as per the election announcement.

Senator COLBECK—What will be the process of an eligible person claiming their rebate?

Ms Morris—I will let my colleague, Gay Santiago, explain the detail.

Ms Santiago—Eligible teenagers will receive their voucher and make an appointment to go to see their dentist. The dentist can choose to bulk-bill that service or charge the patient, who will then take the voucher to Medicare Australia for reimbursement.

Senator COLBECK—They will receive up to \$150; what proportion of the account will they receive?

Ms Morris—It depends on the services provided and the amount that the dentist charges for those services. If the full cost of the services is \$150, that is the amount of the rebate they get. In some cases, based on advice from the Australian Dental Association, with whom we worked in establishing the parameters of the item, it could be that an initial check is all that

happens. The dentist would not charge \$150 for that check, in which case the value of the rebate will be less.

Senator COLBECK—If they have the oral examination, clean, scale and x-ray, and it costs \$150, they get the full amount back?

Ms Morris—Yes.

Senator COLBECK—If it costs more than that, they still get \$150 back?

Ms Morris—That is right. The commitment was for \$150.

Senator COLBECK—If they do not have that full range of services, what happens with the rebate then?

Ms Morris—They get a rebate to the value of the amount charged by the dentist if it is under \$150.

Senator COLBECK—My office has done some polling of services in towns nearby, so we have a variance between \$178 and \$320, so there is obviously a fair range of variation in prices.

Ms Morris—Yes, and there is variation well below that, too. It is not actually surprising, because dentistry is not a profession that has interacted with government schemes over a long time. It is not like GPs, where services provided have an MBS rebate attached to them, and there is a lot more standardisation around pricing. Dentistry is much more of a private marketing pricing situation.

Senator COLBECK—A press release on 2 March this year indicated that families would receive a voucher advising them of their eligibility for the rebate.

Ms Morris—That is right.

Senator COLBECK—That voucher does not carry any monetary value; it is basically a piece of promotional material that says, 'If you want to go and get this service done, you can'?

Ms Morris—No, it does a bit more than that. It establishes eligibility. Because the service is available to teenagers within a certain age range, whose families are in receipt of particular income tested payments, or they themselves are, eligibility needs to be established for the subsidised service. So, receipt of the voucher enables someone basically to have a service, the cost of which can be redeemed.

Senator COLBECK—You are cross-referencing data with Centrelink?

Ms Morris—Yes.

Senator COLBECK—To determine who is eligible and who is not?

Ms Morris—That is right. That is also part of the set-up costs for this year. I think the legislation was introduced last week, and that includes reference to the need for data release from those agencies.

CHAIR—Are there any other senators with questions on this issue? Senator Allison.

Senator COLBECK—I have got some more, but Senator Allison can ask some. I just want to refer back to some previous information.

Senator ALLISON—Who is in and who is out of this? Do we have an estimate of the percentage or the total number of teenagers who are not entitled to be part of the program, for instance?

Ms Morris—I do not think we have done the balance calculations, but we estimate that 1.1 million a year will be eligible.

Senator ALLISON—How many would not?

Ms Morris—I cannot tell you here and now.

Senator ALLISON—Family tax aid relates to what percentage of families, roughly?

Ms Morris—We do have an answer, sorry: about half a million will not be eligible. It is roughly two-thirds, just over two-thirds.

Senator ALLISON—Thanks.

Senator COLBECK—Is this a one-off process?

Ms Morris—The sending of the voucher or the program or what?

Senator COLBECK—Access to the program.

Ms Morris—No, Senator.

Senator COLBECK—How often can someone access the program?

Ms Morris—Once a year. The election announcement says \$150 for an annual preventative dental check-up, I think; I do not have the words in front of me, but it is something to that effect.

Senator COLBECK—Where does a patient go who finds they have significant problems as part of this process? What is the next stage in the procedure for them?

Ms Morris—The next stage would be as it is for every Australian needing dental services. They can either see a private dentist—and they may or may not have private health insurance—or access the public dental scheme, which is also receiving additional funding from the government.

Senator COLBECK—Do you believe that you have satisfied the concerns of the Australian Dental Association, who consider the scheme to be flawed, or are you basically working with them to implement what you have?

Ms Morris—The Australian Dental Association have been contacted and involved in the development of the item for this. I think they have had concerns over several of the government's interventions over the last few years in dentistry, but what I would say is that it is new territory for both government and private dentists for the two to work together on any dental scheme. We have a good relationship with the ADA and we meet with them regularly.

Senator COLBECK—How much do you think states will save on their own teen dental programs, given the application of this program? Most of the states have programs that actually look after teenagers in a large chunk of the cohort for this.

Ms Morris—The legislation allows for any dentist to claim the item. State public dentists will also be able to access the item.

Senator COLBECK—Have you done a calculation as to what proportion or how much the state dental systems might save by this system coming on line?

Ms Morris—No, we have not.

Senator COLBECK—Have you had any discussions with state departments as to how this program might impact on the sustainability of theirs, given that it cuts across their programs?

Ms Morris—We have had several ongoing conversations with the states about dental issues, predominately about the Commonwealth dental health program, which is the additional money we are giving them for their programs, and the people who have been involved in that discussion come in under outcome 13, Acute care. I can talk around the edges of it but I personally have not been involved in those discussions.

Senator COLBECK—So the states are effectively saying, ‘Thank you for taking the pressure off our teen dental programs’?

Ms Halton—I would not characterise it in that way, Senator. I think the conversation with the states in relation to the intersection between the programs, and, importantly, how the additional money in the dental program will be deployed, has been a much more detailed conversation than saying ‘thanks very much’.

Ms Morris—There will be priorities that the Commonwealth will be seeking from states in the treatment of patients, but you need to talk to my colleague, Ms Flanagan, who runs the—

Senator COLBECK—That is later on when we are talking about acute care?

Ms Morris—Yes. I do not think they would see it as a gift horse.

Senator COLBECK—I am sure they are not necessarily going to say that, but they do have behavioural tendencies with respect to opportunities to save funds from their own programs where they see the Commonwealth coming across—and I am not pointing a finger at any particular political persuasion here; it is a pattern of behaviour, I think. I am interested that we are actually fairly significantly intervening into an area where there are, across most of the other states, fairly extensive programs already in place.

Ms Halton—Essentially, the programs across the individual states and territories vary quite significantly. We have done quite a lot of work on this ourselves and also working with our colleagues. Ms Flanagan can talk to you about the details of the conversations she has had with the states. Clearly, one of the important things is to ensure that there is not a wholesale withdrawal from this space by our colleagues in the states but that, to the extent that they do have any burden shifted from them, they can use the resources to do exactly as Ms Morris has just indicated, which is to actually provide services in the space where perhaps there has not been enough service recently, which will be things like more intensive interventions for teenagers. If something is found and their parents need to use the public dental service to assist with that, then that service can be made available. Ms Flanagan can tell you exactly what she has been discussing with her colleagues.

Senator COLBECK—So I need to investigate that side of things further this afternoon when we get into that?

Ms Halton—Yes.

Senator COLBECK—What will be the reporting structure, the review structure and the monitoring process to ascertain that the states do not basically vacate the space that we are moving into?

Ms Halton—Certainly there will be quite an extensive process of performance reporting in terms of the data that is gathered—but, again, Ms Flanagan can talk to you about that in great detail this afternoon.

Senator COLBECK—The reporting and the monitoring process for the teen dental program will not be held here; it will be held in—

Ms Halton—It depends which program you are talking about. If you are talking about the public dental arrangements, the money we are giving to the states, that is under acute care. I should say that it would be my intention in the very near future to actually combine the dental areas.

Senator COLBECK—It would be very helpful for us all, I think.

Ms Halton—Yes, I know; I know that it would be helpful for me too. But, as you would understand, this had not been a significant focus in the department other than in Ms Morris's area previously. It is our intention to combine the work on dental in the next few weeks.

Senator COLBECK—Can you give me a sense of what the monitoring and reporting structure will be for the teen dental program?

Ms Morris—That will be very similar to the existing structure for MBS items. The scheme will be run by Medicare Australia, so we will have access to the same sorts of data we have about service use.

Senator COLBECK—When you have done your modelling to determine what the potential demand will be, are you expecting a bit of a rush to start with or you effectively ramping up the program over a period of time?

Ms Morris—The program will be run on a calendar-year basis, so this year will be a bit contracted, but we have a sequencing of advice of eligibility, and all eligible families and their children will be notified by 31 October.

Senator COLBECK—Will you have a limited number of available places in the first year? Is that how it will work? How are you going to control the numbers?

Ms Morris—It is not restricted by numbers; it is an eligibility entitlement based scheme, so everyone who is eligible this calendar year will be advised, starting from the beginning of July, with the last advice sent out by the end of October, to be able to claim the service this financial year. I will let Ms Santiago take over here.

Ms Santiago—In July when we start the rollout of vouchers to eligible patients, everybody that is eligible at the start of the data transfer will start to receive their voucher, and that will be staggered, because of the logistics of delivering that. We expect that everybody who is eligible through that initial data transfer will receive their voucher in July and August. For

anyone else who becomes eligible after that, through later data transfers, up until 31 October, Medicare Australia will issue a voucher automatically.

Senator COLBECK—What about workforce issues? What discussions have you had in relation to actually managing this additional load on the dental workforce?

Ms Morris—The Australian Dental Association, as I have said, has been involved in discussions with us around this item. We have had a relationship with the association for some years. There are workforce issues in dentistry that are known to the association. One of the reasons that public dentists will be able to claim the item is that public dentists often get into areas where private dentistry is not viable or there are no existing dentists.

Senator COLBECK—But there are still extraordinary pressures on the public dental system—will this apply an additional load that will cause a displacement in other areas of the system?

Ms Morris—I do not think I can comment on that. I do not know whether Ms Flanagan later can talk about the effect on the public dental system, but I cannot comment.

Senator COLBECK—Surely that is something that you consider when you apply something like this as a matter of public policy? You must make some consideration of the impact on other elements of the system. I suppose that perhaps demonstrates the difficulty of having this separated from different parts of the agency and some hours.

Ms Halton—You are asking for commentary now, and essentially what we are doing here is implementing two election commitments. That is what we are doing. We will not get into a commentary—

Senator COLBECK—But if the system cannot handle it and it does not work, that is problematic for everybody, including the government keeping its commitment?

Ms Halton—Given that none of these arrangements has actually yet commenced, I do not think it is entirely timely to start saying it is not going to work.

Senator COLBECK—I did not say that. I used that huge word ‘if’, but with the knowledge that there are already workforce issues, both in the public and the private dental system.

Ms Halton—Yes, and as you would be well aware, there is a number of workforce issues in health, all of which we are actually working on. The reality is that the supply of dentists is not something that, historically, government has had a large engagement in. I have to say this is something we have been talking to both the profession and the universities about, and it is not just a question of the supply of dentists but also dental hygienists and others, who I think have a particular role to play in ensuring supply in this area. We are conscious of those issues.

Senator COLBECK—I am aware of those conversations that go back over a reasonable period, not necessarily a long one, but I am aware of the conversations that have occurred. While you might not want to give me a specific answer to my question—and I will probably discuss it further this evening—I think it is a legitimate concern to raise with respect to the known facts concerning workforce shortages.

Senator McLucas—You could ask the question as to why we are in this situation.

Senator COLBECK—You might like to make that point, Senator McLucas, but I think we all know where the history to this lies—

Senator McLucas—Yes, I think we do; that is the point.

Senator COLBECK—And to whose responsibility dental actually lies. If the Commonwealth wants to intervene in a state responsibility, that is fine.

Senator McLucas—I thought we were talking about workforce.

Senator COLBECK—That is a policy decision.

Senator McLucas—I thought we were talking about workforce.

Senator COLBECK—As Ms Halton said, it is an area where governments have not traditionally been involved, and I am aware of conversations and policy development over a period of time with respect to workforce. If the new government wants to continue that process, I think we would all welcome that, but I do know that there were some discussions taking place going back prior to this government about working with the profession and universities in respect of workforce, given a recognition of the issue. I do not think we necessarily need to play the partisan stuff, because we all recognise there is an issue to be dealt with.

Senator McLucas—That is right, we do.

Senator COLBECK—Will any assistance be given to families in remote regions to access the program?

Ms Morris—Not through the actual teen dental benefit itself. As I mentioned earlier, one of the reasons that the government is allowing public dentists to claim the benefit is that the public dental scheme often gets into places where private dentistry is not established. But the teen dental scheme will work in a manner very, very similar to an MBS item. The scheme establishes eligibility and pays a rebate for a service, and it does not do more than that. A lot of the questions you were asking go beyond what our benefit is set up to do.

Senator COLBECK—The message is: you come to us and we will give you some money once you get there, for the service, effectively, particularly in rural and remote settings? That is fine. I understand. You have indicated that you have had consultation with the states and territories with regard to the program. Was there any consultation prior to the election that you know of, and Senator McLucas is probably the best one to direct this question to, because I do not expect the officers to know exactly what is going on.

Ms Halton—We cannot comment on that.

Senator McLucas—Sorry, could you ask the question again?

Senator COLBECK—Consultation with respect to the program prior to the election?

Senator McLucas—I am unaware of what there would have been, but I would be happy to provide you information if we can.

Senator COLBECK—Okay, thanks for that. You have mentioned that every eligible person will be receiving a voucher. There will be no other public advertising or awareness programs that go alongside that? Will it purely be by direct contact?

Ms Santiago—Vouchers and letters that explain the program will be sent out to dental practitioners and patients. That information will also be loaded to our website.

Senator COLBECK—That is the extent of the awareness; you will not be doing any other broader campaigns?

Ms Halton—No.

Senator COLBECK—A final question directed to Senator McLucas: I know we have had this debate before, but we need to have it just for the record. Your election commitment was for \$510 million. I know that your perspective is that if you meet the targets—that is, the number of people involved—that is satisfactory. There was a promise from Minister Roxon during the campaign that the \$800 million would be spent on dental. What is happening with the other \$150 million?

Senator McLucas—As the officers have said, this is a demand driven program. If children are eligible for their voucher, they will get it.

Senator COLBECK—But as we have heard during the evidence this morning, about one million people are eligible for it. That is what the costing is targeted at. We now have four figures; we have had \$510 million; we have had \$325.8 million; we have had \$360 million; and we are now sitting at \$490.7 over five years, but we are still nowhere near the election commitment to spend \$510 million during the next term of the government. What is happening with the rest of the money? Will the government commit that outstanding amount of money as it promised it would—and I have heard through these estimates, and I think I recall hearing you say yesterday, that you are determined to meet your election promises, and I understand the determination—but will we meet the commitment to spend \$510 million on teen dental?

Senator McLucas—The election commitment was that eligible teenagers will receive up to \$150 a year in basic dental services through a voucher system. They will.

Senator COLBECK—The minister also promised that \$800 million would be spent on dental. I understand very well that the eligible people will get their \$150 voucher. We have discussed that, and I understand that. I want to get an understanding that the minister's promise that \$800 million would be spent on dental is going to be kept.

Senator McLucas—The commitment to establish the teen dental program is being delivered through this measure. The other part of the commitment is to reinject and re-establish the contribution from the Commonwealth to the public dental scheme in this country. We have done those things. They have been very well received in the community, as I am sure you know. We will deliver those commitments. We are delivering those commitments. Every eligible teenager between the age of 12 and 17 now can get up to \$150 that they could not get before November last year.

Senator COLBECK—But the money does not matter?

Senator McLucas—Any eligible teenager will get \$150 worth of service that they could not get prior to November last year.

Senator COLBECK—No, they will get a service, and it depends on what it is charged at—

Senator McLucas—It is a demand driven program.

Senator COLBECK—It if costs more than \$150—

Senator McLucas—We can have an argument about this, Senator—

Senator COLBECK—All I want to know is whether you are going to keep your commitment to spend \$800 million?

Senator McLucas—But the bottom line is that those kids are going to get a service.

Senator COLBECK—Are you going to keep your commitment to spend \$800 million?

Senator McLucas—We will spend the amount that is required to provide the service to that eligible population.

Senator COLBECK—You do not have it budgeted; it is not in your accounts. It is not in your budgets, and the commitment was to spend \$800 million. All I want to know is: are you going to spend \$800 million?

Senator McLucas—We will spend the amount it takes to deliver the commitment to that eligible group of young people.

Senator COLBECK—So when Minister Roxon said you were going to spend \$800 million, she did not really mean that?

Senator McLucas—The commitment was to people and their teeth.

Senator COLBECK—The commitment was to spend \$800 million.

Senator McLucas—Why are you carrying on about \$800 million? Why will we not worry about the 1.1 million children—

Senator COLBECK—Because that is what Minister Roxon said she was going to spend. She said—

Senator McLucas—Why are we not worried about the actual number of people?

Senator COLBECK—before the election that she was committed to spend \$800 million. I did not force her to say it. I had nothing to do with her saying it. All I am saying is that that is what she said, and I am asking you: is the government going to keep the commitment that Minister Roxon made to spend \$800 million?

Senator McLucas—We commit to supporting young people, teenagers, who prior to the last election were not getting any support from the Commonwealth for dental services, and we are committed to supporting the public dental scheme which we know has very long waiting lists. We are re-establishing the federal government's place in providing a health service that the former government neglected.

Senator COLBECK—We will have to leave it that you or the government will not commit to the promise that Minister Roxon made to spend \$800 million.

Senator McLucas—We can talk about children and their teeth, or you can talk about numbers. We are committed to delivering a program.

Senator COLBECK—As I said, it is not my promise, and all I am asking is: will the government meet the promise? If you cannot commit—

Senator McLucas—Yes.

Senator COLBECK—The promise was quite clear.

Senator McLucas—To establish a teen dental program.

Senator COLBECK—No, it was a quite unequivocal promise that the government would spend \$800 million. That was the specific nature of what Ms Roxon said. That is fine; if you want to play with the other side of it, I am going to continue to ask that question and it will come up at continuing estimates until we find out whether you do or you do not. That is fine. We will move on to—

CHAIR—Before you move on, did anyone else have questions on that particular item?

Senator ALLISON—I am sorry if I missed this, but the program of chronic dental disease management that this replaces, is there no more demand for that service amongst people with chronic illness?

Ms Morris—The election commitment was to finish those items; to close them down and introduce an item for teen dental checks. That was clearly in the commitment.

Senator ALLISON—I heard that, yes. I will put the question another way. Was the previous program reasonably well subscribed?

Ms Morris—It was a very, very new program. The new items only took effect from, I think, 1 November last year, so it would be very difficult to give—

Senator ALLISON—How many consults were funded?

Ms Morris—How many services? Ms Santiago has her finger on the numbers.

Ms Santiago—The services from 1 November 2007 to 30 April 2008 was 311,943.

Senator ALLISON—Is there a breakdown state-by-state? What sort of information do we have about who was accessing that in terms of the disease or the illness that people had?

Ms Santiago—We do not know.

Senator ALLISON—Do we have a picture of who accessed that scheme?

Ms Santiago—We do not have any information on that readily available. I am not sure what we are able to provide.

Senator ALLISON—You must have some information. You must have state-by-state figures.

Ms Morris—I can tell you that the take-up was much higher in New South Wales than in any other state, and that is what we had found with the previous items—the enhanced primary care dental items which were not very well used anywhere. There was very low take-up Australia wide, but it was disproportionately high in New South Wales. I cannot tell you the reasons for that. We do not know.

Senator ALLISON—What was expended on that program during that time?

Ms Morris—On which one; the early enhanced primary care ones?

Senator ALLISON—I think you said it was only in operation for a year. What do you mean by early?

Ms Morris—There are two sets of items that we are talking about here. One set was called the enhanced primary care dental items, and they were introduced, I think, in the 2004-05 financial year. They have been around for some time and, as I said, had a very low take-up rate. Then there were new items—

Senator ALLISON—Let us just focus on the chronic disease items.

Ms Morris—New items were introduced on 1 November last year. I cannot actually give you expenditure figures for that because they do not finish until the end of this financial year.

Senator ALLISON—How is it going so far?

Ms Morris—Take-up is pretty well in line with estimates.

Senator ALLISON—Which was?

Ms Morris—I think the estimate was around \$41 million for this financial year.

Ms Halton—For five years.

Senator ALLISON—Okay. Is it fair to say that this would be the first item under Medicare which is means tested?

Ms Morris—The new teen dental program?

Senator ALLISON—The new teen one, yes?

Ms Morris—It will not be a Medicare item. As I said, the legislation was introduced into the House, I think, last Thursday, and it is called the Dental Benefits Bill 2008.

Senator ALLISON—In what sense is it not Medicare? It might have that name, but in what sense is it not Medicare?

Ms Morris—It is not a medical service, for a start, and entitlement are not granted through the Health Insurance Act. There will be a separate piece of legislation establishing the scheme and establishing eligibility for the service.

Senator ALLISON—It is Medicare-like, but not Medicare; is that what you are saying?

Ms Halton—You can say that, Senator.

Senator ALLISON—Do I understand that these vouchers—I am sorry but I did not quite catch what you said—are to be sent around to all eligible teenagers in the post?

Ms Morris—To all eligible teenagers.

Senator ALLISON—In the post, is it?

Ms Morris—Yes.

Senator ALLISON—What is the reason for that?

Ms Morris—So that people actually know that they are eligible and can claim the service. And having the voucher establishes the eligibility and the entitlement to claim the money.

Senator ALLISON—This is probably a question for the minister: in establishing this as a need, what information did the government have about the need for such a program? What do the stats tell us? Are teenagers not getting check-ups? Is that the problem? Is this a preventative measure? What information do you have about the likelihood that the check-up,

rather than basic dental services, as I understand the distinction, will lead to work being discovered to be needed actually being able to be afforded?

Senator McLucas—I am sure the staff can provide you with references to research that has been done on the state of Australia's teeth, but I think more generally it is reasonable to say you have to have a check-up before you know what further work is then required. This was an election commitment, as you would recall.

Senator ALLISON—I realise that.

Senator McLucas—I recall reading documentation during the election, and talking to people, about the fact that we have slipped considerably over the last 10 or so years in terms of the dental health of this country. Officers could point us to research that would indicate that prevention is better than cure, and I am sure that you know this as well as we do.

Senator ALLISON—Yes, we all know that story, but it would be interesting to know why this group. You could argue that teenagers probably have reasonably good teeth compared with 20-year-olds; I do not know. What was the data that led the government to say this should be the priority?

Senator McLucas—We know that primary schoolchildren are getting some services through their state governments. Those services certainly slow down in the secondary school years. I will talk to the minister and ascertain what drove the decision to focus on teenagers. Generally we know that if you put some effort into prevention before the decay occurs, if you teach children at that age basic dental hygiene, that investment is pretty good.

Senator ALLISON—I understand, but this is not teaching them; this is giving them a service—a very limited service.

Senator McLucas—I am sure the dentist or the dental hygienist will take the opportunity at that time to ensure that the teeth are being brushed properly, that dental floss is being used—all the things that they do when you take your teenager. Being a parent of one, I know that they do not actually do it as much as you would like.

Senator ALLISON—The \$290 million for the Commonwealth Dental Health Program over four years is going to the states, and you are talking with them right now about the arrangements. Is that correct?

Senator McLucas—That is correct, as the officers have said.

Senator ALLISON—Will you insist, for instance, that every state conducts a school based primary dental program?

Senator McLucas—I do not know the exact parts of the discussions that have been had, but the overarching principle is the one the secretary mentioned, and that is we will be ensuring that current investment by states is not eroded because the Commonwealth is retaking its place at this particular table.

Senator ALLISON—You do not want the money to displace state funds; what are we going to use it for—the dental program for low-income earners which operates in most states?

Senator McLucas—Officers might be able to assist here. It might be that the conversations are not to the point of completion where we can give the committee that information.

Senator ALLISON—Since we will have to deal with the legislation fairly soon—the appropriation bill—I think we might need to have these questions answered fairly quickly.

Ms Morris—Questions about negotiations with the states around public dental services and the Commonwealth Dental Health Program come in Outcome 13, Acute care.

Senator McLucas—From our policy document during the last election, OECD data says that Australian adults' dental health is now the second worst in the OECD, and that it deteriorates rapidly in the teenage years. That is the evidence base for making the policy decisions.

Senator ALLISON—The question still remains of the lack of assistance to those who actually need the work done. I can understand that this is a useful prompt to get kids off to see the dentist, but if their dental health is so poor then a lot of them will need dental treatment, for which there is no provision in this appropriation.

Senator McLucas—We are supporting the public dental health scheme.

Senator ALLISON—I understand.

Senator McLucas—The previous government did not.

Senator ALLISON—I understand that, too.

Senator McLucas—And the policy goes like this. First of all, we will get them to go to the dentist, especially those low-income families who were not going to the dentist. They get something in the mail that reminds them to go to the dentist. That is a good first start.

Senator ALLISON—Yes, that is a good thing.

Senator McLucas—Once the dentist tells you that you have caries, then we have to deal with it.

Senator ALLISON—You do not have to deal with it; their parents do. Of the 1.1 million teenagers who will be sent the vouchers, what percentage will be entitled to access the state dental system for follow-up treatment?

Ms Morris—I am not sure I could give you that figure. All states have different criteria for eligibility. There will be a lot of commonality in that many of the teenagers who qualify for the teen dental scheme will be able to access the public dental scheme. I would think that most teenagers who qualify for the teen dental benefit would also qualify for follow-up services through the state public dental scheme.

Senator ALLISON—Really?

Ms Morris—Most states provide services to patients covered by concession cards.

Senator ALLISON—Nearly 1.1 million teenagers are covered by concession cards?

Ms Morris—Part of that group also covers family tax benefit part A. I do not know if we have figures on the breakdown within that. I cannot give you an exact figure here and now.

Senator ALLISON—It would be useful if you could take that on notice.

Ms Morris—Yes, I can.

Senator McLucas—I also have some new evidence that would support such an investment. The rate of dental decay increases fourfold from ages 12 to 21, and that is from the National Oral Health Plan. The more I learn, I think this is a beautifully targeted investment in the health of the nation.

Senator ALLISON—If you get those lollies out of the school tuck shops, that would probably solve all of our problems overnight.

Senator McLucas—I am not sure it would solve all of our problems, but that is possibly part of it as well. As you know, we are doing that.

Senator COLBECK—There is the removal of the Medicare item for people with severe health problems. How many of those will be partway through their work and will be left stranded by the withdrawal of this item number?

Ms Morris—At this stage we do not know, but the government allowed for a phasing out period of three months for people to complete their treatment.

Senator COLBECK—But what happens to them if they have not? It is a pretty big deal, is it not? With respect to someone whose dental problems are severely affecting their health, putting an item onto the Medicare schedule to actually allow them to have that problem fixed can have a major impact on their overall health. That was a significant step. The new government has made a decision to remove that, and we can all make our own judgements on that, but there is the problem of leaving people partway through their treatment and in the lurch. Has any consideration been given to making sure that people have the proper opportunity to complete their treatment rather than just a mandatory three-month period?

Ms Morris—It is very difficult to know how many people might not have been able to finish a course of treatment. My understanding, which I would not even pretend to be an informed understanding, is that very few courses of treatment would not be able to be finished within three months. Implant treatment is probably one of the few that may not, depending on the time taken to heal within the course of the work. You will be very frustrated because we will say that some things need to be answered under Outcome 13, but I understand that, as part of the negotiation with states and territories, they are being asked to give priority to patients who have chronic disease. Part of the answer lies in the transition between the two schemes, but it is very hard to give an assessment now. We are still three-and-a-half weeks out from the end of the current scheme, and we will be told if there are issues.

Ms Halton—We have been making it very clear for sometime that this item was closing.

Ms Morris—Yes, since the election.

Ms Halton—And the profession has been very aware that the item is closing. So, in terms of doing everything we can to ensure that everyone understands that the treatment needs to be completed in that timetable, I do not think there is any lack of understanding out there that that is what is necessary. As Ms Morris says, in what I would expect to be a very rare case that someone for whatever reason does not finish, we have been actively discussing with the states making sure that those people are not left in the lurch. Until we get to the end we are

speculating, but in terms of the steps that have been taken to ensure that there is a very good understanding and that we have done everything that we can in respect of this, that is definitely what has happened.

Senator COLBECK—I know I am straying into Outcome 13, but these two things are really intrinsically linked—you have just done that, not me—so perhaps I can try to take a little leeway: when will the other programs start?

Ms Halton—At the beginning of the year. But recognising that there are public schemes already, it is not like this is going into a greenfields site. Exactly as Ms Morris says, Ms Flanagan—who will be here this afternoon—has already had, and her people have already had, a number of extensive conversations with their state colleagues about this matter. In a way, we cannot give you any information other than what we have done in relation to the issue. When we get to the end of June, at some point we will be able to tell you what actually happened. In terms of having as much comfort as I can that we have done what we could have and should have, I am pretty comfortable with that.

Senator COLBECK—From a departmental perspective I understand what you are saying, but you would know as well as I know that individual circumstances, regardless of people's knowledge or otherwise of an end date, do affect these things. From my perspective, I would hope that there would be some reasonable process so that people do not have to go through the upheaval of perhaps even changing their dentist to finalise a procedure that has gone on basically because of the process that has occurred. The uptake of this has been quite extraordinary; it has been very, very popular, has it not?

Ms Morris—It has been reasonably in line with estimates, I would say. The expenditure is very close to the estimated expenditure for this year.

Senator COLBECK—But the numbers are very strong?

Ms Morris—Yes.

Senator COLBECK—It is obviously meeting a very much identified need in the overall health care of people whose wellbeing is being chronically affected by their dental situation. With the mail out of the vouchers—and Senator McLucas has indicated that the target for this process is to get people to go to the dentist—what is your strategy to ensure that you reach your uptake? If you do not get the targets that you are looking for, if you do not strike your targets—let us say you only get 50 per cent of the uptake—what is the process to ensure that you reach your target? Is there an annual voucher process, or what is the story?

Ms Santiago—There is an annual voucher process. This year, as Ms Morris has explained, it is a fairly contracted process, but what will happen in an ordinary calendar year, the data transfer will occur early in January, and everybody who is eligible will start to receive their vouchers in January. As people become eligible during the year, as they are identified, a voucher is issued automatically by Medicare Australia up to 31 October. After that time, people who become eligible can request a voucher, up until just before the end of the year.

CHAIR—Is that the end of questions on dental? If there are no further questions we will move onto the next item?

Senator COLBECK—I want to turn now to the oncology unit at the Royal Darwin Hospital. You would be aware that in April 2007, the Northern Territory health minister signed an agreement with then Minister Abbott for the establishment of a radiation oncology unit at Darwin hospital. Under the terms of that agreement, the federal government was to contribute \$13 million in capital funding and another \$10.8 million in equipment grants over the following 10 years. The Northern Territory government agreed to contribute \$11 million for staff and public patient treatment costs for the next 10 years, and to make the land available for the unit. In January, the Northern Territory government advised that the federal government was asking questions about the tender, and then in March Dr Burns said the Rudd government had scuttled the tender process. What is the current situation?

Mr Kingdon—There was a tender process that was in fact managed by the Commonwealth, and the tender was closed with the Commonwealth being unable to find a suitable tenderer from the process.

Senator COLBECK—Is that why Minister Roxon said that the tender process was ‘problematic’?

Mr Kingdon—I would like to believe the process was not problematic.

Senator COLBECK—The outcome was problematic?

Mr Kingdon—The outcome was unfortunate.

Senator COLBECK—Where are we at with that? Are we committed to the oncology unit, or are we lost in limbo? What is the situation? Is the Northern Territory going to get its oncology unit?

Mr Kingdon—We are confident that they will. Minister Roxon has taken a decision to make an offer to the Northern Territory government that increased the total amount from \$13 million to \$19 million, and that has been offered to the Northern Territory, and we are now in the process of negotiating an agreement, which is very close, to have that money made available to the Northern Territory so that they can now proceed with developing an oncology unit in Darwin.

Senator COLBECK—Basically we are just wrapping up a bundle of money and handballing the whole deal back to the Northern Territory government?

Mr Kingdon—We are letting them manage it, which seems an appropriate process. It is a case of providing the money to the Territory under normal conditions where there will be milestones in the progress of that activity.

Senator COLBECK—Are we putting any milestones or benchmarks or time frames around the funding we are giving them, or are we just sort of saying, ‘It is your problem; now you sort it out’?

Mr Kingdon—No, we are putting some criteria in our agreement which will indicate steps that have to be taken before they are given additional money. But the actual contracting will now be for the Northern Territory government to undertake.

Senator COLBECK—Do we have any sense of timing as to when there might be an oncology unit in the Northern Territory?

Mr Kingdon—It would be difficult to say that at this stage because the agreement with the Commonwealth has not been signed yet. I think it would be wrong for me to try to speculate there.

Ms Halton—I should add here that this is a priority both for the minister and the Northern Territory minister. I am aware personally of conversations about the priority around this project. As Mr Kingdon says, the final work detail, which will actually include the timing, is under negotiation between officers, but I am aware that both of them think that this is a priority.

Senator COLBECK—How far away are we from completing the agreement?

Mr Kingdon—Very close.

Ms Halton—Imminent.

Senator COLBECK—I hear that word a lot, so I will expect a press release next week after estimates? I am being cynical.

CHAIR—There will be many press releases.

Senator COLBECK—All we can say to the people who have been expecting an oncology unit in the Northern Territory is, ‘We are on the way but we do not know how long it will take us to get there’?

Mr Kingdon—Yes. One thing that has been pointed out to me is that construction will take about three years, so we are looking at a time frame there. If the agreement is signed very soon and the Northern Territory is able to get a contractor to start the capital works process, that would give you some idea of the time frame.

Senator COLBECK—We are starting to get somewhere. It will take three years to construct. Is the land available?

Mr Kingdon—My understanding is that it is, yes.

Senator COLBECK—Is planning permission in place?

Mr Kingdon—I cannot answer that one.

Senator COLBECK—Has the facility been designed?

Mr Kingdon—Again I do not have that information. That is with the Northern Territory. My understanding is that the Northern Territory is in a position to seek a contract for construction. I cannot tell you any more than that.

Senator COLBECK—Once the Commonwealth and the Northern Territory have executed the agreement, which we have heard is imminent, they are then in a position to go to tender for the construction of the facility?

Mr Kingdon—That is right.

Senator COLBECK—That process will take about three years?

Mr Kingdon—That is my understanding.

Senator COLBECK—But we do not know what other processes they need to go to? Understandably, there is probably a bit more detail than you would have, but it appears that a

detailed follow-up of this is going to have to take place through the Northern Territory parliament once the agreement is signed and it is effectively no longer on our plate, from a Commonwealth perspective.

Ms Halton—It will be on our plate in that we will be monitoring this fairly closely. I can remember having first conversations about this very soon after I took on this role with Senator Patterson, who was then the minister. The issue for women in the Northern Territory who currently have to travel down to Adelaide was something that was brought to her attention. I know that every minister since, including this minister—so across governments—has been very concerned about this issue. It is a genuine issue which we are as concerned about as everyone else. There have been a number of logistical issues about getting this problem resolved. It is also about the size of the Northern Territory—how many people are going to be treated there. As Mr Kingdon said, we are very close to getting this signed. Please do not think this will be off our plate, because it will not. This is something that we too are determined to get delivered.

Senator COLBECK—So we will continue to play a role in driving this; we are not just waiting for the Northern Territory to meet benchmarks before we hand over money?

Ms Halton—We will be having on ongoing dialogue with the Northern Territory about their progress on this, and I can assure you that if we are concerned about progress—I have not spoken to the minister but I will guarantee she will take this up—I can assure you I will be taking it up with my counterpart in the Northern Territory. This is not something that will just disappear from view.

Senator COLBECK—We can only watch this space with interest and continue to pursue it.

CHAIR—Are there any other questions about the Darwin oncology unit? Senator Adams has some questions, and I know that Senator Milne has some questions about PET. We want to complete this one by 11 o'clock.

Senator RONALDSON—I have some questions.

CHAIR—On what issue, Senator?

Senator RONALDSON—I do not particularly want to pre-empt my discussions, Madam Chair, for obvious reasons.

CHAIR—We have until 11 o'clock.

Senator RONALDSON—They are sleep related, Madam Chair.

CHAIR—I will not say anything, Senator Ronaldson.

Senator RONALDSON—It is actually a very serious matter.

CHAIR—I understand, but what we are trying to do is organise it so that everyone gets their chance to ask questions. Senator Colbeck, how many other questions do you have?

Senator COLBECK—I have some issues in relation to oncology units for Cairns and Lismore.

CHAIR—As we are already into that area with the oncology unit at Canberra, we will follow through with those. Senator Allison, do you have questions on this area?

Senator ALLISON—I have questions on maternity services, geriatric health assessments and the superclinics.

Senator ADAMS—My question is on the MRI and PET.

Ms Halton—Superclinics are program 5.

CHAIR—Senator Colbeck, if you have questions on oncology we will continue with those as they will involve the same officers. Then we will go to Senator Adams, Senator Milne, Senator Allison and Senator Ronaldson.

Senator COLBECK—The government has redirected \$15.3 million from the Better Access to Radiation Oncology program to offset the costs of establishing radiation oncology facilities in Cairns and Lismore. What will be the effect of the redirection of these funds?

Mr Kingdon—It will mean we will be able to proceed with the Commonwealth commitment of funds to Cairns and Lismore.

Senator COLBECK—But what will be the effects in other locations if you are taking money from one place to put it somewhere else? I accept that the objective is to do the oncology in Cairns and Lismore, and I understand that that is an effect, but what about the other effects? You are redirecting funds from one place to another, so what is missing out for Cairns and Lismore to get what they are getting?

Mr Kingdon—Nothing, because that was uncommitted funds in BARO and could have been used for those two or could have been used for something else. There was nothing that was committed to those funds.

Senator COLBECK—If it was unallocated, why are you calling it a redirection?

Mr Kingdon—Because it was changed from one allocation to another.

Senator COLBECK—What was its previous allocation?

Mr Kingdon—The previous allocation was Better Access to Radiation Oncology. It is effectively a book entry. It was an election commitment and therefore it proceeded on that basis, but it does not actually have a negative impact on any other commitment.

Senator COLBECK—What would it have been used for before?

Mr Kingdon—It could have been the same thing or it could have been for some other improvement of access. It could have been for another oncology unit; it could have been for something that might have improved on staffing assistance.

Senator COLBECK—You had absolutely no plans to use that money?

Mr Kingdon—There were no plans at the time, no.

CHAIR—Does that complete it, Senator?

Senator COLBECK—I do not think there are too many other places for me to go with that one, as much as I would like to try.

CHAIR—We could do oncology around the country.

Senator ADAMS—I want to ask a question about the GP MRI referral; does that come under this group?

Mr Kingdon—Yes.

Senator ADAMS—Six months ago Minister Roxon put the GP MRI referral on hold pending a review. Obviously, nothing has been done since this announcement, and I am hoping you can indicate how long it will be until the review is complete.

Mr Kingdon—I cannot give you a precise time but it would be fairly close. It has been quite a complex issue, and the minister has been looking at it very closely.

Senator ADAMS—You cannot give me any time line on when we will be able to actually appease the GPs who are hoping that something will happen in the near future?

Mr Kingdon—I am sorry; I simply do not have a time frame.

Senator ADAMS—The government will redirect funding from the measure Magnetic Resonance Imaging—improved access announced in the Mid-Year Economic and Fiscal Outlook 2007-08, which provided funding for MRI units in 11 locations. Is this deduction in the savings over five years having an effect on the 11 units that had the MRIs?

Mr Kingdon—No, it was almost the same situation as we had with BARO. It was a book change, and in fact there is a slight increase to the allocation to cater for the 15 new units that will be coming on.

Ms Halton—We have gone from 11 to 15, and we moved it from one place to the other, but there is no reduction.

Senator ADAMS—All right. My next question is on primary care collaboratives and chronic diseases, so that is the next outcome.

Mr Kingdon—Probably outcome 5.

Senator MILNE—During the February estimates this year, I asked whether the government had made a decision about the extension of Medicare funding for PET for recurrent colorectal cancer, melanoma and ovarian cancer, given that the government funded research had shown at that time that using PET had improved treatment in more than 50 per cent of patients with these lethal conditions. At the time, the department said that advice was being prepared for the new minister, and the department's advice would be going to the minister 'soon'—that was in February. I ask now: will the government be adding these new PET indications to the Medicare schedule, given the robust evidence that PET can prevent large numbers of cancer patients from having futile treatments, and when will that be happening?

Mr Kingdon—The minister has approved those three indications. We are in the process now of arranging the costings with the department of finance, and therefore will be able to put them on the schedule very soon.

Senator MILNE—That is great news that the minister has approved those. When you say you will be putting them on the schedule soon, could you give an idea of what 'soon' means—in the next three months or what?

Mr Kingdon—When we have finished the costings. I think 'soon' would be in months.

Senator MILNE—I am delighted to hear that that is the case. That is really good news for cancer patients suffering those conditions. Have the MSAC reports in relation to that been made public?

Mr Kingdon—Yes, they are on MSAC's website.

Senator MILNE—That is good. I understand that the current contract between the Commonwealth and the participants in the PET evaluation program expires on 30 June this year. Should the agreement lapse, access to Medicare funding for PET scanning will be restricted to only three indications, I was advised, but it will be six indications by the sound of it, instead of the current 22. Will the existing contract for the provision of PET services be extended beyond 30 June 2008, and if so, for how long?

Mr Kingdon—Yes, it is the minister's intention that they do continue, and she has approved to 2010, so we are in the process of finalising that.

Senator MILNE—That is good news also. Is there any plan to put PET on a more permanent funding basis? It is out to 2010 at least?

Mr Kingdon—That is for those sites that have been accepted for the research. There are two other sites, Austin and Westmead, which will also be extended out to that period.

Senator MILNE—When you say only those sites—the 22 indications and those new ones are presumably in addition—are we are talking 25 indications now?

Mr Kingdon—I cannot confirm that it would be 25 indications. There will be six indications, because there are currently three indications that are on the MBS and there will be another three, and any PET site is eligible to claim those under the MBS arrangements. It will in fact make it more viable with six indications rather than three, but then you have the other ones that have been given a wider remit and that is what the minister has agreed to leave until 2010 when we hope that that MSAC process will have been completed.

Senator MILNE—Okay. Exactly what will be completed by MSAC by 2010?

Mr Kingdon—All the indications that have been referred to it will have been assessed and recommendations made to the minister by then.

Senator MILNE—Why is there such a delay in getting that research in, given that a lot of the researchers are saying that the evidence has been there for years?

Mr Kingdon—The research was broken into five tranches by MSAC. In fact, tomorrow MSAC will be considering oesophageal and gastric cancer, and later head and neck and then lymphoma, sarcoma, glioma, heart disease, cervical cancer and breast cancer. They are all being staged, and that is MSAC's program. They have been identified and they are now staging those.

Senator MILNE—When you say the research is staged out, are the reports coming in to 2010?

Mr Kingdon—No, it will be before 2010. I think the minister is being cautious and using 2010 as the worst outcome. There is an expectation that the reports will be finalised by the end of 2009, I think.

Senator MILNE—It seems to me that there are long delays here because the scientific evidence is already in, from what I can see from looking at a lot of the medical journals and so on, and there is a suspicion out there that the delay in getting this so-called better scientific evidence is actually limiting treatments and limiting better funding for the technology in the short term. There is a lot of concern about that. What is your response to that?

Mr Kingdon—I think it is about the work schedule for MSAC and the availability of the information. My understanding is that that is the fastest they can process the information within the resources.

Senator MILNE—I do not understand why it is the fastest they can process the information. I have letters that this committee has also received from the multidisciplinary thoracic cancer team at Bendigo, the Loddon Mallee Integrated Cancer Services, and on lung cancer from the Peter Mac clinic. Any number of letters have come into this committee from people saying, 'We are desperate for it for our patients,' and the evidence is in that it is providing more accurate treatment and therefore actually saving money because we are not doing futile treatments and so on. It seems to me that MSAC is not keeping up. What I am trying to establish is why that is—why can they not process this information faster if it is out there, and it seems to be out there from the specialists working in the field?

Ms Halton—I am actually very happy to talk to the chair of MSAC, and I will do it in writing, which means you can get access to it, if you like, in relation to the timetable. This is the timetable that they have set, not us. It is in relation to what they say they can do. I will be very happy to write to the chair of MSAC and say that there is a great deal of public interest in this and ask whether there is any opportunity for them to speed up their timetable and, if not, why not.

Senator MILNE—Okay. Can we have a copy of the timetable and an explanation as to why?

Ms Halton—Yes, I would be delighted to do that.

Senator MILNE—If all the indications that you have stated will be funded, plus the new ones, has the department determined how many PET scanners will be required around Australia to satisfy clinical demand?

Mr Kingdon—The department has an expectation of what would be the normal access ratio. I am sorry but I cannot give you a precise answer. The issue is that most PET scanners are established either through private or public arrangements, and it is normal for those people to make a decision as to whether that is viable. It is not really a departmental decision. If you have the indications that are available under the MBS, then decisions are made as to whether it is viable to introduce another PET scanner.

Senator MILNE—The problem, if I can give you an example, is that I have had a letter from people working in Townsville saying that they have had their facility at the Mater hospital approved and checked out—all the right things. But they have said that they:

...comply with the requirement for health insurance PET determination HS0507. However, the very limited disease coverage under this determination means that only a very small number of our potential clients would be Medicare rebateable, and most patients would be faced with the paradox that a PET scan covered by Medicare in Brisbane was not covered by Medicare when it was done in Townsville.

This is why I am trying to get to this issue of how many indications will be funded by Medicare, because that will determine the viability, as we understand, of the machines. Plenty of hospitals are ready to go with the machines, but they need to have the rebate. How is it that you have a situation where only those indications are rebateable in Townsville? Northern Queensland has about the same population as Tasmania. Tasmania has been told it can have a PET scanner—and we have been campaigning for that and we are very happy about that. But we are not just worried about Tasmania; we want cancer patients in other regional areas around Australia to have access to the same capacity. Why is that Medicare rebate so limited that makes it not viable for North Queensland?

Mr Kingdon—That is the issue of the indications being accepted by the government. As I said, there were three; now there are likely to be six. Then, as further indications are approved by the minister, that will increase, which will improve the viability. For instance, in Townsville, hopefully very soon there will be six indications, and that is the process that is proceeding. The expectation is that when all the indications are there, it will make for a greater viability. There invariably will be difficulties: as the population that a PET scanner serves becomes smaller, then viability will always be an issue, as it is with any other high technology.

Senator MILNE—But our point is that, if the technology gives better and more cost-effective treatment, then we should be rolling it out and making it viable by giving Medicare rebates for that treatment.

Mr Kingdon—That is precisely what is proceeding at the moment with the MSAC process.

Senator MILNE—But the MSAC process is a very slow process, and people are waiting for the treatment. I would like to return to the issue of what you said about certain indications, because I must say I need to understand this a bit better. Explain to me what you were saying about cervical and endometrial carcinoma, recurrent head and neck carcinoma, and gastric cancer—what were you saying about those indications?

Mr Kingdon—I was saying that oesophageal and gastric cancer is being considered at tomorrow's MSAC, so if there is a recommendation—

Senator MILNE—In the event that MSAC were to approve it, you were saying that in a few months that would be—

Mr Kingdon—No, I said that in a few months we would have ovarian cancer melanoma and colorectal cancer, which are the ones that have been approved by the minister. The second tranche is the oesophageal and gastric, which is being considered by MSAC tomorrow; then we have head and neck cancer, which I believe will be considered in September. Then we go through into the third, fourth and fifth tranches, and the secretary has indicated that, because of the concern over the timing of those later tranches, we will be writing to the chair of MSAC to see if there is any way that these can be speeded up.

Senator MILNE—Let us assume that we get a report back from MSAC saying: yes, go ahead. Senator, what is the process then for getting them on a Medicare rebate?

Senator McLucas—Mr Kingdon can probably answer that question.

Mr Kingdon—The process is that that recommendation will then be forwarded to the minister, who will then make a decision as to whether she agrees with the MSAC recommendation. There will be the issue of the value and the cost.

Senator MILNE—That is a political decision after MSAC gives its report.

Mr Kingdon—Yes, it is.

Senator MILNE—My issue is more to do with the process. I understand it will be a government decision thereafter. If they are considering the oesophageal and gastric tomorrow, and make a decision and the report goes to the minister virtually straightaway, that report goes up on MSAC website straightaway. Is that correct?

Mr Kingdon—That is right. Once the minister has approved it, it goes up on the MSAC website.

Senator MILNE—What is the usual delay time between MSAC's releasing its report, and why does it need ministerial approval if it is an independent report?

Mr Kingdon—Because it is a recommendation to her. It is her committee that recommends to her whether something should be considered for inclusion on the MBS. It is to get an assessment that is at arm's length, if you like, from the department or the government, as to whether something is safe, efficacious and effective. That is the important part that MSAC plays. Then, of course, there is the issue of how much it costs. You can have something that is safe, efficacious and effective, and extremely expensive, and government then has to take a decision as to whether that will be accepted.

Ms Halton—You asked whether there is a usual period. There is not a usual period, so it depends. We have had things that are quick and things that are slow, depending on election cycles. I do not think you could characterise anything as a usual period.

Senator MILNE—There are two things here: one is what MSAC says to the minister; the other is the report that MSAC, in examining a particular type of cancer, makes on whether PET is clinically effective et cetera. I am asking: why can't that independent scientific assessment go up on the website straightaway?

Ms Halton—Because it is a report to the minister. They are the same thing. Essentially, there is a report to the minister—that is what they produce. It is their scientific assessment, but it is actually not a document that is produced under some statutory or independent provision which is automatically released; it is always provided to the minister, and then the minister decides what is to happen with it.

Senator MILNE—How can we establish when MSAC advises the minister in each of these indications?

Ms Halton—It is not a secret.

Mr Kingdon—There is a schedule of when things are considered. What MSAC recommends, I believe, would be something between MSAC and the minister until such time as the minister decides.

Senator MILNE—It is the dates I am interested in now, as to when MSAC advises the minister. I would like to know the dates of when that has occurred.

Ms Halton—We cannot tell you that prospectively, because we do not know.

Senator MILNE—No, obviously.

Ms Halton—Again, essentially MSAC have a schedule of meetings, and they send through their program of work. When they are ready—when they are themselves comfortable—they advise the minister, but we cannot tell you what that schedule will be.

Senator MILNE—I shall put a few other questions in relation to that on notice, but I would appreciate receiving a copy of the correspondence—

Ms Halton—Yes, and we will copy it to you.

Senator MILNE—And answers on that, thank you.

CHAIR—Senator Ronaldson has the call.

Senator MILNE—I just have one question about the Westmead Hospital in relation to care that I forgot to ask.

CHAIR—Can it be put on notice, Senator Milne?

Senator MILNE—Yes.

Senator RONALDSON—I wish to ask some questions about Medicare funding for home based sleep testing. Parliamentary Secretary, can I ask you a question while the officers are coming to the table? As I am sure you are aware, there were media reports last night and this morning that a Treasury official, HK Holdaway, was asked—in fact, forced—to work for 35 hours to ensure that Fuelwatch legislation was available for the minister. Do you agree with departmental officers being forced to work for 35 hours to provide that sort of information?

Senator McLucas—I am not sure what this has to do with health budget estimates, but I am happy to have a discussion. It did not occur in this department. We know that we have been asking a lot of our Public Service over the last six months, and we are very grateful for the very good advice that we have been receiving.

Senator KEMP—That is not what Mr Rudd has been saying about the quality of the advice coming from the Public Service.

Senator McLucas—We can have an argument here, Senator Kemp—

Senator KEMP—No. You have just made a statement which is quite wrong.

Senator McLucas—a political argument, or we can actually discuss health budget estimates.

Senator KEMP—We have all heard what Mr Rudd has said about the Public Service, so it is no good you coming in here and pretending that there is some other view.

CHAIR—Senator Kemp, we are in the middle of questions here. We will not take your commentary. It is on record now, but that is it.

Senator RONALDSON—Ms Halton, can I ask you a question? Would you ask one of your departmental officers to work 35 hours straight, without a break?

Ms Halton—Again, I suspect we are getting into commentary here, Senator.

Senator RONALDSON—It is actually a very serious question. Would you, as head of the department, as secretary of the department, ask any of your people to work for 35 hours straight, without getting any sleep?

Ms Halton—I am hard pressed to think of a circumstance where that would be the case. I have to say that—and I said this yesterday in evidence—there are occasions, particular circumstances, in which people are asked to go a considerable mile. I myself have done that in circumstances where it was required.

Senator RONALDSON—For 35 hours?

Ms Halton—Yes, actually, I have.

Senator RONALDSON—Are there not real occupational health and safety issues forcing someone to work for 35 hours?

Ms Halton—Are you asking me to comment here, Senator, or are you asking me to provide technical advice, which I am actually not qualified to comment on?

Senator RONALDSON—I think the point is well made, Parliamentary Secretary, that this government has some obligations to ensure that the Public Service are not forced to meet your government's political imperatives, and there were some political imperatives for—

CHAIR—Senator Ronaldson, your point is on the record now. We are seeking to have questions on outcome 3.

Senator RONALDSON—Thank you, Madam Chair. Can I ask any of the officers or the secretary or the Parliamentary Secretary: is it recognised that obstructive sleep apnoea is a chronic disease in Australia? Is it a general acceptance that it is a chronic disease?

Prof. Horvath—Yes, Senator. Obstructive sleep apnoea is one of the chronic diseases.

Senator RONALDSON—Professor, I was going to say 'wakey, wakey', but I think that would have been totally inappropriate for me to do so.

Ms Halton—You were not here last night, Senator; you have no idea how relevant that particular statement is. Go on, professor.

Prof. Horvath—Yes, it is one of the chronic diseases, and it is an important disease in Australia because, in fact, it was pioneered by a Professor Sullivan at Sydney University, who is in fact one of the first people to describe the disease and describe a treatment for it.

Senator RONALDSON—I am told there are about 1.2 million Australians, or six per cent of our population, who experience sleep disorders, and about four per cent of the population suffer from obstructive sleep apnoea. Are they ballpark figures?

Prof. Horvath—I would have to take that on notice. I do not have those figures in front of me.

Senator RONALDSON—I am advised by the Australasian Sleep Association that that is indeed the situation. I am also advised that sleep disorders have been implicated in work related injuries, depression, non-work related motor vehicle accidents, diabetes, obesity, and particularly heart disease. Does that accord with your understanding generally of the disease?

Prof. Horvath—The various forms of sleep disorders—and they are not a single disease; they are actually quite a wide range of diseases—range from people with adenoids to people who drink a little bit too much red wine and go to sleep on their back through to very serious and genuine obstructive sleep disorders. They have been reported to have association—some people say causation—across a wide range of diseases. There is not a universal agreement on some of these issues, but they certainly are most probably a co-morbid event in a lot of the diseases that you list.

Senator RONALDSON—Is it correct that there are only about 30 sleep disorder clinics in public hospitals around Australia? Are you aware of those figures?

Prof. Horvath—No, I am not. Certainly in New South Wales I am aware that most of the large teaching hospitals have sleep disorder clinics. Again, I think one has to take it that this is a rapidly expanding workforce that 20 to 25 years ago this disorder was not known, but since then a large number of people have become interested in it and it has expanded. I am also aware of quite a large number of private sleep disorder clinics.

Senator RONALDSON—Is it correct that from 1 July home based sleep studies to help identify sleep apnoea will no longer be available through Medicare, and that patients will only be able to access sleep studies at public hospitals?

Ms Robertson—There are actually no items in the Medicare Benefits Schedule for home based sleep studies. What we have in the schedule are items for sleep studies that are done in a laboratory setting, and these went in a number of years ago. The medical practitioners who can perform sleep studies in Australia have to actually be accredited by the Royal Australasian College of Physicians as accredited sleep physicians. We are aware that a number of other items are in the schedule that some people have been using as de facto home based sleep studies. One of the reasons that it is done in a laboratory setting is that, while the person is sleeping, you have a technician there to monitor the equipment—people move during their sleep; the leads come off—and that is one of the things that we pay for as part of that laboratory setting.

Senator RONALDSON—Are you suggesting that these home based inquiries and processes are not working?

Ms Robertson—Yes. There is some suggestion of that. We have had quite a number of representations from various sectors of the medical profession that home based sleep studies are certainly not as effective as those done in a laboratory setting. In fact, an assessment of this technology when it is done in the home has been referred to the Medical Services Advisory Committee. It is basically a new technology.

Senator RONALDSON—When will they report?

Ms Robertson—My understanding is that one of the people who has been lobbying us about this has only recently put in an application. We have been asking the Sleep Association to put in an application for home based sleep studies since at least 2006.

Senator RONALDSON—This is a matter of investigation, but you have pre-empted that by effectively taking—let us not muck around with this: the bottom line is that today there is an item available for a home based sleep apnoea—

Ms Robertson—No, there is not. There are three items—

Senator RONALDSON—Have people been defrauding the system, if they have been claiming that as an item?

Ms Robertson—The issue is the item—

Senator RONALDSON—Either the—

Senator ALLISON—Let her answer.

Senator RONALDSON—I think we need to clarify this quite clearly. People have been claiming it. You are saying that there is no item. Have people been effectively defrauding the system if they have been making claims, using an item under the system—yes or no?

Ms Robertson—It is not as clear cut as that. The issue that we have—

Senator RONALDSON—Either they can claim it or they cannot claim it. If they cannot claim it, presumably they are defrauding the system.

Ms Robertson—There are other items in the schedule that will describe a service, and the items being used are item 11000, which is electroencephalography. There is another item, 11503, which is measurement of the mechanical or gas exchange function of the respiratory system or of respiratory muscle function or of ventilatory control mechanisms. The other item being used, 11709, is continuous ECG recording of an ambulatory patient for 12 hours or more.

Senator RONALDSON—I am acutely aware of those items, and I am sure you would be aware but—

Ms Robertson—Yes, but the items do not actually say, ‘Not for performance in conjunction with a sleep study’, so on that basis—the fact that those services are being performed—then Medicare Australia would pay. But what we are saying is that home based sleep studies are a new and emerging technology; they have not been assessed for their safety, effectiveness and cost-effectiveness, and therefore that is why we need it to go through an MSAC assessment. We have to query whether—

Senator RONALDSON—How much are you saving?

Ms Robertson—We do not know how much those items are being used appropriately or inappropriately at this stage.

Senator RONALDSON—The professor has acknowledged that this is a very serious issue, obstructive sleep disorders. I presume it is acknowledged that there are not a great number of clinics around Australia. Apparently there are 30 of them. I do not know whether or not that is right. You did not argue the toss, so I assume it is probably about that.

Ms Robertson—I do not know.

Prof. Horvath—If I may clarify: I did not say there is not enough; I said—

Senator RONALDSON—I did not say you did.

Prof. Horvath—There are a fair number in the private sector. If I could also add that, in the time I have been—

Senator RONALDSON—Hang on. Sorry, Madam Chair, I did not say that you suggested that, Professor Horvath.

Prof. Horvath—I apologise then, Senator.

Senator RONALDSON—I said that you said it was a chronic condition of which more and more information is being obtained. I did not suggest you said that at all, Professor.

Prof. Horvath—The only further comment I have to make for clarification is that, in the time I have been CMO, I have not had representation from any of the sector on home assessment of sleep apnoea.

Senator RONALDSON—That may well be because people have been claiming it as an item under Medicare and it has not become an issue. Ms Robertson, what consultation took place before this decision was made?

Ms Robertson—We actually have a process that was agreed with the Australian Medical Association a number of years ago around what we do when it becomes apparent that items are being inappropriately used in the Medicare Benefits Schedule. The issue is that the clinical practice is changing all the time, so you cannot foresee everything when you are drafting the 5½ thousand item descriptors that we have in this book. To a certain extent, we have to have a process whereby if something like this comes up, we need to have a mechanism to ensure that public money is being expended appropriately on services that have actually been assessed for safety, effectiveness and cost-effectiveness.

Senator RONALDSON—Has the department had any contact with the Australasian Sleep Association, for example?

Ms Robertson—Yes.

Senator RONALDSON—When you indicated to them that the rules are going to change from 1 July, what was their response, prior to the decision being made? I assume you did consult with them.

Ms Robertson—Yes. The issue is that, in cases such as this, they should not have been claiming the items in the schedule as de facto home based sleep studies. There was nothing in the items to prevent it. I was talking before about accredited sleep physicians performing this service. We are also becoming aware that there are some medical practitioners out there that do not have any training in the diagnosis or assessment of sleep apnoea that are going out and purchasing equipment to provide these services in people's homes. We are concerned about the quality of that service, and that is one of the reasons why we were doing this.

Senator RONALDSON—When did the department first become aware that people were claiming it under an item?

Ms Robertson—I do not have that information with me.

Ms Halton—In 2006.

Senator RONALDSON—In 2006?

Ms Halton—No, Ms Robertson said earlier that she started asking for the data in relation to this utilisation to be put in in 2006.

Senator RONALDSON—But my question, Ms Halton, was: when did the department become aware that items were being used to accommodate these home studies?

Ms Robertson—I do not have that exact date with me.

Ms Halton—We will find that out.

Senator RONALDSON—Can you give me a ballpark?

Ms Halton—No.

Senator RONALDSON—When you say no—

Ms Halton—Well, we have to check.

Senator RONALDSON—With the greatest respect, I do not think that is a reasonable answer. You must have some idea. You have made a decision to cancel this, effectively to stop it being done, so you must have some idea of when it first came to your attention?

Senator McLucas—There are two issues; the first one is that you asked the secretary for a ballpark guess, and she said no.

Senator RONALDSON—That is what she would not give me.

Senator McLucas—I think that is a very reasonable answer.

Senator RONALDSON—All right. I will ask a specific question.

Senator McLucas—On the second part of the question, you have to acknowledge that we have to go through a proper clinical process of assessing the safety, the efficacy and the cost-effectiveness of any MBS item. It would be irresponsible, not only in a financial sense but also in terms of the health of people who use these systems, if we did not go through that clinical and economic assessment. You are suggesting that you know that this is the appropriate clinical application. We are saying that we want to know that from experts.

Senator RONALDSON—That is not what I said at all. What I said to you was that you have, I suspect, been allowing an item to be used by doctors for some time, and what I am saying to you now is that you have now put in place an inquiry, but you have allowed it for X period of time, and you are now cutting it out before the inquiry reports. I am putting to you that you have done this for financial reasons; otherwise it does not make any sense.

Ms Halton—I think actually that is not right. The bottom line here is, as Ms Robertson has already indicated, sometimes clinical practice changes. Then it takes a while for us to be aware of that, and when we do become aware of it, if there is a significant gap between what the item descriptor is and what the practice is, then we initiate—exactly as Ms Robertson has said—a process which is consistent with the protocol agreed with the AMA. We have a conversation, and in this case we asked them to put in their data in respect of this in 2006, so we are talking two years. For two years, they have not put in their data and there has not been an assessment. The bottom line here is you either at some point say, ‘Look, we can’t continue with this,’ or you just say, ‘Rafferty’s rules; whatever you want to do.’ The bottom line here is that we have an obligation to ensure that the schedule is properly administered. Those are the rules; they have always been the rules. That is exactly what is occurring here now. Bluntly, if they had put in their data in 2006, or indeed in 2007, we would not be in this position.

Senator RONALDSON—My understanding is that waiting lists in public hospitals are up to about 12 months. Is that right, Ms Robertson?

Ms Robertson—There are waiting periods for the laboratory testing. However, there are not just sleep labs in the public sector; there are also quite a number of private sleep labs.

Senator RONALDSON—But I am talking about public hospitals. There is up to a 12-month waiting list in public hospitals, is that right?

Ms Robertson—That would not be a Medicare issue unless it was a privately insured service.

Ms Halton—That is not germane to why it has taken them two years to put in their data. The bottom line here—

Senator RONALDSON—You are talking about data; I am talking about people who are not doing home based studies, who are doing the hospital based studies; there is now a large waiting list. What I am saying to you is—

Ms Halton—That is a matter for acute care in relation to the operation of public hospitals.

Senator RONALDSON—With the greatest respect, that is a cop-out, and you are just about to make that situation worse from 1 July because you are taking people who have been able to access the home based studies and you are putting them into the public hospital system.

Ms Halton—We do not know whether those home based studies work at all. Indeed, to continue to fund them, which suggests to the community that they are actually efficacious, is actually irresponsible.

Senator RONALDSON—But you have been irresponsible for two years on that basis when you first heard about it, so do not give me that.

Ms Halton—No. Because, quite rightly, and consistent with the protocol we have with the profession, we actually say, ‘Get your data in now and let’s check this out.’ The bottom line is they have not done that for two years. That is not reasonable.

Senator RONALDSON—Ms Halton, you have raised the subject, so I will pursue that. If you say there was some risk potentially to home based patients, it has taken you two years to do anything about it.

Ms Halton—No; we just do not know whether they work.

Senator RONALDSON—Hang on; you said before that the efficacy may be questionable, and on that basis—

Ms Halton—We do not know.

Senator RONALDSON—Well, there might be some implications for people undergoing that treatment. It has taken you two years.

Ms Halton—Maybe that they do not have accurate diagnoses; we do not know. The bottom line here is MSAC needs to make an assessment.

Senator RONALDSON—Has there now been a lodgement of the information that you want?

Ms Robertson—Yes. There was a lodgement back in the middle of May, I believe, within a couple of weeks of having notified—here we go, 19 May.

Senator RONALDSON—It was lodged on 19 May?

Ms Robertson—Yes.

Senator RONALDSON—When do you expect the outcome of this inquiry to be finalised?

Mr Woodley—MSAC assessments take on average between 16 and 18 months to complete.

Senator RONALDSON—Ms Robertson, given that you have allowed the continuation of something that we have heard this morning might have been a health issue for participants—the department has allowed this to go for two years—the information has been lodged, the process is underway, why wouldn't you at least provide some temporary ongoing access to an item until this is finalised? Why would you just cut it off at the knees given, on your own evidence, you have known about it for some time?

Ms Robertson—The issue that we have is that we signalled our intention to the medical profession that we would be looking to introduce a rule into the MBS to prevent these items from being used for home based sleep studies. The fact of the matter is that we have received a lot of information from a lot of quarters since that time. The decision ultimately rests with the minister, and I cannot comment on any policy advice that we will be putting to the minister.

Ms Halton—That is right, and basically, now that the data is in—so we have achieved one desired effect, that we actually got the data in—it is a matter for the minister to consider, based on advice, and you know our view on commenting on advice so let us not even go there. We will give the minister advice and she will make the decision as to whether this can continue while MSAC is making its consideration.

Senator RONALDSON—You have put that to the minister?

Ms Halton—I am not confirming that we have actually put something, but the minister will need to make a decision, yes.

Senator RONALDSON—Parliamentary Secretary, can I ask you: is the government considering an option whereby this 1 July date will be lifted and you will allow a temporary item until we have seen the outcome of this inquiry?

Senator McLucas—I do not know, is the answer to that.

Senator RONALDSON—Would you take that on notice, please?

Senator McLucas—Yes, I will take that on notice. Do you understand the point, Senator, that it is irresponsible not to go through a proper evaluation of the effectiveness of any particular treatment?

Senator RONALDSON—You and I might agree, but the bottom line is that the department has allowed this practice to continue for upwards of two years.

Senator McLucas—I think they have covered that very, very well.

Senator RONALDSON—If there was any issue about the efficacy—

Senator McLucas—They have covered that well. The data was not provided. Rather than go out there themselves and collect the data—and I do not know that they have a right to do that—

Ms Halton—Or the skill, necessarily.

Senator McLucas—Or the skill, necessary. I really think that it is a very unfair suggestion that you are making. New technologies arise over time, and they have to be dealt with. The officers, I think, have given a good explanation about why that took more time than they would have preferred, but now the process is in train. MSAC will do its assessment and it will make a recommendation to the minister, and the minister, on the basis of good advice about safety, efficacy and cost effectiveness, will make a decision.

Senator RONALDSON—I am acutely aware of the time, Madam Chair, but this is a chronic disease; it is a very serious issue. If you have used this as a threat to get some information provided and it is your intention to review this 1 July decision, then I can understand what this was all about. If this is a bloody-minded act to do it now when you have known about it for two years and there is a process in place, then I think that would be deeply disconcerting to a large number of people, including those who now have to go onto extended public hospital clinic waiting lists.

Senator McLucas—Can I make another point. We have not been here for two years. That is by the by. Secondly, the professor has indicated—

Senator RONALDSON—Your government made the decision, Parliamentary Secretary, so please! You were the one who made the decision, so let us—

CHAIR—Senator, I think we have completed the item.

Senator McLucas—The second point is that both the professor and the secretary have indicated there are also private sleep clinics that are being used currently. There is a public hospital system service, yes, but there are also private sleep clinics.

Senator RONALDSON—As my colleague quite rightly said, their access may well be limited—

CHAIR—Thank you, Senator. Senator Allison now has the call.

Senator ALLISON—With respect to the review of the maternity services plan, what gave rise to the decision to conduct a review?

Ms Halton—That is outcome 5.

Senator ALLISON—Sorry, I thought it was under 3?

Ms Halton—No. It is under primary care.

CHAIR—Do you have any other questions for this outcome?

Senator ALLISON—I do, but that is the one I really wanted to ask.

CHAIR—Senator Humphries has got one.

Senator HUMPHRIES—The thing says it is outcome 3, so I hope it is. I want to ask about the Commonwealth senior health card income test arrangements that have been put in place.

Ms Halton—That is FaHCSIA.

Senator HUMPHRIES—According to Budget Paper No. 3, there are implications for FaHCSIA, Veterans' Affairs and Health and Ageing?

Ms Halton—Yes—as in, there are consequential costs. It depends on what your question is.

Senator HUMPHRIES—I just want to know how many people will be affected by the loss of the card?

Ms Halton—That is a FaHCSIA question. We cannot answer that. We just end up with flow-on costs that show up in our PBS.

Senator HUMPHRIES—You do not actually deliver the card or administer the card?

Ms Halton—No.

Senator HUMPHRIES—Okay.

CHAIR—We will suspend the hearing for morning tea and when we will come back we will start with the Sport portfolio.

Proceedings suspended from 10.58 am to 11.14 am

CHAIR—We will now move on to questions on outcome 15, which is the sports area.

Senator BERNARDI—Minister, you will no doubt recall that I asked a question in the Senate chamber requesting the details of the more than 100 community sports grants for facilities that were allocated. After two months, you provided from the Minister for Sport a completely inadequate response which detailed only 16 of the more than 100 grants about which the minister was boasting, saying that the remainder were available publicly. Could you tell us where they are publicly available, and why you were unable to provide a list of your so-called election commitments?

Senator Chris Evans—I think the minister's response to you was that they provided you with a list that had some of them and that funding decisions were being taken regarding election commitments. Obviously the government is committed to meeting all of its election commitments. I suspect that they also took the view that, until they were finalised, they would not provide you with a complete list. I am happy to take the question on notice again on the basis that, no doubt as they are finalised, the minister will be happy to provide the information.

Senator BERNARDI—With respect, that is not an accurate representation of the response we received. We received a list of 16 of the commitments, and we were told the remainder were publicly available. There was no reference to finalising of funding or anything else like that. It is a pretty straightforward question; it took two months for the minister to provide a completely inadequate answer. It is the case that either that the minister does not know what the election commitments were or you are scared of disclosing the pork-barrelling that this government is clearly engaged in. Will you provide a list of the more than 100 election commitments that the minister has mentioned on a number of occasions, detailing in which electorates they are located and the total cost of these commitments—which has been reported

as being in excess of \$100 million. That information should be able to be provided during this estimates period.

Senator Chris Evans—You can seek to characterise things as you wish, and I do not agree with your characterisation, but let me be clear: we are here at Senate estimates to describe to you, and answer questions about, budget decisions. You will notice that the funding for commitments made by the government for sporting projects is in the budget papers; I think it totals about \$13 million in the first year and \$6 million or \$7 million in the second year. The minister has sought that appropriation to fund Labor Party commitments for facilities, and she was successful in obtaining that funding. She said publicly that she will meet those commitments, and those funds will be progressively applied to those election commitments. Those matters are obviously in the process of being finalised. Commitments then have to be negotiated with the various sponsoring organisations. She has provided some of them to you; she will provide the rest as they are finalised. Obviously they will become publicly available. There is no question that you will get the full list of projects that are funded, not as they are finalised but as they reach a stage whereby there is some confidence that negotiations have commenced and that funding will be able to be realised. She is not in that position as yet, but I am happy to take on notice a question about those projects. I know it is her intention to make all commitments public, as is required, and they will be met out of that budget.

Senator BERNARDI—Senator Kemp wants to explore further this issue, but before he does, the Minister for Sport has said there are 100 election commitments, but she will not disclose what they are. They are not available in any reasonable public forum, and if they are, she has not provided any clues as to where they are. Further, she has said there is \$100 million plus of commitments in this area, yet you have just said that only \$20 million has been allocated in this budget. What is the situation? Is the minister—

Senator Chris Evans—I think we are discussing two separate things there. The officers might be able to help you. As I understand it, the \$100 million is across a range of programs dealing with sports facilities. I thought you were specifically asking about the election commitments Labor made in the sports portfolio to particular community projects.

Senator BERNARDI—My question to the minister, through you in the Senate, was with regard to election commitments about which the minister was boasting. The minister's response made reference to over \$100 million worth of promises, but did not disclose the list of projects to which the funds were to be allocated. Why is this so hard?

Senator Chris Evans—I have tried to help you, and maybe the officials—

Senator BERNARDI—Is this the limit of your ability of helping?

Senator Chris Evans—I am doing my best. If that is not—

Senator BERNARDI—This is the best you can do?

Senator Chris Evans—I am trying to assist you. As I understand it, the officers can explain the \$100 million in the broader commitment to sporting projects. I think some of them are continuations of projects undertaken by the previous government in funding, but, as I say, this is not my portfolio, so I am not expert in the detail. If you want that information, the officers can give it to you. As I understand it, in terms of the list of projects you are talking

about, there is a budget commitment called Sport and Recreation Facilities: Contribution to Funding, which is in the budget papers. It has \$13.9 million in 2008-09 and \$6.9 million in 2009-10. Some of the projects have been listed there; the rest are being finalised. There is notification going to those organisations. As I said, I will take it on notice and give you a further update on that information.

Senator BERNARDI—Let us be clear about what I do want, Minister.

Senator Chris Evans—In terms of the \$100 million—

Senator BERNARDI—I want the list of the election commitments from the Labor Party which the minister is so proudly trumpeting around the place without any disclosure of what these election commitments are.

Senator Chris Evans—All election commitments are on the public record.

Senator BERNARDI—Apparently they are meant to be on the ALP website, but they are not there.

Senator Chris Evans—You do not have the capacity to shadow unless you go and do your homework.

Senator BERNARDI—We have asked for this information to be provided. You have given us repeated assurances that, yes, that you would cooperate and do everything you possibly can. Your officers told us by email that the minister's office has been slow in providing responses. We accepted that in good faith, and clearly the minister is not prepared to come clean with this. This is a pretty straightforward question and exercise, and you are covering up something.

Senator Chris Evans—The first thing to say is that all election commitments will be honoured. Secondly, the budget papers provide the funding to do that. Thirdly, the announcements of the projects will be rolled out over the next little while. They are subject to notification of organisations. They will then obviously follow proper process in terms of approvals, and the minister will sign off on them. I understand this is exactly the same process that occurred following the 2004 election with the Howard government's sporting commitments. As those projects are, if you like, brought to a level where we think they are able to be announced, they will be announced. I will take it on notice for you. The minister will provide you with the information on those projects.

Senator BERNARDI—I guess the minister would be watching now, so I am sure she could get her busy staff to bring them down, could she not?

Senator Chris Evans—I do not know. I suspect the minister is not glued to estimates.

Senator BERNARDI—I bet she is. After 2½ months, they surely would have made some inroads into compiling this list.

Senator Chris Evans—As I understand it, the minister provided you with some as an act of good faith—

Senator BERNARDI—Oh, please!

Senator Chris Evans—Some are detailed in the budget papers, so there is a good start for you.

Senator BERNARDI—There are over 100.

Senator Chris Evans—The others are all on the public record. You are quite right if you are making the point that any funding of Labor's election commitments needs to be made publicly available. They will be.

Senator BERNARDI—They will be or they are?

Senator Chris Evans—The amounts and the projects will be detailed shortly, and once the appropriate negotiations have occurred between the department and the organisation in terms of contracts, the minister will sign off on them. As soon as I am able to get you information on the projects and the amount agreed, I will do that, but it is very clear in the budget papers that the money is there. In terms of the \$100 million, I do not know whether one of the officers can describe for you the broader projects. I thought the matters you were referring to, which were, if you like, the grants to communities for smaller projects, were reflected in that budget measure.

Senator BERNARDI—The reason for the \$100 million coming into it was because, in the wholly inadequate answer provided by the minister to the question in the Senate, there was reference to \$100 million. Clearly that suggests that that \$100 million was to go towards the more than 100 projects that the Labor Party announced. The only thing we have learned about is some pre-existing commitments that were, for want of a better term, bipartisan, and we have also had some public discussion, particularly in South Australia but also in other electorates, about previous commitments from the previous government that have been ignored by this government—in fact, taken away—and you will not tell us actually what your commitments are. I think it is a disgrace, quite frankly, and I am sure you are embarrassed about it. You have to be embarrassed about the performance of your minister in this case.

Senator Chris Evans—Let me make clear that we are and will be implementing our election commitments.

Senator BERNARDI—You do not even know what they are.

Senator Chris Evans—We are not implementing your election commitments.

Senator BERNARDI—You do not even know what your election commitments are; otherwise, you would be able to tell us.

Senator Chris Evans—The party that forms government implements its commitments. We do not have core and non-core promises; they will be implemented.

Senator BERNARDI—Your minister does not even know what they are.

Senator Chris Evans—I cannot help you with the projects that you are worried about to which, apparently, you committed.

Senator BERNARDI—Your minister does not even know what your commitments are.

Senator Chris Evans—If you want an explanation about the \$100 million that was referred to as the overall funding envelope, I am happy to get the officers to take you through that. I cannot tell you where the \$100 million—

Senator BERNARDI—Senator Evans, I understand your embarrassment about the fact that the minister is unable to provide a list of the Labor Party's election commitments—

Senator Chris Evans—I get embarrassed about a lot of things, but this is not one of them.

Senator BERNARDI—I can tell that you are kind of embarrassed about it—I know—and it is not your bailiwick, but, really, you do deserve better support from the Minister for Sport, who has clearly left you in the lurch. I do not know if it some internal politics or something—

Senator Chris Evans—I have been left in the lurch on many times, but this is not one of the occasions.

Senator BERNARDI—Yes. It is an internal payback, is it?

Senator Chris Evans—I am more than happy that, on the advice I have received, the department is following exactly the same process that was followed after the last election in terms of the previous government's commitments to projects during the 2004 election. The officers can take you through the processes, if you want, but Labor is honouring its election commitments. They will be announced progressively over the next short period of time. They are contacting, as I understand it, the organisations involved. Following that, there will be public announcements of those, but that will be subject to negotiation; the department being satisfied that the toilet block or whatever we are funding will cost \$30,000 and it is appropriate and all those sorts of checks and balances that go on in these areas. As I say, if you want to know about the \$100 million, I will defer to one of the officers because I cannot give you an adequate explanation. The officers will give you a more adequate explanation, I am sure.

Ms Halton—We are happy to do that, Senator.

Senator KEMP—I think I can probably help you, because the Minister for Sport was kind enough to give a briefing to a journalist, and the information she gave to the journalist was in fact a bit more than was given to Senator Bernardi. My understanding is that the total known sports and recreation funding announced during the election by Rudd Labor is \$168 million for well over 100 projects. Those figures in fact come from the minister's office via a journalist, and they are not figures, I am sorry to say, that were given to the parliament. The next point I would like to make is that Senator Evans made quite a strong point, and said it twice, that this government is following exactly the same procedures as the previous government did in relation to election promises. The truth is, by mid-May, we had announced all our election promises. We had listed them in a folder headed 'Making Australia stronger: delivering our commitments'. I draw to Senator Evans's attention that every sports grant that was promised during the election was announced in that particular document. Equally, Senator Lundy, quite rightly, was pursuing these grants—and somewhat unkindly referring to them as sports rorts, I have to say—with vigour, and a full list of the election promises that Senator Lundy asked for in fact was provided to her. My question is to the secretary: has the department been told of the election commitments that you will have to administer?

Ms Halton—I was asked in evidence yesterday morning about all of the work that the department is doing, including implementing election commitments. I indicated that we have quite detailed work programs that cover all of the matters we are implementing. That includes previous policies that continued, election commitments, new policy that we are working on et cetera.

Senator KEMP—We will keep it short because a lot of people are waiting. Are you satisfied that your department now has a complete list of the election commitments that you will be required to implement?

Ms Halton—I said yesterday that—

Senator KEMP—That is a straightforward question. Can we have a straightforward answer?

Ms Halton—We understand all of our obligations, the things we need to address.

Senator KEMP—Right, so you understand the election commitments which your department must administer?

Ms Halton—Included in what we administer are election commitments.

Senator KEMP—There is a list that your department has of the election commitments?

Ms Halton—No. What I said yesterday was that we do not actually manage, according to discrete lists, election commitments versus other. We have work programs which include election commitments but include everything else as well—for example, the \$100 million.

Senator KEMP—The department has all the information about the election commitments. Let me see if we can get a yes/no answer. The department has information on all the election commitments it is required to administer. Is that right?

Ms Halton—The department is aware of what it needs to administer.

Senator KEMP—Okay. The department is aware of all the election commitments it is required to administer. Is that right?

Ms Halton—Amongst other things.

Senator KEMP—No, listen: we know you have a whole host of other things. What we wanted to establish is whether the department has full information on the election commitments it is required to administer. The answer to that—

Ms Halton—I believe that to be the case.

Senator KEMP—The answer to that is yes?

Ms Halton—I believe that to be the case.

Senator KEMP—The answer to that is yes. Now—

Senator Chris Evans—No, I have indicated that we will take it on notice.

Senator KEMP—No, no. We put it on notice for three months, and we have not received an answer. This putting on notice is not going to wash. What we would like—and this committee would like—is what the previous government provided without making a fuss, which is a full list of those commitments that you are now required to administer and that you are now having discussions about with the particular organisations?

Senator Chris Evans—And I made it clear to you that you will get that, Senator.

Senator KEMP—No, you did not make that clear to us.

Senator Chris Evans—What I have indicated to you is that—

Senator KEMP—No, you did not.

Senator Chris Evans—Well, I did. I said that what you have is the funding envelope; we will announce the commitments out of that funding envelope.

Senator KEMP—Chair, I have not finished my comment.

Senator Chris Evans—Sorry, you ask questions; you do not make comments, Senator.

Senator KEMP—What you promised us is a full list, ultimately, at some time in the distant future, of the grants that you are making as a result of election commitments.

Senator Chris Evans—That is right.

Senator KEMP—That may or may not be the same thing as the election commitments, because there is already word coming through to us that election commitments made during the campaign are not being honoured. What we want is a full list of the election commitments that your government made during the election regarding sporting and recreational grants so that we can then test whether in fact the government is delivering on its commitments. We have already established that the department has this information on hand. I am asking the secretary: will she now instruct her department to collate that information, which would be very straightforward, and provide the information to this committee?

Senator Chris Evans—I think the answer is that we will give you the list of spending out of that program which is to meet the election commitments. The secretary is not responsible for Labor Party commitments.

Senator KEMP—No, but the secretary has been informed to administer them.

Senator Chris Evans—Yes, but the process is being finalised. The groups are being notified. Once the notification has occurred and there is a satisfactory discussion, the minister will announced the projects in a rolling program of announcing the projects. They will then be negotiated in the sense of meeting normal requirements for funding, and then they will be funded.

Senator KEMP—What is the objection?

Senator Chris Evans—One of the things is, just to be sure that the amounts—

Senator KEMP—What is the objection to you providing a list that we provided? For the information of the committee, what is your objection?

Senator Chris Evans—Was your list a list of election commitments or decisions taken in the budget?

Senator KEMP—Yes, the full list of election commitments was included in there, and all the information on sports. This was also backed up earlier in the piece by responses to Senator Lundy to questions on notice.

Senator Chris Evans—Is that a budget document?

Senator KEMP—That was brought down in the budget, but it listed the full list of the commitments that were made.

Senator Chris Evans—What we are arguing about is timing, then?

Senator KEMP—No.

Senator Chris Evans—You will get exactly that sort of document—sorry, you will get a document like that which will explain the allocation of funds which are contained in the budget under that program heading. That will meet the Labor Party election commitments. As you quite rightly point out, if it does not, you will hear from people.

Senator KEMP—This is a very duplicitous effort on your part, because not only did we provide this list that was tabled by the then Treasurer, but also we provided all the details to Senator Lundy at her request, if my memory serves me correctly, broken down by electorate. Senator Lundy was able to have the full list of the information and then, quite appropriately, monitor the delivery and raise questions about why particular bodies were funded and why others were not funded.

Senator Chris Evans—Senator, do you want to see—

Senator KEMP—Can I put it to you that the reason you are not—

Senator Chris Evans—Just before you go on, let me clarify: if you specify to me what information you would like accompanying the funding decisions, and I will see how I can help you.

Senator KEMP—I regret to say that—

Senator Chris Evans—I am happy if you want to table your document and see if we can meet a similar standard.

Senator KEMP—This will be tabled, and I will pass this to you.

Senator Chris Evans—Good on you.

Senator KEMP—We listened to you before, when you made a similar promise that you would seek to provide a list, and that was some two or three months ago. Of course you utterly failed to provide it. You went up to Senator Bernardi and said, ‘I am very sorry, but you are not going to be happy with the answer to this list.’

Senator Chris Evans—I think I was right, too, when I said that.

Senator KEMP—Yes, you were. Can we say—

Senator Chris Evans—I try to be as open and honest with Senator Bernardi as I can. I said, ‘This is not going to please you’, and it did not.

Senator KEMP—What we have discovered is that the Labor Party have made a huge number of sports grants in marginal seats. That is what it has done. Certainly they have admitted to over 100 of these grants, essentially all in marginal seats. The reason you are not giving us the list, and the reason why the department has been instructed not to give us this list, is because this would expose a sports rort on a scale that we have never seen before in my view. This is an absolutely unprecedented level of funding which has been given to marginal seats.

Senator Chris Evans—I think you are wrong there, Senator.

Senator KEMP—No, it is absolutely—

Senator Chris Evans—I think this is where the \$100 million and the 13 get confused.

Senator KEMP—I have looked closely through it.

Senator Chris Evans—Are you talking about the \$100 million or about that budget measure?

Senator KEMP—I am talking about the \$100 million that—

Senator Chris Evans—If you want, the officers will take you through that, but do not confuse the two.

Senator KEMP—Minister Ellis has indicated was promised during the election. In fact, the total figure that she quoted was \$167 million.

Senator Chris Evans—I am not sure if that is right, but officers could confirm that for you if you want.

Senator KEMP—All I can say is that the piece of paper that Minister Ellis's office gave to some journalists included that figure.

Senator BERNARDI—Perhaps I could give you a couple of helpful quotes?

Senator KEMP—Are you instructing the department not to draw out a list of the election promises that they have been asked to administer? Can you make that clear for me?

Senator Chris Evans—No. What I have said to you is the minister has provided advice in response to Senator Bernardi's question. I have taken on notice the request for the remainder. And I have indicated to you that the minister has advised me that she will announce in a very short time the allocation of the grants out of that particular program, the sports and recreation facilities contribution to funding. As I understand it, she is also happy that there is sufficient funding in her budget allocation, which is one of the things we all wait on as ministers, as you well know—

Senator KEMP—We are happy that she is happy.

Senator Chris Evans—to meet her commitments. You are happy, because it allows her to say with certainty that she will be meeting the election commitments.

Senator KEMP—But what we want to know is what those election commitments were and what those promises were. For example, a number of grants were made to the electorate of Patterson, but my understanding is that the Labor Party made a number of promises which were not kept. So, can I ask the officers at the table—

Senator Chris Evans—How do you know they were not kept?

Senator KEMP—There were sporting promises made to five or six groups that we are aware of, of which two or three apparently were funded and the others were not funded.

Senator Chris Evans—The decisions are in the process of being finalised, as I understand it, so I am not sure that you are in a position to make that claim.

Senator KEMP—That is what I am asking. Were these election promises or not?

Senator Chris Evans—Can I just indicate to you again that the groups are being contacted, and a set of negotiations will be set in place. When there is awareness from them and the minister's office about being ready to negotiate the details, then she will be making a series of announcements that honour those commitments. I can certainly take on notice the

ones that you refer to, but I do not think that at this stage you are able to say that anything has or has not been honoured unless the group has received a letter from her saying they have not been. That is the point I make.

Senator KEMP—But this is the very problem. You will not provide a full list—

Senator Chris Evans—I will. What we are arguing about is timing.

Senator KEMP—No, I think you know exactly what I am talking about. We talk about the promises that were made, and then we measure the delivery against that list. To have a rolling list of grants is not satisfactory for this committee and it is not satisfactory, I believe, for the marginal electorates where the promises were made. What we want now—

Senator Chris Evans—If you want information—

Senator KEMP—If the department is making contact with these groups, that again confirms what I think Ms Halton has indicated—that is, that the department has the information on hand. I am asking the department to provide a full list of election commitments that it is administering to this committee so that over the next 12 months or two years we can measure against delivery. That is what we would like.

Senator Chris Evans—Sure. I have indicated to you that—

Senator KEMP—We know that the secretary has the information on hand; we are asking if she will supply that list.

Senator Chris Evans—It is not a matter of you asking the secretary. I am giving you the answer on behalf of the minister, and the secretary will take her direction from the minister. But the minister has said to me that she will be announcing the commitments made out of the budget funding envelope for groups. As you quite rightly say, you have the capacity to check what you claim to be election commitments—I do not know whether that is right or not, but you will have the capacity to obviously cross reference what you say are election commitments with those decisions announced. The minister assures me that she has received funding to honour Labor's election commitments in relation to sports and recreation facilities, contributions to funding.

Senator KEMP—We are happy that the minister has said that, but we would like to test what the minister is funding—

Senator Chris Evans—And you will be able to do that.

Senator KEMP—against what was promised during the election. That is the point. Can I ask you this: why will you not supply the information to this committee listing the election commitments that the previous government was prepared to supply to this committee? Can you just give a straight answer to us why you are not—

Senator Chris Evans—You will get—

Senator KEMP—No, let us—

Senator Chris Evans—Senator, all I can say to you is that you will get the list of funding contributions to be made that meet those election commitments. The groups are being contacted during this period. Once that has been done, and the minister is satisfied to a reasonable level of certainty about those arrangements and the groups' engagements and

capacities, she will announce the projects. She will announce them in a rolling manner, as I understand it, over coming weeks. Then the department will negotiate the detail in accordance with the same procedures as applied elsewhere. When we come back at the next round of budget estimates, you will be able to go through line by line each of the projects, the funding material, et cetera, and you will be able to check off against what you say is your information regarding election commitments. I will take on notice whether the minister will provide the information in the format that you say. But I think we are arguing about a question of weeks. You put out the information with the budget; the minister will be putting it out post-budget.

Senator KEMP—You made those comments earlier on. My question was this: why will you not provide the list of your election commitments to this committee that the previous government at a similar stage, post-election, was able to provide? Why are you not providing that list?

Senator Chris Evans—It is a question of timing. We have provided the funding in the budget; it is there. Following a process of speaking to the groups, the funding will be allocated and announced, and that will meet Labor's election commitments in relation to those projects. I understand that you raise a broader question about what you say is \$168 million—I do not know whether or not that is right; you are reading from some press article I have not seen—but Senator Bernardi is right, that the answer he referred to was total projects exceeding \$100 million. I think the officers can take you through the budget allocations. I think that is over the three or four years, by the way, but the officers can take you through that. If your focus is on what is shown in the budget as sport and recreation facilities, contribution to funding, what I understand to be smaller level facility upgrades, there are some listed in the budget papers. A list has been provided to Senator Bernardi of some further grants, without the dollar amounts attached, and it is only a small group that obviously I suspect were at a level where the minister and the department were happy to provide those projects. But you will get the full list of funding out of this envelope of sporting contributions. What we are arguing about is a matter of weeks, I suspect. The detail was not released for the budget. The budget money is there, and the minister will release the project information in the coming weeks.

Senator BERNARDI—Why can the minister for sport wander around saying that there are over 100 election commitments given by the Labor government in this area, but she is unable or unwilling to provide a list of those election commitments?

Senator Chris Evans—You will get them as the funding is announced.

Senator BERNARDI—You do not have a list that you are able to provide?

Senator Chris Evans—My advice is that the minister is in the process of contacting each of the groups. Once she has done that and they are confident, following that contact, that the projects will be able to go to contract stage, she will be announcing them.

Senator BERNARDI—Hang on. You are saying that during the election campaign, the Labor Party just wandered around, did no due diligence or ascertain the effectiveness or anything else of organisations, and made over 100 promises for community grants and upgrades to facilities, and is only now going to start checking on whether they are required or anything else?

Senator Chris Evans—No.

Senator BERNARDI—That is what you are telling us.

Senator Chris Evans—No. We went through as much of a rigorous process as we could in opposition. As you are no doubt finding now, and Senator Kemp would be finding, the resources available to oppositions are far more limited than they are to government, and that perhaps reflects why you have not been able to do the research yourself on some of these issues. The reality is we have committed to those projects. The election commitments will be met. There is a process of contacting the groups occurring, which quite frankly is not only proper but I think good manners—

Senator BERNARDI—How can you say that—

Senator Chris Evans—Then the minister will announce what you want, which is a list of all the projects that are to be funded, and if there are any concerns about projects not being funded, they will obviously be raised with us.

Senator BERNARDI—How can you say that all election commitments will be met if you do not even know whether these commitments pass the probity tests?

Senator Chris Evans—That is one of the things I am saying to you, Senator: we are following exactly the process that your former government did.

Senator KEMP—You are not following the process at all.

Senator Chris Evans—No, it is—

Senator KEMP—No, you are not.

Senator Chris Evans—We are. You raised the question of probity, and that is perfectly right, and that is why it is not appropriate for the minister to say to a group, ‘You are actually getting the money’—

Senator BERNARDI—We are not asking that.

Senator Chris Evans—until she is satisfied after having contacted the groups that they are in a position to then move to negotiation stage with the department. And she will not—

Senator BERNARDI—The minister or the Labor Party—

Senator Chris Evans—Just so you are clear on this, she will not finally sign off until such time as those—

Senator BERNARDI—We are not asking for the sign offs; we are asking for a list of the projects that the Labor Party promised to community groups, over 100 of them, to be provided to us. What is so hard about that?

Senator Chris Evans—You will get the list of projects funded that meet the election commitments. No problem with that. The minister is—

Senator BERNARDI—We want to find out about the ones that you do not decide to fund, quite frankly, because you will not be delivering on your election commitments then. You do not like this accountability.

Senator Chris Evans—I am assured that, as the Australian public now recognise, the Labor Party has a very different approach to delivering on its election commitments—

Senator KEMP—Absolutely!

Senator Chris Evans—than the former government. You will find—

Senator KEMP—I think they are.

Senator Chris Evans—they will be delivered, and I am told by the sports minister's office that the funding she got in the budget—and she quite wisely waited until she got the funding in the budget. As Senator Kemp would know, you do not always get all you want out of a budget process.

Senator KEMP—I did very well, actually.

Senator BERNARDI—What you are actually telling us—

Senator Chris Evans—Now the minister has received her budget funding. She is aware of what is available to her under the program, and I am advised by her office that she is happy that she will meet the Labor Party's election commitments from those budget funds.

Senator BERNARDI—But she is unable to provide a list of what those election commitments are.

Senator Chris Evans—No.

Senator BERNARDI—I think that is terrible.

Senator Chris Evans—I have told you that you will get all of that information.

Senator BERNARDI—What you are actually telling us is that of the more than 100 community projects that were promised by the Labor Party in the election, none of those projects can rely on those promises because they are subject to so many more checks and balances? That is effectively what you are telling us, isn't it.

Senator Chris Evans—No, it is not, Senator.

Senator BERNARDI—It is. How can you guarantee that someone who was made an election promise by the Labor Party is going to fulfil your new criteria? Did you put these conditions on them before you made the promises?

Senator Chris Evans—Look, Senator, you cannot come here and pretend you do not understand that election commitments are made by political parties. They are election commitments that are made. They are not made with the level of—

Senator BERNARDI—Integrity?

Senator Chris Evans—documentation that would support a final—

Senator BERNARDI—Is that what you are saying?

Senator Chris Evans—You can make a decision about your own election promises. Ours will be delivered.

Senator BERNARDI—No, we are talking about yours.

Senator Chris Evans—That is right.

Senator BERNARDI—But you cannot even provide us with a list of them.

Senator Chris Evans—You cannot pretend, right?

Senator BERNARDI—It is not about pretending.

Senator Chris Evans—When any political party makes a political commitment during a campaign, you do not have the level of documentation which you would require before you finally signed off on public funds. We are now turning that election commitment into public funding. Due process will be followed before the minister signs off on that, absolutely. You would be highly critical if she did not.

Senator KEMP—You have repeated that tirelessly.

Senator Chris Evans—Because it is an important point.

Senator KEMP—Can I ask you this question: what do you think the Public Service thinks of a minister who forbids them to provide a list of the election commitments that they are required to administer? What do you think the public servants who are listening to this would think of a government that acted in this way?

Senator Chris Evans—What those public servants know is that, (1), the election commitments are to be delivered, and (2), they have not been asked to run a sham regional rorts type process that the ANAO found to be politically fixed and corrupted by the processes. This process will survive any examination; it will be done in a way very similar, if not exactly the same, to what was done by the previous government in the election commitments it chose to implement. We will be implementing all of our election commitments that are reflected under the funding in this envelope. As I say, in terms of the broader funding commitments, I am happy for the officers to explain to you the \$100 million or the \$168 million, whatever it is. I have just been handed something that might help. I think it includes some funding in MYEFO and PEFO, but I think that is where I will get into trouble, trying to explain that. I am still struggling with accrual accounting, so I will leave that to the officials to explain the global figure.

Senator BERNARDI—In the budget papers, you have said that the minister is confident that she will fund the election commitments out of the \$20.8 million.

Senator Chris Evans—That set of election commitments, yes.

Senator BERNARDI—How many of those election commitments have fulfilled the probity requirements as required by the minister thus far?

Senator Chris Evans—As I understand it, that is the process we are going through. She has not signed off yet. She will sign off on those commitments as she—

Senator BERNARDI—She has not signed off on any?

Senator Chris Evans—I will take that on notice, or one of the department officers may be able to help you. But I do not know if there has been any signed off on at this stage.

Senator BERNARDI—Maybe I will ask them now. Mr Rowe?

Mr Rowe—I am not aware of the status of the sign off at this particular point in time. I understand that the minister has advised some proponents but not all, but I am not aware—

Senator BERNARDI—So she has advised some that they will be receiving the money and have fulfilled the probity criteria?

Mr Rowe—I understand that some have been advised but I do not have information on the status.

Senator Chris Evans—As I said to you, Senator, that is the process we are going through, but if you like, final, formal approval will be when the contracts are signed, as I understand it. It is subject to people meeting their contractual obligations. There will be a contract entered into, and we are not at that stage.

Senator BERNARDI—It is pretty straightforward that someone is watching and perhaps they could deliver the answer about how many have actually been signed off or been through the probative process, or been agreed thus far?

Senator Chris Evans—I am happy to take that on notice. What I am saying to you is that there is not a two-stage process, but following the election and the budget envelope being determined, the minister's office is contacting the organisations to provide contact and information. Following that, the minister will make a series of rolling announcements about the intention to fund those projects. Then the department, as I understand it, negotiates the contracts. The formal sign off does not occur until then, in the sense of saying, 'We will give you the \$30,000—

Senator KEMP—We understand that. As the minister correctly says, this is what governments and departments do. We understand that. That is no big deal. The big deal is, of course, the promises that have been made, the promises that you have failed to keep, the promises that were very sloppily made and which are causing great offence out there in the community. I suspect for the first time we have seen a government that was going to be more open and transparent refusing to provide what would be a straightforward list. I urge you, if you are worried about the government's relations with the public servants, to think about public servants who are not allowed to provide information to this committee to protect a government that, to be quite frank, has shamelessly used sports grants, along with a whole host of other grants, in the course of an election, and it does not want to be exposed. This is the reason why this list is not being provided.

Senator Chris Evans—You and your former government have form, so I am not wearing that from you.

Senator KEMP—I know exactly what the form is.

Senator Chris Evans—You were found guilty by the ANAO of putting a fix in the programs. This is a different issue. This is about whether you deliver on your election commitments—and we will deliver.

Senator KEMP—I know exactly what has happened. You are instructing your public servants not to provide a straightforward list of the election commitments they are required to administer because you are worried about what it will do to the image of the government. That is precisely it. That is precisely what you are doing.

Senator Chris Evans—Senator, you can make as many assertions as you like. As I said to you, you will be provided—

Senator KEMP—Let me go on to a second point. It is absolutely disgraceful what is happening here.

Senator Chris Evans—with the information about the projects we are funding over coming weeks, and that will allow you to make your own conclusions. But the minister assures me she will be meeting our election commitments, and that she has the funding available as a result of the budget measure. Following receipt of the budget, which I think was 13 May—

Senator KEMP—You have rehearsed these lines of the PM's office and they are unsatisfactory to everybody who is watching.

Senator Chris Evans—I have not spoken to the PM's officers at all about it.

Senator KEMP—These lines have been very carefully rehearsed. You have said them time and time again, and they convince nobody because we know your department has a full list of the election commitments that have been made and that they are required to administer and you are preventing them from delivering it to us. Can I go into a second—

CHAIR—Before you go on, senators and minister, I will not let people talk over each other in this committee.

Senator KEMP—That is a very good point.

CHAIR—It is impossible for us, and it is impossible for Hansard, so I remind you all: people ask questions and they are responded to. It is no good me just yelling and shouting over you. I will not. From now on, I will just interrupt if anyone continues to operate in that way.

Senator KEMP—This is just an example, I suspect, of the quality of the information that has been provided to us. In the answer that you gave to Senator Bernardi, you mentioned a number of sports grants which were made. Can I ask the officers at the table where the 'capstone netball complex' is?

Senator Chris Evans—I cannot help you in this regard.

Senator KEMP—I know why too. I know the answer to that one as well. I am just interested. This is the quality of the answers that we are being provided with. Can anyone find the 'capstone netball complex'?

Mr Rowe—No, Senator; I think it is Lapstone.

Senator KEMP—Yes, that is right. That is exactly what it is. That is what we have here, so why are you tabling information in the parliament which is just plain wrong?

Senator Chris Evans—Sorry, Senator; are you saying there is a spelling mistake on the list? Is that your assertion?

Senator KEMP—I am saying there was an error. We are trying to get the list of these sports grants which have been made. You might like to find out whether it is the correct name to refer to the facility upgrade of the Bathurst cricket club.

Senator Chris Evans—Before you go on—

Senator KEMP—This is just your answer. These are minor points, but I want to point out—

Senator Chris Evans—Just so I understand—

Senator KEMP—The sloppiness of the answers which are being provided to you.

Senator Chris Evans—If we can just deal with your first point.

Senator KEMP—It took two months to get that.

Senator Chris Evans—Just to deal with your first point, I think you have some sort of telling spelling mistake point, have you—‘capstone’ instead of Lapstone?

Senator KEMP—Yes. I am just saying that it is an example of the sloppiness that is being provided.

Senator Chris Evans—I am highly apologetic. I apologise—

Senator KEMP—Good.

Senator Chris Evans—and I will apologise to the Senate more broadly if there was a spelling error in the list provided to Senator Bernardi.

Senator KEMP—In your answer to Senator Bernardi, you indicated that the election promises are on the public record. Senator Faulkner was kind enough to tell us what he understood the public record to be, which was the ALP website. I wonder if I could give this list to the officers and ask them to tell me—and this should be quite straightforward and quite easy because all this information is publicly available, apparently—where on the public record these grants are.

Senator Chris Evans—I will have a look at the list, but I do not think this is fair. The officers cannot be expected to tell you where on the public record these things are available. I do not know to what Senator Faulkner was referring. I do not know if you were asking him about this particular program at the time. As I understand it, the minister’s answer was that it is all available on the public record. I do not think she said it was all available on the ALP website, but I am happy to go and check whether or not it is.

Senator KEMP—I would like the officers to tell me, if this is all available on the public record, just precisely where on the public record these grants are.

Senator Chris Evans—The officers will not give you that answer. They are not in a position to give you that answer; you know they are not.

Senator KEMP—The minister’s office has staff. The PM’s office, which is running this whole campaign, has heaps of staff. They can tell us precisely where on the public record these grants are.

Senator Chris Evans—I am happy to take that question on notice. What I am saying to you is it is not reasonable to think that the department officials will be able to give you the answer to that.

Senator KEMP—Why not?

Senator Chris Evans—The minister gave Senator Bernardi an answer saying that they are available on the public record. If you are asking me to ask the minister's office to provide more detail about that, I will take that on notice. But that is an answer from the minister—

Senator BERNARDI—That answer was given—

Senator KEMP—You would have to say that after a minister has responded to a straightforward question like that by saying it is on the public record, it is not unreasonable for senators to come back and say, 'We have looked around for this information; could you kindly tell us where on the public record that information is located?' Senator Faulkner, in his estimates, was kind enough to indicate to another department that the public record was the ALP website—

Senator Chris Evans—I have undertaken to check for you whether or not that is available on the ALP website, and if not, to get you an answer about what 'available on the public record' means.

Senator KEMP—What is the problem? You have officers in the minister's office who have obviously drafted the answer which—

Senator Chris Evans—Sorry, are you talking about the minister's officers or offices?

Senator KEMP—I am talking about the fact that you tabled an answer which indicated that this information was on the public record. We have had a further refinement from Senator Faulkner, who has indicated that the public record—

Senator Chris Evans—No, no, that is not right; it is a different question, a different department, as I understand it.

Senator KEMP—No, no, it is exactly the same question. Just tell us: it is quite straightforward. Here is a whole host of sports grants; who knows where they are? To be quite frank, you come in here and you have a nice patter, and we all think that is all rather nice, and you are taking it on notice so that you can give us an answer. Three months later you rock up to Senator Bernardi and say, 'I've got you an answer; it's pretty crappy, but that's the best I can do.' You would have to say—

Senator Chris Evans—What I said to him was that he would not be happy, and my prediction was right.

Senator KEMP—Yes, so you would have to understand—

Senator Chris Evans—I cannot keep you all happy all of the time, Senator.

Senator KEMP—You have to understand that we are a little bit loath to take, 'We will take this on notice and we will provide you with an answer as soon as possible', because regrettably, Senator Evans, you have form now. That is most regrettable on this front.

Senator Chris Evans—Senator Kemp, you have presided as a government over the regional rorts; I will not take any lectures from you on public probity.

Senator KEMP—This is the biggest rort that we have ever seen.

Senator Chris Evans—Oh, Senator!

Senator KEMP—I believe that what we are seeing and what the press are now catching up with is that Prime Minister Rudd is the prince of pork. That is what he is. In the course of the last election—

Senator Chris Evans—Can't you get a better line than that?

Senator KEMP—vast amounts of promises were made in marginal electorates across a whole range of areas, including sport, and which the government is now loath to fess up to. Don't come back here and lecture us, Senator Evans, because I think you have been caught out.

Senator Chris Evans—You are doing the lecturing, Senator Kemp.

Senator KEMP—I think you have been caught out, Senator Evans.

Senator Chris Evans—You were tried and found guilty by the ANAO. You were a government that corrupted its own programs. What we are doing is delivering on our election commitments. They will be delivered; you will have the information. You can make your political argument then. But you will be provided with a list of grants approved under that budget item, and that will allow you to make your own views about whether we have delivered.

Senator KEMP—That is not the question.

Senator Chris Evans—I am informed by the minister that she is in a position to deliver. She has the funds available and is contacting the groups and, once she has done that, and is happy that she is ready to proceed, she will release the list and the amounts. The officers will then deliver on those commitments.

Senator KEMP—Why don't you solve this problem quite quickly, and we will see who is right—whether or not Rudd is the prince of pork.

CHAIR—Mr Rudd, please.

Senator KEMP—Just provide this list—

Senator Chris Evans—Senator, I think you ought to use the Prime Minister's correct title.

Senator KEMP—Just provide this list to us. What we will see is, of course, vast amounts of grants being provided to marginal electorates, like Deakin, for example. Huge amounts of money have been provided there. Let me just quote a number.

Senator Chris Evans—Senator, can I indicate to you that, when the grants list is released, you will of course be able to do your assessment electorate by electorate. I have no concern about that whatsoever. It will reflect the Labor Party election commitment, and you will be able to do the analysis. Hopefully you will do more homework than you seem to have done for this hearing—

Senator KEMP—Well, try me out; try me out.

Senator Chris Evans—You will be able to go through electorate by electorate.

Senator KEMP—You wait and see.

Senator Chris Evans—I understand this is your last hurrah, Senator Kemp, so this is your last performance.

Senator KEMP—Let me go into the million dollars for the Campese Oval, Taylor Park upgrade in Queanbeyan. Has the department any information on that? A \$1 million promise was made during the election.

Senator Chris Evans—If a commitment has been made in relation to that, and it is under this budget item—

Senator KEMP—You asked about homework; I have done a bit of homework.

Senator Chris Evans—It will be announced, no doubt. Anyway, I will get you an answer on where that one is up to but, as I say, the minister will be announcing the funding for these projects over coming weeks, and you will get the information about the Campese Oval.

Senator KEMP—Let me tell you about that, because you did accuse me of not doing any homework. Apparently \$1 million was offered to this body, and of course, not surprisingly, I suspect they were rather pleased. The only problem was that the committee did not know anything about it. It occurred very suddenly. I think the gentleman who was the president at that time obviously had very good Labor contacts, and this was all done without the knowledge of the particular committee. That is the information I have.

Senator Chris Evans—Are they complaining about the project?

Senator KEMP—Senator, you accuse me of not getting any homework done, but all I want to know is whether \$1 million was promised for this project. This might be a worthy project; I have no idea. All I am saying is that the committee, until the last days, had no knowledge that this grant was going to be given. You can call this what you like, but what we want to know is—

Senator Chris Evans—What I call it is an election commitment.

Senator KEMP—How many of these grants have been made? We are all perfectly happy, and Minister Ellis, I am sure, will make sure that all proper arrangements are made and probity, but we want to know how many of these grants were made, often apparently without the knowledge of the organisation. I do not make an accusation in this case, but obviously it has occurred in some cases where people have particular affinities with the Labor Party. It is quite simple; prove me wrong. Issue the list and prove Kemp wrong. It is so simple. The department has the information; issue the list.

Senator Chris Evans—I am not actually fixated on whether I prove you right or wrong, because quite frankly I do not regard it relevant to the debate. What is relevant is that the Labor Party delivers on the commitments made through this funding. As I said, the minister will announce that funding. If the Labor Party made a commitment, as you claim, no doubt she will be delivering on that. I cannot help you with the detail; I do not know who was spoken to beforehand. The most famous example of that was the old Bungendore Defence headquarters. I do not think Defence knew they were moving out to Bungendore until a couple of days before an election. The point is that those groups are being contacted; they are being spoken to. When the minister is—

Senator KEMP—You have rehearsed all this; we understand that.

Senator Chris Evans—When the minister has satisfied—

Senator KEMP—You are convincing nobody.

Senator Chris Evans—has satisfied herself about those issues, she will make an announcement—

Senator KEMP—I am embarrassed—

Senator Chris Evans—She will make an announcement—

Senator KEMP—that a person like you, who, to be quite frank, does have some standing in this place, who is the Leader of the government in the Senate and is widely respected, is required to come before this committee and speak such blithering nonsense. This is the state of the Rudd government after six months.

Senator Chris Evans—It is very nice of you to be so generous, Senator Kemp. You must be leaving.

Senator BERNARDI—I have some questions, and they go to what Mr Rowe said earlier when he was asked about whether the department was aware of any of the projects having been signed off, having fulfilled the probity criteria that was not part of the election commitment but has been subsequently. Can you confirm to me whether the department has—

Senator Chris Evans—Sorry, there is no suggestion there was no commitment to probity, so I pick you up on that.

Senator BERNARDI—No, I think there was. We established that the Rudd opposition walked around making a whole bunch of promises, and now—

Senator Chris Evans—Senator, grow up, will you! Why do you not grow up?

Senator BERNARDI—No, this is exactly what you have done.

Senator Chris Evans—Political Parties make election commitments. The difference between us is we are delivering.

Senator BERNARDI—Yet you did no research into it. What I am asking Mr Rowe and the department is whether any of the election commitments have actually been signed off because the recipients have completed the probity requirements?

Senator Chris Evans—I am happy for the officers to answer, but we do need to sort out this question of the difference between the \$20-odd million and the \$100—

Senator BERNARDI—Let us deal with the \$20 million right now.

Senator Chris Evans—That is right, otherwise he might give you a different answer if you are talking about the broader program. As I understand it, some of those measures were included in earlier measures which are delivering on earlier commitments or undertakings by the previous government.

Senator BERNARDI—Let us deal with the \$20 million that is in the budget papers for the 91 projects—not the more than 100, but the 91 projects. Which ones have been signed off?

Mr Rowe—Can I just clarify some comments I made about signing off. I did not mean that to mean that the contracts had been executed. My understanding was that the minister is writing to various proponents to advise them, and I thought that some of those proponents had received a letter.

Senator BERNARDI—A letter asking for further information or a letter confirming the funding was available?

Mr Rowe—From the minister. Letters from the minister normally confirm that funding is available, and normally have words in them to the effect that the department will be in contact with you shortly to seek details. Then the department normally follows up and seeks details. The details that the department seek will vary from project to project. In a number of cases that process is in train, but I cannot just give you off the top of my head the number of projects that are in train.

Senator Chris Evans—But I think your answer is that none has been signed off.

Mr Rowe—No contracts have been executed to this date.

Senator BERNARDI—In the budget papers there is a list of only five of the 91 projects detailing that funds have been allocated to those, so we cannot rely on that detail?

Senator Chris Evans—I think they were listed, so you can rely on the detail. What the officer is telling you is that we have not signed the contracts with those organisations. The budget only came down three weeks ago.

Senator BERNARDI—But you or the department have also said that no contracts have been agreed with any of the 91—why are only five listed there? What makes those five special?

Senator Chris Evans—There must have been a level of surety in the minister's and the Treasurer's mind when they finalised the budget to give the examples that would be funded through that measure. As the officer said, people are being contacted. The minister will be announcing what she is going to do and the projects to be funded which meet our election commitments, then the officers will negotiate the contracts. There will then be formal sign-off. But for those were listed in the budget papers as examples, obviously there was confidence about those. The rest will be released shortly.

Senator BERNARDI—I have asked repeatedly about the probity and the process that has gone on in this, and we have been told that nothing has been confirmed or anything else. Yet even though probity has not been satisfied and no agreement has been reached, the budget papers detail five of these projects. What about the other 86?

Senator Chris Evans—As I said to you, that will be the process as I understand more generally. The minister will announce the funding but it will be subject to proper probity process.

Senator KEMP—But we understand that.

Senator Chris Evans—Senator Kemp would have announced money for the Sydney Opera when he was minister. He would have said, 'We are giving them \$2 million.' He would not have signed off at that stage; he would have then done the probity procedures and then signed off some month or so later.

Senator BERNARDI—And you have done that with 91 projects of this \$20.8 million, yet you have only detailed five. All I want to know is: where are the other 86.

Senator Chris Evans—That is right, and that is why I am saying to you that you will be provided with the other projects and the amounts, and they will be announced over coming weeks.

Senator BERNARDI—Even though they have not satisfied probity requirements?

Senator Chris Evans—No, Senator; I do not know whether you are being deliberately obtuse.

Senator BERNARDI—No, I am not. I am just trying to establish why you cannot provide and will not provide 86 other projects.

Senator Chris Evans—As I said to you, and as the officer indicated to you, the announcement will be made, together with the amount to be funded. The probity checks are then part of a contract negotiation before final sign-off—standard, normal process.

Senator BERNARDI—Those five listed projects cannot rely on receiving the funding?

Senator Chris Evans—No, Senator. What you know is that those five projects will have a negotiation with the department about the contractual arrangements, and once they are signed off that will be delivered. For instance, if the organisation has gone into receivership or the project has been abandoned for want of other funding or something like that has occurred, clearly in that case you would make a decision. They can rely on it because it is in the budget. Has it been signed off? No. Will they have to meet proper requirements? Yes.

Senator BERNARDI—But funding for the other 86 projects is also in the budget, according to the budget papers, yet they have not been listed.

Senator Chris Evans—No, but they will be announced shortly.

Senator BERNARDI—When is ‘shortly’?

Senator Chris Evans—As I understand from the minister’s office, she is writing to them, as the officer said.

Senator BERNARDI—She would have written to them all at the same time, surely?

Senator Chris Evans—I understand that is being done over a rolling process. That is my best advice. Some have gone out and some have not, as I am told. I will correct that if that is not right. I think that is right. She will be making a series of announcements about the funding of the projects under this budget measure. That will provide you with the information as to which projects have been funded and the amount. That is, if you like, an announcement of an intention to fund. The final funding will obviously be subject to that negotiation, but as with all these things the expectation is that that will be delivered provided those negotiations are satisfactory and the Commonwealth’s interests are protected.

Senator KEMP—Let me just keep on with Deakin. The three projects announced on 21 May to receive grants—the Glen Park Community Centre, the Croydon Little Athletics Centre and the Nunawading Gymnastics and Sports Club—are they part of a program? What are they? I have read the press statement and I am no wiser. The press statement does not mention that they were election promises. What a surprise.

Senator Chris Evans—I can take that on notice.

Senator KEMP—Do not say you will take it on notice. You have got form.

Senator Chris Evans—Sorry, I do not have the details of the three projects to which you refer.

Senator BERNARDI—I have them here.

Senator Chris Evans—All I am saying to you is that I can take on notice where they are up to and whether they are all under this program. This is a budget item that reflects the government's honouring its election commitments to those facilities.

Senator KEMP—What we do not know is whether they were projects that the government decided to fund after the election, maybe because the local member decided to put the weights on somebody, whether it is part of a program that everyone can apply for, or whether it is an election commitment. Could this be given to the minister so that he can see what I am talking about? That is a list of grants that were made. Can someone tell me if that is part of a sports program? Is that part of grants that were decided after the election, or are they election promises? If they are election promises, Madam Chair, you would actually be a bit surprised to note that they are not actually mentioned as election promises.

Senator Chris Evans—I will get you an answer as to the origin of the commitments. What I have said to you, clearly, is that the measures contained in this particular budget measure are the delivery of a set of commitments in the sporting and recreation facilities contribution to funding field.

Senator KEMP—Are they part of that?

Senator Chris Evans—You will be able to confirm when the minister makes those announcements in the next couple of weeks—

Senator KEMP—But are they part of that?

Senator Chris Evans—I will take that on notice for you.

Senator KEMP—Look, can you—

Senator Chris Evans—Sorry, is your accusation that we are delivering on more than our election program grants?

Senator KEMP—No, what I am interested to find out is—and of course, what all the other sporting organisations are interested to find out—whether there a sporting program that the government has which can make grants for which they can apply, and whether these are election commitments or grants that the local member managed to persuade the minister to give after the election. That is what we actually want. What time are we breaking for lunch?

CHAIR—At 12:30 pm and coming back at 1:30 pm.

Senator KEMP—This is a really easy one to do, and I regret to say that I suspect you will have to use the terrible words 'election promise' when you come back, because they would be election promises, and you might like to get an explanation why it was not actually—

Senator Chris Evans—What is your accusation: that we have delivered on our election promises?

Senator KEMP—No, no.

Senator Chris Evans—I know you find that concept difficult.

Senator KEMP—No, we do not know what you have delivered on, because you have not referred in that press release to an election promise. We have no idea what you have delivered on.

Senator Chris Evans—What is your point?

Senator BERNARDI—Under what program does this fall?

Senator KEMP—There are three questions: first, are those three grants election promises which were delivered on? Secondly, if they are not, is it part of a general program that other sporting organisations can apply for? Thirdly, are these one-off grants that the minister has decided to make post election, for example, from the pressure from Deakin? When you are not straightforward in what you are doing you raise these questions.

Senator Chris Evans—No, it is not about straightforward. What your deep research has shown is a press release from the minister. I am sure she has no difficulty defending her press release into public information.

Senator KEMP—Okay. If it is so simple—

Senator Chris Evans—What I can tell you is that the grants we are talking about have been funded in the budget and will be announced.

Senator KEMP—Are they part of the grants?

Senator Chris Evans—I will take that on notice.

Senator KEMP—It is so simple and straightforward. It is the minister's press release, and we cannot determine whether or not it is the delivery of an election promise.

Senator Chris Evans—You are asking the minister for immigration, and my answer to you is: I will take it on notice.

Senator BERNARDI—It cannot be. Why would you re-announce an election promise? That is the question.

Senator KEMP—But why wouldn't you say it was an election promise?

Senator BERNARDI—If it were an election promise, why would you re-announce it and pretend it is something new?

Senator Chris Evans—As I read this, it is an announcement that they are providing the money.

Senator KEMP—You are dead right on that.

Senator Chris Evans—That is a post-budget press release.

Senator KEMP—You are dead right.

Senator Chris Evans—I am not sure what your point is. I think you are accusing us of delivering on our election commitments, to which I plead guilty.

Senator KEMP—I thought you were quicker than this.

Senator Chris Evans—I plead guilty. We are delivering on our election commitments.

Senator KEMP—My question is: are they election promises?

Senator Chris Evans—I said I will take that on notice. Quite frankly, I do not follow the detail in the seat of Deakin as much as I should. It is a Western Australian thing; we have this view about Victorians.

Senator KEMP—Do you find it passing strange that the minister, in her press release, will not admit that they were election promises? I think it is strange. Maybe it was a mistake. This is the dilemma of finding out what you promised: even when the minister announces the funding, it is not actually listed as an election promise. It appears to the uninitiated observer that a one-off grant has been made. That is why we would like a list of these fundings.

Senator Chris Evans—I will take on notice the issues—

Senator KEMP—And you will get me an answer after lunch, is that right?

Senator Chris Evans—No. I will get you an answer when I get you an answer.

Senator KEMP—Honestly, you have got form, Senator Evans. You have got serious form.

Senator Chris Evans—You do not want to talk about form, Senator.

Senator KEMP—You have got form in heaps.

Senator Chris Evans—I have never before taken a question on notice in the sports estimates in this parliament, so I do not have form at all.

Senator KEMP—But you have got form in taking three months to answer questions on notice and then providing a non-answer. That is the form you have.

Senator Chris Evans—I am happy to review your form as a minister, Senator.

Senator KEMP—Yes, review my form and note that when Senator Lundy asked me questions, as minister for sport I had a list of the sporting grants which had been promised in the election and I provided them to her. That is my form. Your form is to obfuscate, to cover up because—

Senator Chris Evans—My form is to tell you that you will have those commitments and the funding allocated to them over the next few weeks. We are arguing about a couple of weeks.

Senator KEMP—No, we are not, Senator. As I said before, you are absolutely avoiding the central issue. I will ask the secretary, who is at the table. Secretary, can you give an answer to this committee as to whether you will provide a list of the election commitments that your department is required to administer?

Ms Halton—As I said earlier on, yesterday I took this question on notice in relation to the work that we are doing and I said that we do not have a separate list. We have a list of work that we are doing. I took this issue on notice yesterday.

Senator KEMP—Would it be difficult to collate such a list? I am not asking you to work back for 36 hours in a row to do this. I am just asking you: would it be feasible—

Senator Chris Evans—The secretary is responsible for providing you information about things under her control in the department—

Senator KEMP—I just want to know whether this is straightforward. The secretary is a person of great standing in the Public Service and must be acutely embarrassed by what she has been instructed to do by this government. You have indicated that you have the information. Secretary, is it very difficult to use that information to provide a list? What is the process? Is it difficult?

Ms Halton—As I have said, we do not have a separate list of commitments.

Senator KEMP—I know that. How difficult is it to collate such a list from all the information you have?

Senator Chris Evans—You are asking the secretary a question to which she does not have an answer. I am sure she could take on notice how difficult or not it is.

Senator KEMP—I bet she could. I have no doubt about that.

Senator Chris Evans—Her job is to tell you what the department is doing and what we are funding. I am happy to say to you: there is the funding in the budget. The funded projects will be announced. It will be very clear to you what we are funding, what electorate they are in, how much they are funded for. All that information will be publicly available.

Senator KEMP—Why are you so defensive?

Senator Chris Evans—The process will withstand any ANAO review—

Senator KEMP—Yes, the process is particularly interesting. The Queanbeyan sports ground is particularly interesting.

Senator Chris Evans—unlike so many of yours.

CHAIR—I hate to interrupt this effective debate, but it is 12:30 pm. We will suspend now for lunch.

Ms Halton—Just before you do that, can I correct something on the record from last night?

CHAIR—Certainly, Ms Halton.

Ms Halton—The officers indicated when we were discussing Altona Court, which you might recall—

CHAIR—I think that was Senator Humphries' question.

Ms Halton—Yes. You asked how many people were still resident in Altona Court. We said it was a 46-bed facility and we thought there were 33 residents. It turns out in fact that the process of relocating residents has been far more efficient than we realised. We understand there are 14 residents left.

CHAIR—Thank you, Ms Halton.

Ms Halton—I have another answer. In evidence this morning in relation to outcome 3, Mr Kingdon indicated that the MSAC reports on its assessments of PET 4, colorectal cancer, melanoma and ovarian cancer were available on the MSAC website.

CHAIR—Yes, he did.

Ms Halton—That is possibly open to misinterpretation. To be absolutely clear, the website contains a summary of MSAC's findings and recommendations and notifications of the

minister's acceptance of MSAC's advice. I think it is important to be clear about this, given that people are very interested in it. The full reports are being prepared for publication and will be available by the end of June. I do not want to mislead people about what was actually said.

CHAIR—Thank you. That is very useful, Ms Halton. We will reconvene at 1.30 and continue with sport.

Proceedings suspended from 12.31 pm to 1.30 pm

Australian Sports Commission

CHAIR—Good afternoon, everyone. We are going to return to outcome 15, but we are going to start with the Australian Sports Commission agency. Welcome. We will go to questions.

Senator BERNARDI—Mr Peters, I will address this to you because I just want to follow up from some other questions that were asked in previous estimates. The first of them is in regard to taekwondo. There has been quite a vigorous lobbying campaign on behalf of a taekwondo organisation. Can you please update us where you are at in the commission in the recognition of Taekwondo Australia, I think it is?

Mr Peters—The original issue with taekwondo was their failure to meet governance requirements that we placed before them, which led to us not recognising them as a national sporting organisation. In turn, some of their actions led to the Australian Olympic Committee also deregistering them and the international body similarly doing the same. To continue to support the athletes at the AIS, we created scholarships so that they could prepare leading into the Beijing Olympics. They have also employed their coaches. As you say, there has been some fairly intense lobbying from the body that has now addressed its constitutional issues. But given perhaps some attitudes within the sport of taekwondo, there is now another body being formed. As we understand it, that body is seeking registration with the international body. Until the international body sorts out which of the Australian organisations they are prepared to recognise and, in turn, that body is recognised by the Australian Olympic Committee, there is little we can do in terms of supporting a body. At the moment, the Australian Olympic Committee have indicated that they will address the issue post Beijing and similarly with the international body. So we are awaiting a decision from the international taekwondo body as to which Australian organisation they will recognise. In turn, if that organisation is sanctioned by the AOC, then that would be the organisation we will continue to deal with.

Senator BERNARDI—You mention that you are providing some assistance for individual athletes. Are they athletes that you are expecting to go to the Olympics?

Mr Peters—Yes. A number of them have been chosen. So there was a squad chosen initially, where the international body recognised the Australian Olympic Committee as the body that could nominate athletes at the Olympic Games. We worked with the AOC. A squad of athletes was identified. They have been training at the AIS for some time. They went to the appropriate qualification tournaments. From that squad the Olympic team has been chosen.

Senator BERNARDI—Is there a problem, then, if the AOC does not recognise the formal national sporting organisation for us to send athletes within that organisation or representing that sport?

Mr Peters—No. The international body has recognised there are problems in the administration of the sport of taekwondo in Australia. At the request of the AOC, they recognise them, if you like, as the interim body so that athletes and coaches were not disadvantaged leading into the Beijing Olympic Games on the basis that post the games hopefully the appropriate organisations can be recognised and the sport can continue on.

Senator BERNARDI—How much money was allocated to Taekwondo Australia historically on an annual basis? A rough estimate would be fine.

Mr Peters—It is somewhere between \$800,000 to \$1 million in terms of the entire program.

Senator BERNARDI—What will then happen to that money? How much of it will be spent on the existing athletes preparing for the Olympic Games?

Mr Peters—Up until the Beijing games?

Senator BERNARDI—Yes.

Mr Peters—My expectation—I will come back to you on this to check the facts—is that out of that money there will be a few hundred thousand dollars spent because we have suspended some of the other programs associated with the sport. We have diverted as much of the money as we needed to into the AIS program. There is a few hundred thousand dollars left over. The board at its next meeting will receive a recommendation from us that says we should hold that money pending the finalisation of the international consideration of the taekwondo body going forward.

Senator BERNARDI—Has the minister or any senior officers of the Australian Sports Commission met with this new taekwondo body or those that have a grievance? I am not quite sure what I should call it.

Mr Peters—We have been informed that that body is now in existence. I received a phone call from Phil Coles, who is involved in the organisation of that body, saying that they were in existence. A number of our staff have had contact with them. But we are also still working with the old taekwondo body in the coaching area to make sure that we have not disadvantaged coaches that had previously received accreditation under our national coaching accreditation scheme. So we are as much as we can trying to work with the sports to ensure that we do not disadvantage athlete pathways, but, as you would appreciate, it is a fairly difficult environment at the moment.

Senator BERNARDI—You mentioned Phil Coles. Is this the same Mr Coles that is involved with the Australian Olympic Committee?

Mr Peters—That is correct.

Senator BERNARDI—What is his position in the new taekwondo body?

Mr Peters—I am not aware of him having a formal position in there, but he certainly is involved through the IOC in the international taekwondo movement. So he was, as a courtesy call, updating me on what the latest developments were.

Senator BERNARDI—But you are not aware of any meeting between yourself specifically and this new body or any of your senior officers? Is that correct?

Mr Peters—I am not aware of—

Senator BERNARDI—You would be aware of the one that you were at, I am sure. I would hope so.

Mr Peters—Yes. Certainly I was not at one.

Mr Espeland—STA, or Sport Taekwondo Australia, was actually formed as a creature of the Oceania Taekwondo Union, of which I think Mr Coles is a member. They have not approached us formally in terms of any new relationship.

Senator BERNARDI—Has the minister met with this new body?

Mr Espeland—I do not believe so.

Senator BERNARDI—Has she met with anyone?

Mr Espeland—Her office met with Taekwondo Australia I think some time in February.

Senator BERNARDI—But not the minister herself?

Mr Espeland—I believe that is the case.

Senator Chris Evans—I will take it on notice. The officer has indicated what he knows. I do not want to take that as being definitive, so I will take that on notice. The officer can answer for himself.

Senator BERNARDI—I accept that.

Senator Chris Evans—You want to know whether she has met. I think the best thing to do is that I will ask her and get you an answer.

Senator BERNARDI—That would be great. Thank you.

Senator KEMP—On notice.

Senator Chris Evans—On notice.

Senator BERNARDI—Thank you. I have nothing further here, but Senator Kemp may.

Senator KEMP—I think in the last Senate estimates, Mr Peters—

Senator LUNDY—I have some questions on taekwondo.

Senator KEMP—For you, Kate, the floor is yours.

Senator LUNDY—Thank you, Senator Kemp. I did not hear the previous conversation. Obviously there is no relationship with the Australian Sports Commission and Taekwondo Australia at the moment. Is that right?

Mr Peters—Other than us assisting them still in the coaching area, because they had a number of coaches that went through our national coaching accreditation scheme. We are making sure that the appropriate accreditations are honoured, if you like, in however we can

do that. Other than that, we receive lots of letters from them, but we are awaiting a decision from the bodies that will eventually recognise an organisation in Australia and then the AOC, which hopefully will endorse that body. Then we have the ability to work with them as the national body.

Senator LUNDY—What have taekwondo tried to do to reinstate the AOC's recognition of them?

Mr Peters—They have now adopted the constitution that they decided not to adopt previously. But unfortunately, in this process, other issues have led to the international body deregistering them, if you like, and the AOC doing similarly. We have no relationship because in fact there is no body recognised by anyone.

Senator LUNDY—But what can you do to help rectify that situation?

Mr Peters—We have been working with the AOC. We are awaiting the international body to make a decision. There is now a second taekwondo body that has been formed that we understand will be seeking recognition from the international body. So there is not a lot we can do other than waste a lot of time until someone makes a decision on the appropriate body in Australia, which is beyond our control.

Senator LUNDY—Was the lack of formal recognition of the organisation by the AOC because of the Sports Commission's refusal to recognise the national association or international taekwondo's refusal to recognise the association? What came first?

Mr Peters—I would say it was our saying to them that unless they adopted the constitution, we would not continue to support them. At that time there were some practices that some would say were appalling within the sport in the treatment of athletes and coaches, which led to the AOC having concerns. Our officers met with the AOC officers because our prime objective was to help the athletes and coaches in their preparation for Beijing. What representations happened internationally in terms of the international body then deregistering the Australian taekwondo group is something we are not privy to.

Senator LUNDY—But did that occur regardless of what allowed them to reach that decision? Did that occur before or after the Australian Sports Commission stopped recognising the national body?

Mr Peters—My recognition is that is afterwards.

Mr Espeland—I think it is perhaps worthwhile clarifying that the initial constitutional matter led to the withdrawal of funding. Subsequent to that, I think it was on 29 October—

Senator LUNDY—Sorry, the dispute the Sports Commission had with Taekwondo Australia about the nature of their constitution led to the Sports Commission withdrawing their funding and ceasing to recognise that group?

Mr Espeland—No. Not ceasing to recognise.

Senator LUNDY—Just withdrawing the funding.

Mr Espeland—Withdrawing their funding, yes.

Senator LUNDY—Then what happened?

Mr Espeland—Subsequently, on 29 October, the ASC announced that it had formally advised Taekwondo Australia that their membership of the AOC had ceased. So that was a decision by the AOC.

Senator LUNDY—The AOC. After representations by the Sports Commission?

Mr Espeland—No. Mr Coates, as you know, is fiercely proud of his independence from government. He has been on the record back to Taekwondo Australia saying that membership of the AOC is not a matter for the commission, notwithstanding the great job they are doing for the taekwondo community.

Senator LUNDY—The AOC's decision to stop recognising Taekwondo Australia as a national body for the purposes of the AOC happened before the Sports Commission ceased to recognise them?

Mr Espeland—Yes. What happened was that on 8 November the World Taekwondo Federation wrote to Taekwondo Australia to announce that the AOC had been appointed as the interim national body for taekwondo Australia as Taekwondo Australia no longer met their criteria to be a member of the World Taekwondo Foundation. As a result of that, because membership of an international body is a key criteria for recognition by the ASC, we wrote on 23 November to Taekwondo Australia formally advising that they were no longer recognised. As Mr Peters indicated, we had even before that taken on board the high performance program. I think it was probably early this year that AIS scholarships were awarded. The team was announced, I think, by the AOC probably about a week or maybe two weeks ago. The other area that Mr Peters indicated is that we are honouring our obligations to service those coaches that were accredited until the expiry of their accreditation tenure.

Senator LUNDY—I want to refer to some remarks made by Mr Peters at this committee on 20 February that funding to Taekwondo Australia Incorporated was suspended because they sacked their national coach during a competition while overseas. Is that still the reason the ASC presents publicly as to why they are no longer recognised? Do you stand by those comments?

Mr Peters—It was a contributing factor, but the major issue at the end of the day was the fact that they did not meet the governance principles that we believed were appropriate that we apply to the majority of our sports. Their actions associated with their running of the sport brought into question the governance not just legally but in terms of the way they operate.

Senator LUNDY—Is it a fair proposition or comment to put to you that the national coach's contract was subject to Sports Commission funding? When it became apparent that that funding was ceased by the ASC, that was a contributing factor to Taekwondo Australia's action in relation to the coach?

Mr Peters—That would be a story they would put forward.

Senator LUNDY—But I am putting it to you as a comment. I am asking you formally for your reaction.

Mr Peters—They could validly argue that.

Senator LUNDY—They could validly argue that?

Mr Peters—Yes. From their point of view.

Senator LUNDY—And what is your comeback?

Mr Peters—Our point of view is that they ran their sport appallingly and that they, after many consultations, refused to deal with the governance issues.

Senator LUNDY—So for you to say that they were de-recognised because they sacked a coach, from what you have just said, there is more to that. There is a different point of view. Are you prepared to concede at least that point?

Mr Peters—I would need to check exactly what I said in the context of my answer.

Senator LUNDY—Take that on notice and respond to the committee. Can you explain to the committee now in what ways Taekwondo Australia currently failed to meet ASC governance standards? I asked questions before about what you are doing to help them regain that status. Could you answer that?

Mr Peters—Perhaps as a summary, we have spent many hours, if not weeks and months, with this sport trying to help them progress. At the end of the day, we believe they have let their athletes down and their coaches down. It has got to the point now, not just because of us but because of other people's observations and actions—we are not privy to all of the discussions—where that sport is not recognised by the Australian Olympic Committee and is not recognised by the world authority. Therefore, under our criteria, unless you have those recognitions, you cannot be recognised by the commission. So there is nothing we can do until this body has those issues resolved.

Senator LUNDY—But that is in negotiation with the Australian Sports Commission, is it not?

Mr Peters—No.

Senator LUNDY—So can you point to where they can find their standard form constitution that you encourage small sporting associations to conform to? Can you point them to that? Have you?

Mr Peters—Well, we can point them to them because we have criteria for the recognition of a sport. I can only assume we have explained that to them in many meetings.

Senator LUNDY—Do you publish those governance standards that you require?

Mr Peters—I do not know whether they are on our website, but certainly they are in discussions we have with sports because we have to go to our board and the board approves the recognition of a sport against those criteria.

Senator LUNDY—I guess because of the obvious breakdown in this relationship, it has been indicated to me that they are having trouble finding that specific guidance that they require to fulfil their obligations in the Sports Commission's eyes. So I am asking for a specific reference to try to assist this impasse.

Mr Peters—I am happy to write them another letter and explain it. I am happy to have a discussion with them, again to point out to them what their obligations are.

Senator LUNDY—I have one more question. Can you take on notice to provide the committee with the specifications for the appropriate governance model that would be applicable for a sport like Taekwondo Australia to regain recognition by the Australian Sports Commission?

Mr Peters—Our guidelines for all sports, or specifically what Taekwondo Australia needs to do?

Senator LUNDY—What Taekwondo Australia needs to do specifically and your general advice to all sports so we have the complete record. Thank you very much. I will put other questions on notice.

Senator KEMP—Can I just ask whether Mr Peters could perhaps further brief us on our prospects in Beijing. I think at the last estimates you were able to give us some of your initial forecasts. I know that these forecasts do change from week to week. But what is your current thinking on the medal prospects?

Senator Chris Evans—It is a huge weight on the athletes. I hope there is no betting on this.

Senator BERNARDI—It does not tell us which sport.

Mr Peters—At the last estimates we talked around about 43 medals. We still think—we use the same formula that the Australian Olympic Committee does—that we will be in the vicinity of 42 to 44 medals in the Olympics and around 92 to 95 medals in the Paralympics.

Senator KEMP—What are the comparative figures from Athens?

Mr Peters—Athens was 49 medals in the Olympics and the Paralympics, from memory, was just over 100. But I can check that.

Senator LUNDY—What was for gold, silver and bronze, off the top of your head?

Mr Peters—Athens was 17 gold and something, something. I am happy to get back to you on that.

Senator LUNDY—Senator Kemp will know.

Senator KEMP—I will just wait. The medal tallies do change, of course, as certain people are caught out in doping exercises.

Senator LUNDY—That is true.

Senator KEMP—It is a moving feast.

Senator LUNDY—It is indeed.

Senator KEMP—The other question I wanted to put to you is: is the Sports Commission subject to the two per cent efficiency dividend?

Mr Peters—Yes.

Senator KEMP—Can you give us the impact that this has on your budget in the current financial year and across the forward estimates?

Mr Peters—The impact is around \$1.9 million on our budget. At the moment we are looking at all areas across our organisation, such as travel and the way we operate our

corporate services. We are just finalising in our board papers that our next board meeting is on 16 June, where we will be going back to our board with a number of options for them to consider. The paramount consideration for us is not to affect the amount of money that directly goes to sports.

Senator KEMP—That is \$1.9 million in a full year?

Mr Peters—That is correct.

Senator KEMP—So the actual across-the-board forward estimates is \$7 million to \$8 million, roughly, I guess?

Mr Peters—Four times \$1.9 million.

Senator Chris Evans—Chance your arm.

Senator BERNARDI—Is there an expectation there will be a requirement to make changes to current staffing levels downwards?

Mr Peters—I think some of our considerations at the moment are not to renew some of the fixed contracts in the AIS. Certainly in the corporate services area we will see some positions that will not be filled. So we will not lose any staff. We did things a few months ago to make sure that we could protect staff within the organisation. But we may well lose some positions, depending on the board's considerations.

Senator BERNARDI—But losing positions would indicate that you are going to lose some serviceability as well?

Mr Peters—Yes. It is a matter of whether we can find a better way to service athletes. So if you lose staff that are in servicing positions, there is always an effect on the service.

Senator BERNARDI—In what areas are your services likely to be impacted? Last year we heard that maybe newspapers were going to be under consideration.

Mr Peters—We have already looked at the contract with Media Monitors in terms of whether we continue to use the services and whether there is another way we can do it through website analysis. So we are looking at that very carefully. We are looking at the operation of our IT area to see whether we can do that differently. But when you come down to servicing within the AIS, it is a matter of looking at where our priorities are. So the AIS every year reviews its programs on a continual basis as to whether we need physiotherapy or whether we need more psychology or massage. So each year it is an analysis of where the sports science medicine services are.

Senator BERNARDI—Can you then rule out that the service to our elite athletes is going to be impacted by these efficiency dividends?

Mr Peters—It is an issue that we will be taking to the board to say, 'Where are the priority areas that the board wants us to find the cuts at the end of the day?' The decision may be that there will be less pain, if you like, within the organisation if we do not fill some fixed-term positions. In the year after the Olympics, sometimes there is a bit of a downturn in some sports because some athletes are not in full training. They go into a camp based model. They are the sort of things that we are looking at at the moment.

Senator BERNARDI—Are you telling me that you are still to determine the priorities for the Sports Commission or for sports in general?

Mr Peters—That is a decision for our board to look at when we come back to them and say, ‘Well, here are the programs that we have reviewed.’ The efficiency dividend is not to affect the overall running of the AIS or the commission. But, as you would be aware, Senator, from your time on the board, at the end of every four-year cycle which coincides with the Olympics, we sit down with all the sports and their strategic plan for the next four years. We look at the criteria against excellence, relevance and efficiency. The board considers what the indicative funding for the next four years should be. So no sport is guaranteed that it will continue at the same level of funding every four years. It is a pretty rigorous exercise we go through under the criteria the set for success in the Australian sports system.

We are in a situation where we do have the Olympics and the Paralympics in August. The expectation of the board is that we will come back to them with recommendations about sports around about September or October, which is the same process adopted by the former government. So there is a whole lot of issues we are considering at the moment. That is why it is important that our board, particularly with the five new board members, understand the past and the priorities that we set within the organisation so that they can carefully consider that and then the impact on our organisation.

Senator BERNARDI—Briefly, Mr Peters, what is the role of the board within the Australian Sports Commission? I just want to get this on the record.

Mr Peters—The role of the board is to accept and question recommendations from management about how we strategically are looking to plan the future success of the Australian sports system and to hold us accountable for our operational plan, which is something, again, they approve. They also provide advice to the minister on the development of sport in Australia.

Senator BERNARDI—That brings me to the question of whether there is a sports policy document or a framework which you are working from or the board should be working to.

Mr Peters—The operational plan that was effective from 1 July last year is still the plan we are working from. The minister released a few weeks ago a directions document. That picks up a lot of the issues that we believe are relevant for sport going forward. Within that document it talks about some processes being set up to either confirm or inform us on the different challenges we have going forward. So we are operating under the same operational plan we did from 1 July last year.

Senator BERNARDI—You have mentioned this directions document entitled *Emerging challenges and new directions*. I was reading it. It could read like a fine adjournment speech which Senator Kemp has possibly given many times.

Senator Chris Evans—Many times.

Senator BERNARDI—Many, many times. We will get a greatest compilations package for you. Given your description of what the board of the Australian Sports Commission is responsible for, this document reads like a no-confidence motion in the board. It says that the

Rudd government will appoint an independent panel to advise upon the best means to implement such change relating to the strategies for Australian sport.

Ms Halton—Can I make a comment about that. Let us make a distinction here between the Sports Commission and its statutory responsibilities and the act under which it works and the role of the minister and the minister's responsibility in respect of policy. The minister has a very clear role in terms of taking advice. Mr Peters has indicated—you know this well from the roles you have played in the past—the role of the board and the commission. But at the end of the day, the minister has an overarching responsibility which is not just for the commission. It is for ASADA, it is for policy more broadly. She has chosen to release the document and she has indicated in that how she is going to form a view going forward, which will obviously be considered in the first instance by government, essentially in terms of what they think. The reality is that the commission has a very important role to play in that. But the minister has chosen to set a particular direction, so it is not reasonable, I think, to ask Mr Peters to comment on that.

Senator BERNARDI—I will ask you the question, then, Ms Halton. The independent panel is one of many independent panels and reviews in all sorts of paper chases that have been set up by this government. Who will be on that panel?

Ms Halton—The minister has not announced that yet, Senator.

Senator BERNARDI—Have applications been received for the panel?

Ms Halton—The minister is considering a process and she will make an announcement about that when she has made a decision.

Senator BERNARDI—So no decision has been made about the panel. What will be the role of the panel?

Ms Halton—The minister is considering a range of matters to do with the reference in that particular document. She will make an announcement when she is ready.

Senator BERNARDI—Will the panel be remunerated?

Ms Halton—I cannot answer any more than I have already indicated. She is going to make a decision on all of those matters.

Senator Chris Evans—They are policy decisions for government that have not been announced yet, Senator Bernardi.

Senator BERNARDI—But what we are talking about is the strategic direction of the future of Australian sport. We have the Sports Commission, which is the best qualified to have input into this. We have a board that has recently been appointed by the minister of the Australian Sports Commission that is going to take directions by an independent panel that is yet to be convened and has no real role except to advise upon the best means to implement change in the sports system. This is much ado about nothing, I guess. I just wonder why we are setting up increasing structures when the Olympics is in August and the quadrennium to plan for 2012 should be in place well before that.

Senator Chris Evans—It is your right to wonder, but the government is responsible for policy. The minister is in the process of releasing a discussion paper. She is going to set up the review mechanism. It is a decision of the government. When she announces it, you will know.

Senator BERNARDI—What process will the government be going through to gain a list of candidates for this independent panel?

Senator Chris Evans—Well, that will be a decision for government. The secretary's advice is those decisions have not been taken yet.

Senator BERNARDI—So the government has not made any decisions? They have just released a motherhood statement?

Senator Chris Evans—I do not understand your point. But you would have got this answer from the previous Howard government ministers before—

Senator BERNARDI—This is not about the previous Howard government. You do not have a policy paper after seven months in government. We are coming into a new funding cycle which is built around the Olympic Games. People are clearly asleep at the wheel here.

Senator Chris Evans—Senator, your proposition is ridiculous and not really worthy of a response. But these things are decisions for government. They will be made by government and when they are made, they will be publicly announced. You can respond however you like.

Senator BERNARDI—The difficulty is that no decisions have been made by the government. That is the concern. Sports are in limbo, accordingly.

Senator KEMP—I would have to differ from my colleague, Senator Bernardi, here that no decisions have been made in sport. We have noticed that sport has been cut by \$8 million already.

Senator Chris Evans—You blokes need a caucus to get your line right. You keep undermining Senator Bernardi's attacks. I bet he cannot wait for you to retire.

Senator KEMP—I hope to get the facts on the record.

Senator Chris Evans—His light has been hidden under your shadow, Senator Kemp.

Senator KEMP—I did not want people to go away from here thinking that no decisions have been made in sport when a very major decision has been made in sport, which is to slash it in funding. The other thing—

Senator Chris Evans—So what you have established so far is that there was a spelling error in one of the minister's responses.

Senator KEMP—Do not talk over me.

Senator Chris Evans—That is as far as we got.

Senator KEMP—The other thing which is a bit of a worry in the context of the slashing of funding is that we find that the number of medals that we are likely to win at the Beijing Olympics is starting to slip again, which I think is a pity. What I would like to put on notice to Mr Peters is whether it is possible to produce for this committee the figures on the amount of funding that our major competitor countries are putting into high performance sport, particularly Olympic sport. Can we have some examples of how particular sports are being

funded overseas. When I was the minister for sport, we were very much concerned about the competition we were receiving from overseas. If you could produce those figures for the committee, that would be very helpful.

Senator LUNDY—I am also interested in how the Sports Commission is tracking the progress of nations that we are highly competitive with. I put particular emphasis on the UK, given that they are gearing up for the 2012 Olympics and Paralympics. I think it is important to understand how we rate against comparative levels of expenditure.

Senator KEMP—A very good question, Senator Lundy. A very good question. Could not have expressed it better myself.

Senator LUNDY—Just helping you out, Senator Kemp.

Senator KEMP—I was a little shocked while listening to one of my favourite programs, *Offsiders*. A very senior journalist from the *Sydney Morning Herald* in passing suggested that there had not been any increases in funding to high performance sport over the last five years. I happen to know that is not correct. I wonder, Mr Peters, whether you could shed any light not on this budget but in the previous budgets regarding some of the major initiatives which were taken.

Senator LUNDY—Particularly those when Senator Kemp was minister.

Senator Chris Evans—That is called a dorothy dixer, Senator.

Mr Peters—They were up. I was going to take it on notice.

Senator Chris Evans—Nothing worse than a dorothy dixer.

Mr Peters—I was going to take it on notice. Perhaps I could acknowledge that that journalist, if that was the statement—I did not see the program—has made an error because there has been additional high performance money. I will take it on notice, because there are a number of programs, from talent identification through to coach development, that some may not regard as high performance but we certainly do.

Senator KEMP—Take it on notice. I hope your form is better on questions on notice than the minister's form and we can hopefully get back an answer.

Senator Chris Evans—Senator, I am sure you would do a better job of compiling the Kemp legacy document than Mr Peters, with all due respect to him. I think we will find yours will be a more fulsome and praiseworthy document.

Senator KEMP—Undoubtedly.

Senator Chris Evans—Mr Peters will do his best.

Senator KEMP—Perhaps you could show the trends, if possible, from, say, 1990 in funding for high performance sport and funding for participation in other areas which you think are relevant so that we can get a broad trend. The truth is that a lot of our top Olympic sports are going to find themselves very squeezed for funding. We need to know what the trends have been and, particularly, what our competitors are doing at the moment.

Mr Peters—I can do that. Perhaps in relation to your first question, we can find statistics on Commonwealth countries in terms of funding. It is very difficult to find it on other

countries, so we have anecdotal information. But we can provide what is happening in the Commonwealth countries and medal trending, because that is something we look at very closely.

Senator KEMP—Another area I would like, if you have figures, is funding that the AOC supplies within the Olympic cycle so we can get a feeling of how that is going. I have been long concerned about the performance of the state institutes of sport. I do not want vast amounts of work. I do not want people working 37½ hours non-stop on this. What I would like is some trends in what is happening in the various state institutes of sport and funding.

Mr Peters—That is fine. We can get that information.

Senator BERNARDI—I will continue to work through the *Australian sport: Emerging challenges and new directions* document. Did you or the ASC have input into this?

Mr Peters—We provided the minister with a number of briefing papers when she took office. We prepare every two years a ‘Beyond’ document—*Beyond 2004*, *Beyond 2006*. So we certainly provided a lot of information. We were not involved in the writing of the document. But certainly we provide the minister with a fair amount of information on our thoughts on the challenges.

Senator BERNARDI—Those two papers—*Beyond 2004* and *Beyond 2006*—are they publicly available?

Mr Peters—No. They have been seen by our board—

Senator BERNARDI—But they are not available on your website or anywhere else?

Mr Peters—No.

Senator BERNARDI—In this paper, there is a suggestion about recommitting to science and technology. I would consider that to be sports science and technology. What sort of recommitment is required, in your opinion? I am asking you for an opinion. Maybe Professor Fricker could answer that.

Ms Halton—Senator, as you know, officers do not give opinions.

Senator BERNARDI—Are we lagging behind the rest of the world or other competitor countries in our application of, or research into, sports science and technology?

Mr Peters—They are very difficult figures to get out of the system because our major competitors, such as China, the USA, Germany and Russia, do not publish that information. I think the point is that the success of the Australian Institute of Sport has been based on people who have been world leading in their research. They have been able to apply their research between athletes and coaches. It has been an incredibly important part. We, as an organisation, must continue to support the research area. Otherwise, we will fall behind.

Senator BERNARDI—How do you respond to suggestions that have been made previously that to have a high performance organisation such as the Australian Institute of Sport conducting research on athletes that may enhance their performance pushes the boundaries of performance enhancing substances or perhaps creates some sort of ethical conflict?

Mr Peters—I think as a commission we have addressed this issue. The board has understood that perceptions can be dangerous. The reality is, though, that we do not doubt the integrity of any of the people who work in our organisation. We are disappointed that perhaps in the past we have not been able to take some research in areas that I think would benefit sport worldwide. It is something that we are engaged in with the department and with the minister at the moment. We have been very pleased with the positive response to us being able to work in the research area and continue to address these issues. But I can fully understand that perceptions sometimes are very difficult.

Ms Halton—Can I make a comment about this in the broader portfolio context because I think it is relevant. This portfolio has a very strong commitment to research. In fact, the whole notion of what we would call bench to bedside in the health context—the absolutely direct relationship with what, for example, the NHMRC does and what actually happens in terms of clinical medicine—has a crucial part in the success of our health system. One thing that I think is a particularly good fit about having sport in the portfolio other than the obvious relationships is the synergy that there is between the way we have crafted success in sport in this country with the relationship between research, science and outcomes. I think Mr Peters and the whole commission are extremely aware of the ethical and legal issues in respect of a performance enhancement which is not appropriate. But there is a clear history of a close relationship with the commission between sport, science and outcome. That is something that we as a portfolio are very committed to.

Senator BERNARDI—Let me take that up because I think there was a brouhaha made about caffeine research a couple of years ago. The Australian Sports Commission or AIS had conducted research into the effects of caffeine on performance. Is that right? Professor Fricker, you might be best placed to answer that.

Prof. Fricker—Yes. We had. That is correct.

Senator BERNARDI—No matter how ethical that research was and well-intentioned, there was quite some noise made in the media about how it was inappropriate for a body to establish the effect of caffeine, firstly, and, secondly, how much caffeine you could have before you were over the limit. You are never going to escape from that sort of perception. So how are you going to deal with it? Are you limiting areas in which you do take research or put resources into because of that sort of ethical guideline? I use that term loosely, Professor Fricker. But that perception is out there.

Prof. Fricker—It is still a major concern because of perceptions. I guess the difficulty we are in as an institute is that we do get asked lots of questions about supplements, if I can use that expression, or performance enhancing agents which can be deemed legal or illegal. For a while, caffeine was a banned substance in competition because it was performance enhancing and then it was taken off the banned list. So obviously athletes were very interested in using it as a supplement. So the research had been done to try to, I suppose, educate athletes on what doses of caffeine were appropriate in terms of producing any performance enhancement and particularly on the dangers of, if you like, overdosing on caffeine. That was an important part of that education process as well. We had to take a position as an institute. We had to be very careful in how we presented information. We had to protect the interests of the athlete in terms of health and appropriate performance and counselling. We also, I suppose, promoted

performance enhancement by taking tablets or supplements in the ethical sense. So we actually stepped back from it to stick with the science and not undertake any research ourselves. We did not want to promote a message that we were promoting performance enhancing substances. We wanted to provide advice, as appropriate, based on science alone and not be seen to be dispensing any performance enhancing substances.

Senator BERNARDI—So there has been no change in that policy area?

Prof. Fricker—No.

Senator BERNARDI—That is fine. Thank you for that.

Mr Peters—I will just add that the AIS has an ethics committee as well with outside representation. So any research done in this area has to pass through the ethics committee.

Senator BERNARDI—We are coming to an Olympics. We have talked about some of the performance expectations. Could you give me a broad figure on what it costs to fund an Olympic team over the course of the four-year preparation cycle?

Mr Peters—We have been asked that question very often. It is almost the impossible question. If an athlete starts at 12 years old and you have talent identification and coach support through to when they end up at a state institute program or the AIS, the figures can be huge. Other athletes may be in a program three years. So it is very difficult. We have often seen figures where academics will add up the sport and recreation budgets of all the states and divide them by the number of gold medals and come up with \$40 million or \$60 million. It is just one of those absurd areas that it is very hard to have a rational discussion about. We can talk about what it costs to operate our program. So if you look at the hockey programs in Perth—

Senator BERNARDI—I do not want to interrupt, but I know you have a plane that you would like to catch. I would like to catch it too.

Mr Peters—As would many others.

Senator BERNARDI—We may accept a figure—I will throw one out there—of \$50 million. I accept that that may not be entirely accurate. What percentage of the cost of Olympic team preparation is provided through government, either at state or federal level, in your best estimate?

Mr Peters—At this stage, I cannot guess that figure because of the difference between the hockey team and an athlete or the difference between a sailing program and a taekwondo program. There are just so many variations in how you actually prepare and the resources you put around that team. Some sports are heavily reliant on the sciences and medicine. Others are more reliant on coaching and just the ability to be in competition.

Senator BERNARDI—But your chairman, Mr Bartels, has said on a number of occasions that government is the largest sponsor of sport in this country. Do you support that comment?

Mr Peters—If the question is whether the government's contribution to Olympic sports makes up the majority of funds, yes. We have statistics on that. So if you look at rowing, for example—again, I can get the exact figure—something like 85 per cent of Rowing Australia's budget comes from the federal government.

Senator BERNARDI—They are the broad parameters. So as the major financial contributor, the government and its representatives, you would expect, would be entitled to quite widespread representation at the Olympic Games. Is that correct?

Mr Peters—I think I know where the question is going, but I am not quite sure.

Senator BERNARDI—How many representatives of government and the Australian Sports Commission—

Senator Chris Evans—Is this a question about rowing teams, is it?

Ms Halton—No. I think it is about something else.

Senator BERNARDI—There is a lot of speculation on that side of the table. How many members of the government and the Australian Sports Commission will be going to the Olympic Games in Beijing?

Mr Peters—The AOC allocates the accreditations. At the moment from the commission, an accreditation is offered without transport to the CEO of a commission and to the director of the AIS.

Senator BERNARDI—How many accreditations are offered to the whole of government, do you know, from the AOC?

Mr Peters—I do not know that.

Senator BERNARDI—Would you be able to find out? Minister, perhaps you could take that on notice and find out.

Senator Chris Evans—I am not sure that I can help you, but I will take it on notice. I do not know if we know, but I am happy to take it on notice and tell you. All I can tell you is that I have not received an invitation.

Senator BERNARDI—Is that a lobbying exercise?

Senator Chris Evans—We have a huge immigration relationship with China, so I am happy to put my case, if you want.

Senator BERNARDI—Sorry, you have two accreditations from the AOC. Is that consistent with what has happened at previous Olympics?

Mr Peters—Our chairman was offered accreditation, but that was withdrawn by the AOC some weeks ago on the basis that he was stepping down in November. The letter he received suggested that therefore he would not be around to plan sport into the future.

Senator BERNARDI—Was the accreditation offered to anyone else?

Mr Peters—I am not aware of that. I am not sure of the exact wording, but we have a copy of the letter.

Senator BERNARDI—Am I allowed to put it on notice?

Ms Halton—No. Not without the agreement of the party. We do not have a capacity to just offer that.

Senator BERNARDI—And that letter was from?

Mr Peters—The president of the AOC to our chairman.

Senator KEMP—So it is quite possible that the only people in the Australian Sports Commission, including the AIS, that will be going will be you and Professor Fricker. Is that right?

Mr Peters—Under accreditation, we have something like 50 staff going as support staff from the AIS.

Senator KEMP—But they are part of the teams.

Mr Peters—Yes.

Senator KEMP—As part of the overarching policy area and administrative area, it is really only two that are now going?

Senator BERNARDI—It begs the question. If the accreditation is going to be offered to someone who is going to play an active role in sport going forward, it normally goes to the chairman of the Australian Sports Commission. When is the replacement chairman of the Australian Sports Commission expected to be announced? It is not a question for you. I will ask the minister.

Ms Halton—It is a matter for the minister.

Senator Chris Evans—I am happy to take it on notice. I have no idea personally.

Senator BERNARDI—None of us do, I guess, so the minister is the only one who can answer it. But one would make the presumption that should that be before the Olympics, they would be offered accreditation. Is that a reasonable assumption to make?

Ms Halton—We cannot answer that question. It is not a matter for us. His appointment does not finish until November.

Senator BERNARDI—Which is why it is unusual to see him denied accreditation. I know that is not your business. But do you agree? I would like to get that in *Hansard*. It is unusual for that to happen and for the indication that it is going to go to the successor when the successor, in all likelihood, is generally not announced until immediately before the existing person retires. It reminds me of the current board appointment process. I notice there are five new members to the Australian Sports Commission board.

Mr Peters—That is correct.

Senator BERNARDI—Are there five retiring members, or were there any vacancies?

Mr Peters—There were five retiring members plus there are four vacancies.

Senator BERNARDI—I would like to know whether the minister has spoken to all of those people personally, advising them that their positions were no longer required. Are you able to answer that question, Mr Peters?

Senator Chris Evans—I will take that on notice, Senator, and see how the minister wants to reply to that.

Senator BERNARDI—It is a straightforward question.

Senator Chris Evans—It is a question of her personal conversation with somebody.

Senator BERNARDI—Basically, what I want to know is whether any of the members were advised on the morning of the announcement or via voicemail messages left on their mobile phones or anything else. Some of these people have been longstanding members of the Sports Commission. Indeed, some of them have been there for over 20 years. There is an expectation of courtesy in addressing these people. There have been all sorts of reports that, for example, people were receiving calls on the morning of the announcement. There have also been reports that people were talking about their appointment prior to other people being advised that there was going to be a vacancy.

Senator Chris Evans—There always are reports around these sorts of things. From my brief experience with sports, the politics of this seems to be as fierce as that in the arts community, which is much fiercer than the politics of federal politics. But the minister, in her announcement, I know, was very generous to the former members whose terms were not renewed. I have heard her speak in a similar vein about the contribution they made. As I say, I think she made that very clear when she made the announcement. I will take on notice your questions about how they were advised and what she feels comfortable with providing to you in that regard. But I do stress that I think all the members made a very positive contribution. That was recognised by the minister. I think it is widely acknowledged that they made a very strong contribution. But the minister did look to refresh the membership. I think the new appointments have also been well-received.

Senator BERNARDI—Was the Sports Commission consulted prior to the appointments being made?

Mr Peters—No.

Senator BERNARDI—Were you advised prior to the appointments being made public about who had been appointed to the board?

Mr Peters—Prior to the announcements?

Senator BERNARDI—The appointments, yes, being made public.

Mr Peters—No. We found out when the announcements were made. Perhaps my first answer is that when the minister first came in, we did have a general discussion with her about people that could be considered for the board. But certainly prior to the decision we were not part of any discussions. We found out when it was announced, which I could add is not unusual over the years. It has often been the case.

Senator BERNARDI—No, you do not need to. Were you asked to provide a list of suitable people for consideration?

Mr Peters—Yes.

Senator BERNARDI—And you provided that list?

Mr Peters—Yes.

Senator BERNARDI—Were the announcements reflective of some of the people you put forward?

Senator Chris Evans—You know the officer is not allowed to discuss advice provided to the minister, Senator. You are relatively new here, but you have been here long enough to

know that. We will put it down as the nice try. The officer has also been around long enough to know he is not going to answer it.

Senator BERNARDI—Thank you, Madam Chair. Senator Kemp has something, I think.

Senator KEMP—I have actually finished.

CHAIR—I remind you that there is 35 minutes left.

Senator KEMP—I think we are running out of time, actually, yes.

Senator HUMPHRIES—I want to ask about whether you have a media monitoring service and you keep clippings about sports issues in the agency.

Mr Peters—Yes. We use Media Monitors at the moment. We are reviewing that.

Senator HUMPHRIES—I assume you have been keeping that service for some time and you have been getting those clippings for some time?

Mr Peters—Yes.

Senator HUMPHRIES—Could you table for us the clippings that your library has with respect to sports grants in the period, say, since this time last year.

Mr Peters—Sports grants?

Senator HUMPHRIES—Sports grants, yes.

Senator KEMP—Or the price of the sports grants.

Senator HUMPHRIES—Any issues to do with the granting of money in relation to sports.

Mr Peters—The media monitoring we receive is around our programs and the delivery of our programs. I could not be certain we would be picking that sort of information up because they may have been pre-election statements by anyone.

Senator HUMPHRIES—So you would not keep announcements about sports grants if they did not relate to the Sports Commission?

Mr Peters—No.

Senator KEMP—It would be very hard to tell whether they were related to the Sports Commission or not until the government decided who is going to administer them. I think it would be worth a look, actually. I would be surprised. I think that is an excellent question, I might say. The request to examine the press cuttings in the three months leading up to the election to ascertain whether there were reports of promises of sports grants is excellent. The Sports Commission library could look to see whether such cuttings exist. Obviously there is a lot of work being done on pork-barrelling that has occurred. I think this would be excellent in terms of our research, given we cannot actually get a list from the department. Perhaps this is the way to do it.

Senator Chris Evans—You have to be more resourceful rather than rely on others to be resourceful about it.

Senator KEMP—I think it is a very resourceful question. I am amazed I did not think of it myself, actually.

Senator Chris Evans—I think Senator Humphries shows the sort of forensic skills that perhaps you have lacked over the years.

Senator KEMP—I thought it was a very good question.

Senator Chris Evans—I think there is a comment from the officer to take on notice the request and see what can be provided within the reasonable use of his resources.

Senator BERNARDI—I will address this to you. You may not be the right person. It should fall under the Australian Institute of Sport. Over the last four years there have been significant capital works on the mess and dining halls and accommodation blocks and various other things, which I think is terrific.

Senator KEMP—Aquatics.

Senator BERNARDI—And the aquatic centre. There has always been a question about encroachment by residential development. Has that had any impact? Do you foresee it having any impact on the performance of our athletes or the preparation of our athletes?

Prof. Fricker—No. I think where we are at now, the campus of the AIS is pretty well furnished and well-defined. In terms of impact from residential development around the place, I would say that is not a problem at the moment. I realise there is some work to be done. If we do get a road coming past on the western side, we will look at that. But we are expecting that to happen. From my point of view anyway, that would be a good thing because then we can maybe change some of the structure within the campus in terms of through traffic. But I would say that the impact at the moment of that sort of thing is minimal.

Senator BERNARDI—There must be a number of security areas that are a cause for concern with increased activity in the surrounding areas?

Mr Peters—Perhaps I could answer that in terms of an overall picture. The commission has had discussions with the ACT government in relation to Canberra Stadium. They are wanting to take the stadium over. We want to secure the little remaining land there is around the AIS. Ultimately, we believe the site will need to be fenced, at least on three sides, because of the development of housing, which is coming closer and closer to the AIS. We had preliminary discussions and certainly identified that as an issue into the future with our board and with the minister. So I think the physical layout of the AIS will mean it needs to become an enclosed facility, at least on three sides, within the next five to six years, subject to funding.

Senator BERNARDI—What will be the cost of such an enclosure?

Mr Peters—We have not gone through the total costings. We have identified it as an issue. Until we have had some concluding negotiations with the ACT government and certainly the Department of Finance on Deregulation, we will be involved in that so we know what the site actually looks like. As you may remember from your time there, there are parcels of land on the edges and along the sides that we would like to put under the envelope of the AIS for future redevelopment. So if that is able to be negotiated, we know exactly what our land space is. Therefore, we know whether we want to put another oval in or we want to put another indoor facility in to get all the fencing. It is something we have not gone into a full costing on at the moment.

Senator BERNARDI—Is there a security risk to athletes currently?

Mr Peters—As Professor Fricker said, we have employed security guards and we have put extra guards on just to make sure the site is as secure as it can be. We have entry security into buildings now. The athletes area is fully secured. It is a judgement at the end of the day we need to make about how many people walk their dogs through the site and how many cars use Leverrier Crescent as a shortcut between Ginninderra Drive and Hayden Drive. We put speed bumps in. So we are always monitoring it. At the moment we believe it is an acceptable level to operate the site. We have had good cooperation from other users, such as the Brumbies or the Raiders, or when there are concerts on. So we are always monitoring it because the safety of our athletes is an absolute priority for us.

Ms Halton—I will add to that. Basically, the management of capital inside the portfolio is something that the portfolio will take an interest in. Particularly in negotiating with the ACT government, there are a range of issues in respect of the financing of the site, including the stadium. But the thing I can say to you in terms of security is that universities manage to operate without being fenced. The issue is ensuring that the arrangements on the site do provide reasonable security for the individuals. So the answer to that, I think, is that we should not prejudge. But the question of what will happen with the stadium et cetera we will be taking a look at.

Senator BERNARDI—I would suggest, though, Ms Halton, that we have a number of very young athletes at the Australian Institute of Sport.

Ms Halton—Absolutely.

Senator BERNARDI—They have always been very well looked after.

Ms Halton—Yes. And that will continue to be the case.

Senator BERNARDI—We do live in a different age than when the AIS was conceived in 1981 and became operational. The security of our athletes and the staff is absolutely paramount. I would hate to see any assessed risk go ignored because of a lack of funding.

Ms Halton—Absolutely. And we absolutely agree with that. We just do not want to prejudge what the answer is in respect of any issue.

Senator BERNARDI—No. I am not expecting you to do that. I am just seeking an assurance because it has obviously been an ongoing issue. I will raise it for the next two years that I am in opposition. After that, I am sure Senator Evans will raise it.

Senator Chris Evans—I found I was not really good at it until after about 11 years. I am sorry to say I was never really good at it. I want to give you an equal opportunity to develop your skills.

Senator KEMP—And, even then, on questions on notice you were still training.

Senator Chris Evans—I had 11 years getting those answered.

Senator KEMP—All thorough.

Senator Chris Evans—I found the technique very aggressive. I have adopted it myself.

Senator KEMP—Replete with detail.

Senator Chris Evans—I learnt from the master and I have adopted your policies.

Senator BERNARDI—I have 10 minutes on the Australian Sports Foundation. Is there someone here equipped to answer questions on that, or are you all equipped to answer questions on the Australian Sports Foundation?

Mr Peters—Steve Jones is the director in charge of the foundation, so he can come forward.

CHAIR—And then we will go to the drug agency?

Senator KEMP—I have about three questions for the department. Then we will go to the drug agency.

CHAIR—I know Senator Mason has questions for ASADA.

Senator KEMP—There are some questions on notice that I put before lunch. I want to see how they are progressing.

Senator Chris Evans—The answer is that you will find out when I get them back.

Senator BERNARDI—Mr Jones, I will address these questions to you. I hope you are in a position to answer them. They are very quick, general questions about the Australian Sports Foundation. How much funding does the Australian Sports Foundation receive out of the Australian Sports Commission budget?

Mr Jones—There are two components, to respond to your question. There is \$450,000 that comes directly out of the ASC budget. In addition to that, the Sports Commission provides space, IT support and personnel support that is over and above that \$450,000.

Senator BERNARDI—Does that personnel support mean that it provides employees to the Australian Sports Foundation?

Mr Jones—Yes. That is correct.

Senator BERNARDI—And meets all the costs of those employees?

Mr Jones—Yes.

Senator BERNARDI—What is the \$450,000 spent on?

Mr Jones—The \$450,000 is a component of that, but it does not cover the total cost of those salaries.

Senator BERNARDI—So what would be the total administrative costs to the commission of the Australian Sports Foundation?

Mr Jones—It would be in the order of \$900,000, but that takes into account space as well as actual costs of utilities and staff et cetera.

Senator BERNARDI—How many staff are there with the Australian Sports Foundation currently?

Mr Jones—There are six staff.

Senator BERNARDI—All technically employees of the Australian Sports Commission?

Mr Jones—Correct.

Senator BERNARDI—The Australian Sports Foundation also has a board which shares board members with the Australian Sports Commission. Is that correct?

Mr Jones—That is correct, yes.

Senator BERNARDI—Historically that board has operated in a voluntary capacity in that role. Is that still the case?

Mr Jones—They are appointed but not paid, if that is what you mean.

Senator BERNARDI—They are putting in their time and they are not remunerated specifically for their role as board members of that board.

Mr Jones—That is correct.

Senator BERNARDI—Mr Peters, you looked like you wanted to say something.

Mr Peters—I am happy.

Senator BERNARDI—You were coming forward with intense interest. So how many board members are there?

Mr Jones—There are three board members who have currently been appointed.

Senator BERNARDI—And how many projects does the Australian Sports Foundation currently handle, to the most recent date that you would have received advice?

Mr Jones—I think there are 515 that are currently registered projects.

Senator BERNARDI—There are 515 registered projects. How many of those are actively fundraising themselves?

Mr Jones—I am not sure of the exact figure, but it would be in the order of about 260.

Senator BERNARDI—Can we get a list of those 515 projects that are registered with the Australian Sports Foundation?

Mr Jones—Certainly.

Senator BERNARDI—Is that normally available on the website?

Mr Jones—No.

Senator BERNARDI—I would like to see that. And 260 are actively fundraising?

Mr Jones—In the order of 260.

Senator BERNARDI—That is fine. If you could advise me of the accurate number, I would appreciate that. And they would be termed category one projects, would they not?

Mr Jones—Yes.

Senator BERNARDI—The 515 would be termed category one?

Mr Jones—Yes.

Senator BERNARDI—You also have category two projects that do not actively fundraise and seek support from the foundation.

Mr Jones—That is correct.

Senator BERNARDI—How many of those do you have?

Mr Jones—I would have to take that on notice. I do not have the actual figure.

Senator BERNARDI—Could you provide the figure for how much money has been allocated to the category two projects over the last financial year?

Mr Jones—Yes. Just on that, those category two projects are limited to a total of \$30,000 per year. But I can provide the actual figure.

Senator BERNARDI—The limit and the total amount of money granted to category two projects, or each individual project?

Mr Jones—No. The total for all category two projects per year is \$30,000.

Senator BERNARDI—And how much money did the Australian Sports Foundation receive in donations over the last 12 months?

Mr Jones—So far this financial year it is just under \$10 million up until the end of May. But we anticipate it will be between \$14 million and \$15 million in donations for this financial year.

Senator BERNARDI—Has the funding for the Australian Sports Foundation increased over the last five years?

Mr Jones—From the Sports Commission?

Senator BERNARDI—Yes. That is where it gets all its funding from?

Mr Jones—It increased last year—I cannot remember the exact figure—between \$40,000 to \$50,000. I do not believe it increased significantly in the two years before that. So over a period of four or five years it has been in the order of, say, \$50,000.

Senator BERNARDI—Thank you very much.

CHAIR—Thank you very much. The officers from that area can now go. We will move back to the department. This is at Senator Kemp's request.

[2.40 pm]

Department of Health and Ageing

Senator KEMP—You will recall I asked a number of questions. I wonder whether we can test the form of the minister to see whether we get a reply. One was a very simple question. The three grants announced by the minister for sport on 21 May at Deakin, were they election promises? We have now had two and a half hours. Have we got an answer to that question?

Senator Chris Evans—I am sorry, Senator Kemp. I did not make any effort during the lunch break to get that for you. I said I would take it on notice.

Senator KEMP—But I think I did especially say.

Senator Chris Evans—If you can especially say, I am happy to try to help.

Senator KEMP—You said before.

Senator Chris Evans—I actually have other things that I focus on as well. But as soon as I get an answer from the minister's office to the question on notice, it will be provided to the committee.

Senator KEMP—That is what worries us, you see, because it does take two and a half months and then we get a non-answer. As I will illustrate to you, Madam Chair, the problem is that it was a simple question. Were these election promises? Two and a half hours later, no-one can provide an answer. This is the problem that we are dealing with. I want to ask the secretary a question. I did give it on notice. How long does it take to prepare a list of 91 grants?

Ms Halton—When we have the details of those, not terribly long.

Senator KEMP—You have announced that you have the details of those grants?

Ms Halton—Not confirmed details, no.

Senator KEMP—All I want is the name of the organisation that the grant has been made to. If it does not cause too much of a problem, I want to know the money sum which has been promised.

Ms Halton—When the minister confirms that, that will be provided.

Senator Chris Evans—That has been taken on notice.

Senator KEMP—I have actually asked how long it would take to prepare such a list. I must say that you are a very experienced public servant and held in very high standing. I am sorry for the embarrassment that the government has put you under. Can I ask you this question: did such a list exist? Were you asked to destroy the list?

Ms Halton—No.

Senator KEMP—You were not?

Ms Halton—No.

Senator KEMP—Why is it such a state secret? Why is it a state secret that a public list of promises made by the government is being administered by the government? Can you explain to me why that is a state secret?

Senator Chris Evans—The department administers decisions taken by the government. Those decisions have been taken by the minister. She is notifying those organisations who she intends to fund. When she has done that notification and had a brief discussion with those organisations or come to some understanding, she will announce over coming weeks each of those grants. They will all be on the public record.

Senator KEMP—That is not actually the question. I believe that the government is trying to bury some of these grants because the more they are examined, the more they become embarrassing, in part because of their very pork-barrel nature.

Senator Chris Evans—They are election commitments similar to the ones you made but different.

Senator KEMP—And which we issued publicly. In fact, I would not have dreamt of telling a senior public servant that she was not to provide a list.

Senator Chris Evans—I was referring to your commitments at the last election, which you are now not in a position to implement.

Senator KEMP—No. But we provided a full list in the 2004 estimates.

Senator Chris Evans—I have not seen the full list of your commitments at the last election.

Senator KEMP—By the way, it was also broken down, I believe, by electorate. To be quite frank, we are not even asking, Ms Halton, to break it down by electorate. We want the address so that we can do that and we can see the scale of the pork-barrelling which went on in the sports portfolio prior to the election. There is no secret what we are trying to do.

Senator Chris Evans—All the information will be publicly available.

Senator KEMP—No. It will not be publicly available.

Senator Chris Evans—It will be.

Senator KEMP—It is not public.

Senator Chris Evans—You will have the name of the organisation, the address of the organisation and the amount to which they will be funded. I do not know what more I can give you. Your only argument is: can I have it today? No. Will you have it in a couple of weeks? Yes.

Senator KEMP—Let me say that there are some grants, for example, in the seat of Deakin or another marginal seat which, on reflection, having made a big song and dance about in the election, the government then decides that it will not proceed with. It hopes to bury their efforts at pork-barrelling. Having porked the votes, they then try to bury it.

Senator Chris Evans—Have you ever promised a constituent group money and not delivered it and not heard from them?

Senator KEMP—That is what we are interested to see.

Senator Chris Evans—I suspect that if people are in that situation, you will hear from them.

Senator KEMP—Let me tell you that we are interested to make this government fully accountable. If the Auditor-General in the end has to be written to so that he can go through the papers that Ms Halton has and can give us a report, if we have to get a return to order for the Senate, I just give notice that we will continue to pursue these grants to get a proper list of the election promises that the Labor Party made. It will show the most disgraceful pork-barrelling that we have seen in this country since federation. It is no wonder that the Prime Minister is now being brought in to answer.

Senator Chris Evans—This is your last chance for best supporting actor nomination. I will nominate you, Senator. I have told you the answer. It will all be made publicly available and in a very short period of time and you can do your own analysis.

Senator KEMP—The way the government is behaving is an embarrassment.

Senator BERNARDI—Ms Halton, someone from the department was asked at the last estimates by Senator Brandis whether Minister Ellis was consulted in relation to the proposed withdrawal of Commonwealth funding for the Rugby League Hall of Fame. If so, what date was she consulted? I thought that was a pretty clear question about what date she was consulted, yet we received a very generic answer some months prior to the decision being taken. What would some months indicate to you?

Ms Halton—I will have to look at the answer. I do not have it with me.

Senator BERNARDI—The answer was—

Senator Chris Evans—When was the decision announced?

Senator BERNARDI—You can rely on this:

A. Yes, the minister was consulted some months prior to the decision being taken.

‘Some months’ would say to me several months.

Senator Chris Evans—I want to check. When was the public announcement made?

Senator BERNARDI—It should not matter when it happens.

Senator Chris Evans—I am just wondering if you can help me, Senator. When was the public announcement?

Senator BERNARDI—I will take that on notice.

Senator Chris Evans—Good. I will point out that the minister has only been the minister for six months, so it will be a maximum of six.

Senator BERNARDI—Thank you.

Senator Chris Evans—And if it was announced in February, it will be a maximum of two.

Senator BERNARDI—This is the point. We have asked for a date. So if it was announced in February, which it actually was, to put in there ‘some months’ is clearly misleading.

Senator Chris Evans—I think the answer is, yes, she had been consulted.

Senator BERNARDI—But we asked for a date when she was consulted and we were not given a date.

Senator Chris Evans—Maybe she was not able to indicate. I do not know.

Ms Halton—And I suspect, Senator, that we would not be privy to the answer to that.

Senator BERNARDI—Did you ask the minister?

Ms Halton—This is what we are aware of.

Senator Chris Evans—The minister has to sign off on the answer to the questions.

Ms Halton—This is not necessarily a matter. We cannot answer this. We would not have the material facts in relation to this.

Senator BERNARDI—So the minister has chosen not to answer, really, in an accurate manner?

Ms Halton—I would have to inquire about that. I genuinely do not know the answer. This is what we are aware of.

Senator BERNARDI—This is what makes questions on notice such an annoying thing because we get these sorts of answers back.

Senator Chris Evans—I will show you answers from Minister Hockey that said, ‘I’m not going to answer it because it might cost some money to answer the question.’

Senator BERNARDI—It is about the goodwill we are going to go into here for the next couple of years in this area. We have asked for a date and then been told it is some months prior to the decision being taken. It could only be a maximum of two months, because the minister was sworn in on 3 December. I suggest that she probably was not consulted some months prior to the decision being taken. It beggars belief that a decision was announced in February as a product of cabinet. I just do not know how this adds up. It is more misleading and hidden—

Senator Chris Evans—All we can do is tell you that the minister answered your question. You may not like the answer.

Senator KEMP—This is just pathetic.

Senator Chris Evans—You received the answer. She advised you. The key question, as I understand it, was whether she was advised. The answer is yes.

Senator BERNARDI—She was probably advised but not consulted. That is right. The decision was taken in isolation from the minister. That is what I suspect happened and she was not consulted at all.

Senator Chris Evans—Well, the decision was taken by government, but she indicates, for your information, that she was consulted.

Senator BERNARDI—Some months prior to the decision being taken. That does not add up. It does not add up.

Senator Chris Evans—You do your own addition.

Senator BERNARDI—No. You can do it too. You are a numbers man. You would understand that.

Senator Chris Evans—No, I am not.

Senator BERNARDI—Who do you rely on for your numbers?

Senator KEMP—Can I draw the minister's attention to a policy document entitled *Government information: Restoring trust and integrity*. That policy says:

A Rudd government will restore trust and integrity in the use of Commonwealth government information, promoting a pro disclosure culture and protecting the public interest through genuine reform.

This is an open and transparent government. I put it to you, Madam Chair, that we have had today the most blatant cover-up I have ever seen at Senate estimates.

CHAIR—Thank you, Senator Kemp.

Senator Chris Evans—You have an assurance from me that all of that information about grants will be made public.

Senator KEMP—Assurances from you, I have to say, have not been of much value in recent months.

CHAIR—Senators, in good faith, we had allocated time to the drug agency. Senator Mason has been waiting to ask a question.

Senator KEMP—Very patiently too.

Senator BERNARDI—There is a culture of deceit.

CHAIR—We have 10 minutes, Senator Mason. I will call the anti-doping agency. I apologise for holding you up. Senator Mason, I do apologise for your time. It was your comrades who took the time. You have 10 minutes.

Senator Chris Evans—I am not sure that the senators come to the term ‘comrade’, Senator Mason in particular, I think.

Senator MASON—Does not suit my style, does it?

Senator Chris Evans—No.

[2.53 pm]

Australian Sports Anti-Doping Authority

Senator MASON—Mr Ings, I want to ask some questions that relate to privacy. Was the list of 900 athletes drawn up for the purposes of checking their Medicare records? Is that right?

Mr Ings—Yes, that is correct.

Senator MASON—Who authorised this project?

Mr Ings—The disclosure of information under the National Anti-Doping Scheme normally goes through the ASADA members. In this case, the membership has delegated that decision to the Anti-Doping Rule Violation Committee, which is a subcommittee of the ASADA members. It was that committee that reviewed the recommendation of management, reviewed the legal advice provided by the AGS and endorsed the disclosure.

Senator MASON—Hold on. Do it slowly. Two weeks of estimates is too much for me. Who authorised it initially? You said management. Who is management? Who made the decision?

Mr Ings—Management made a recommendation to the ASADA anti-doping—

Senator MASON—Who is management? Management made a decision. Who is management?

Mr Ings—Management is the detection group within ASADA.

Senator MASON—Right. Now who is in the detection group in ASADA? Who are they?

Mr Ings—The group director of detection and her team made a recommendation to the Anti-Doping Rule Violation Committee seeking endorsement for the disclosure of those names.

Senator MASON—Right. They sought a recommendation?

Mr Ings—Yes.

Senator MASON—Who authorised it?

Mr Ings—The Anti-Doping Rule Violation Committee of ASADA, which is composed of ASADA members. They endorsed the recommendation.

Senator MASON—How many on the committee?

Mr Ings—It meets every fortnight looking through particular matters such as the register of entry findings and show cause matters. On that particular day, I believe that four members of the committee were present.

Senator MASON—Were you there?

Mr Ings—No. I was not.

Senator MASON—So who is responsible for authorising this project? Who should I talk to?

Mr Ings—The committee is chaired by Dr Brian Sando. Two other members of the committee were there and the acting chief executive officer on the day.

Senator MASON—Let me ask you this, Mr Ings: do you consider that the idea of drawing up a list of 900 athletes for the purposes of checking their Medicare records might constitute a gross invasion of their privacy?

Mr Ings—Well, before such projects are undertaken, the relevant officers go and seek appropriate legal advice. In this particular case, advice was sought from the Australian Government Solicitor to determine whether the disclosure of information was allowable under the relevant information privacy principles of both the National Anti-Doping Scheme and the Privacy Act.

Senator MASON—Mr Ings, I might not know much about privacy, but I would have thought that any agency head would inquire with the Privacy Commissioner when there were privacy issues, don't you think?

Mr Ings—Well, in this particular case, advice was sought—

Senator MASON—From the Privacy Commissioner?

Mr Ings—from the Australian Government Solicitor.

Senator MASON—Oh dear. So, hold on. You agree that this would spark your interest, that you might consider this as a potential gross invasion of privacy? You appreciate how gross the invasion of privacy is here, do you not?

Mr Ings—When ASADA was established in March 2006, it was established on two principles. The first one was for ASADA to develop a holistic, all-of-government approach to the fight against doping in sport. The second was to provide for the seamless sharing of information between government agencies to facilitate that fight.

Senator MASON—That is great. That is out of the year book. That is terrific. We are talking here about 900 athletes having their Medicare records checked with no reasonable cause just as a general driftnet fishing exercise. That is what we are talking about here, are we not?

Mr Ings—It was a pilot program after receiving legal advice from the Australian Government Solicitor to determine whether Medicare records could provide information—not medical records—of the doping records of athletes, yes.

Senator MASON—You say doping records. When you start checking Medicare and health records, do you know, Mr Ings, you are starting to look at some of the most sensitive privacy material available? Do you know that?

Mr Ings—The information that ASADA was looking for from Medicare related to athletes illegitimately using substances for the purposes of doping.

Senator MASON—But they have access to so many other things, Mr Ings. That is the problem. It is whether people are on drugs for other conditions, including psychiatric conditions, and everything else.

Mr Ings—ASADA has no access to such records.

Senator MASON—You say that. How do you know?

Mr Ings—ASADA requested from Medicare—

Senator MASON—Did you ask or your authority seek the advice of the Privacy Commissioner before going down this track?

Mr Ings—On this particular project, no.

Senator MASON—Why not? Why not?

Senator Chris Evans—Senator Mason, I think the officer is making it clear. You raise a valid point about whether the Privacy Commissioner should have been consulted. I think the officer has indicated that on this occasion, aware that there were some sensitivities involved, they sought legal advice from the Australian Government Solicitor, which I understand gave them the go-ahead. I think you can question whether that was good advice. I understand that advice has since been retracted. But to be fair to the officer and the organisation, while one might have gone to the Privacy Commissioner as well, and in hindsight maybe he would have, seeking AGS advice is a reasonably prudent step which they used before they acted.

Senator MASON—I am not quite sure I agree, Minister, but let us go there. I asked the Privacy Commissioner last week about this. I asked her this: would you be surprised if the CEO of a Commonwealth agency was not aware of the Privacy Commissioner and privacy issues? Ms Curtis, the Privacy Commissioner, said:

I would be surprised if they were not aware. The Privacy Act has been in place since it was passed in 1988.

I said:

Twenty years now?

Ms Curtis—Yes. Effective 1 January 1989. One of the great initiatives, indeed, of the Hawke-Keating era.

Senator Chris Evans—Among many.

Senator MASON—It is a significant initiative. This list of 900 athletes being drawn up represents potentially a gross invasion of privacy. It was not based on reasonable suspicion but went across the whole 900 without any particular cause. I cannot believe, Mr Ings, that no-one sought to ask the Privacy Commissioner.

Mr Ings—The advice that ASADA received from the Australian Government Solicitor was such that there was no requirement to disclose that information being shared with Medicare to the Privacy Commissioner.

Senator MASON—Let me ask you another question, Mr Ings. Next time you decide to do this, are you going to seek the Privacy Commissioner's advice first?

Mr Ings—The Privacy Commissioner is my new best friend.

Senator MASON—I bet you that is right. She has launched an investigation, has she not?

Mr Ings—The Privacy Commissioner has launched an own motion investigation, that is correct.

Senator MASON—That is right. Because you did not launch it. She launched it against you. Is that not right?

Mr Ings—The Privacy Commissioner has launched an own motion investigation and ASADA is fully assisting the Privacy Commissioner in that regard.

Senator MASON—I look forward to the outcomes of that, Mr Ings, because I am going to be back to ask you some questions about how you have changed your ways and modified your approaches in line with her recommendations. Do you follow?

Mr Ings—Yes. Absolutely.

Senator MASON—So next time, what are you going to do? Seek the Privacy Commissioner's advice? Are you, or not?

Mr Ings—I think it would be very prudent going forward to seek the Privacy Commissioner's advice on such disclosures, yes.

Senator MASON—You might want to do that.

Senator Chris Evans—I think they will also be mentioning to the Australian Government Solicitor that they ought to get better advice the first time.

Senator MASON—Minister, that might be right, but it is still the point I make.

Ms Halton—Senator Mason, the first question I asked when, as you know, I came into the portfolio was: have they got this wrong? That is the bottom line. You know we regard privacy as being incredibly important.

Senator MASON—I know that. Particularly health records, Ms Halton.

Ms Halton—Indeed, Senator Mason. I can assure you that this will not happen again.

CHAIR—Thank you very much. I thank the officers. It is three o'clock. It is tea time. I know that the department and probably some of the agencies will have questions on notice, so thank you very much for your time. Thank you, Senator Evans. We will see you next time.

Senator Chris Evans—Look forward to it.

CHAIR—We will now break until 3.15 pm, when we return to outcome 5, primary care.

Proceedings suspended from 3.02 pm to 3.16 pm

CHAIR—We are now moving to outcome 5, primary and ambulatory care. I know that Senator Colbeck has questions and Senator Adams has questions. No other senator has questions at this stage.

Senator COLBECK—I just want to start with some questions regarding GP superclinics. The government has released a list of 31 locations for the clinics. Can you advise me how these locations were selected?

Ms Halton—That is a matter for the government.

Senator McLucas—It was a commitment made during the election.

Senator COLBECK—Senator McLucas, can you tell me how the locations were selected?

Senator McLucas—There were some criteria. I am just looking for them now. But the decisions were made by the then shadow minister in consultation with colleagues in the context of the election.

Senator COLBECK—That would confirm the calculations that I have made, where 22 of the 32 promised clinics are in ALP or ALP targeted seats. Of the \$150 million for those clinics, \$119 million of that money goes into those 22 GP superclinics. How does that align with concerns expressed by those in the health profession that a large proportion of those GP superclinics were not in areas of workforce shortage?

Senator McLucas—As I said, there were a series of criteria that we used to make the decisions about where those superclinics should be located. You should also be aware that we are going to watch the rollout of these 31 superclinics very closely. We are very hopeful that they will work extremely well in order to resolve particular issues in those 31 different communities. They will not be the same. They will be tailored to suit the needs of each of those communities. There will then be an opportunity further down the track for us to look at rolling out superclinics in other areas.

Senator COLBECK—You do not have any further information? You do not believe that being an area of workforce shortage should be a key criterion, given that a large number of them—I think one-third—were in areas of workforce shortage and the rest not?

Senator McLucas—From recollection, of the criteria that I recall, there was areas of workforce shortage and the underuse of Medicare. There is a proper term for that. What is the term I am looking for?

Mr Davies—Below average.

Senator McLucas—Below average access to Medicare. That is the word I am looking for. There are four criteria. The third one was areas with high levels of chronic disease or demographics with high needs, such as large numbers of children or elderly; areas where there is currently poor access to services, in particular, GP shortages—there is the workforce issue—and underutilised Medicare services; areas where there is currently poor health infrastructure; and areas where a GP superclinic could help take the pressure off local public hospital services.

Senator COLBECK—The last one I will talk about, perhaps even later this evening. I suggest there may very well have been another criterion, perhaps not spoken, and that is

targeting Labor marginals or seats that were being targeted by the Liberals. In fact, in the seat of Braddon, the targeting was so specific that they were lucky enough to get two GP superclinics.

Senator McLucas—I know that many senators in this place have talked about the issues in north-west Tasmania, including you. The difficulties of attracting a medical workforce—

Senator COLBECK—I know the issues very well and we will discuss some of the issues.

Senator McLucas—I am sure your constituency will be very pleased.

Senator COLBECK—Let me say with respect to the GP superclinics, as we go through the program, that there is a great deal of concern amongst those in the medical profession as to how they will work. So we will deal with that as we go through.

Senator McLucas—We will talk about that soon.

Senator COLBECK—Absolutely. I just want to make my point. You can dismiss it, as may be your want. But there is quite clear evidence that one of the key criteria with respect to this was an electoral one, not necessarily a health one, from my perspective.

Senator McLucas—That is from your perspective.

Senator COLBECK—To date, as I understand it from the website, there have been consultations that have occurred with respect to superclinics.

Ms Morris—Senator, there have been two in Victoria—Geelong and Ballan. The next one will be at Redcliffe at the north end of Brisbane next Wednesday, 11 June.

Senator COLBECK—I might have misread the date. I thought that one had already occurred.

Ms Morris—No, 11 June is when it is happening.

Senator COLBECK—Can you give me an indication of some of the issues that have come out of the first two consultations?

Ms Morris—Certainly. I was at the very first one at Geelong. I will not pretend to give you a comprehensive coverage of the issues. They were attended by local GPs. We worked very hard to ensure that local health practitioners were there. So there were local GPs and local allied health practitioners as well as members of the community. The issues that were raised at the meeting were essentially around what is and is not allowed and how they will work. They are a new concept. It is a new program so it takes a while to talk through the details of that. We do have program guidelines, which you have probably seen on the website too. But I have hard copies here if the committee would like to have them tabled.

Senator COLBECK—I have certainly had a bit of a look at those. Perhaps the committee might like to have those. I will leave that to them. Were the issues that were raised at the two meetings similar? Could you characterise them that way? Or were they localised?

Ms Morris—Ms Daniel was at both of them, so she can talk briefly on that.

Ms Daniel—The issues were broadly similar. The second consultation, which was at Ballan, had probably a broader local community representation because it is a small community. There were perhaps a couple of more specific local considerations raised.

Senator COLBECK—Can you expand on that a bit for me.

Ms Daniel—The issue of parking was one. They are very, very locally specific issues. Apart from that, there were the same sorts of general considerations around understanding the program.

Senator COLBECK—Were there specific sites selected? I expect we are perhaps a little early in the piece for that.

Ms Morris—It really varies by clinic. For Geelong there is no specific site as part of the announcement. At Ballan, I understand it is an expansion of an existing facility.

Senator COLBECK—So there is an existing business that will receive an injection of funds and grow?

Ms Morris—It is the Bush Nursing Hospital.

Ms Daniel—The proposal is to expand the existing Bush Nursing Hospital, where currently the GPs work in a very crowded arrangement in the basement of that facility. So it is to expand that and allow a more comprehensive primary care service.

Senator COLBECK—So what additional services is it proposed to bring to that particular site?

Ms Morris—The question of what services will be in any clinic will be up to the entity that puts the proposal together to run it. The program guidelines are very specific about what sort of outcomes the government would like to see in clinics. But the minister is also being very clear about the need to be responsive to community needs and having a service that is appropriate to the morbidity of the age profile of the local population. To give you some examples, in some areas, for instance, with a high proportion of young children, you would probably expect to see quite a lot of GPs, practice nurses and dieticians. I am trying to think. I am not a health professional, so I am making this up. In an area with a very high proportion of people with chronic disease, you would expect a far greater mix of allied health practitioners. They may not necessarily be located in the clinic full time. It could be that there is a room that the podiatrist comes to two days a week and the physio comes to three days a week or whatever. But we are expecting that people who apply for the funding will have done an analysis of local community needs and put together something that meets those needs, working with local health services and existing providers.

Senator COLBECK—During the process of forming the policy—perhaps this is a question for Senator McLucas—can you give me some sense of the consultation with stakeholders, particularly organisations such as the AMA and the national divisions of general practice. With which specific stakeholders did the consultation take place?

Senator McLucas—I do not know about the consultation with the peak bodies prior to the election. But I can attest to strong consultation in local communities that was undertaken in order to ascertain need and identify the sorts of services that might be provided and with potential sponsors of the services. They happened very locally.

Senator COLBECK—Really?

Senator McLucas—Yes.

Senator COLBECK—That is interesting. That happened in each location?

Senator McLucas—I do not know that. I know that happened in my community.

Senator COLBECK—You know it happened in one of them. There is another 30. I express surprise, for good reason.

Senator McLucas—I would be very surprised if there was not good consultation held with a range of stakeholders.

Ms Morris—Senator, I can talk about post election consultation.

Senator COLBECK—Certainly. There have been some meetings.

Ms Morris—There has been a very full program of consultation with all stakeholders that have been identified as having an interest in this. Every stakeholder group that we thought would have an interest in it was sent a draft of the program guidelines. There have been one-on-one meetings with some of the key stakeholders throughout the process.

Senator COLBECK—I recognise that there has been some work done. I have in fact spoken to some people from my local division of GPs who went to Melbourne for one of the consultations. I understand that that process is going on. My questions and, quite frankly, my surprise relate to the consultation beforehand, because there are some communities who had these things appear and had no sense of the fact that they were coming. I suppose that raises my suspicions with respect to motive even further. That being said, I do understand that there is a process that has occurred post the election. I have had a look at the schedule for community consultation that will occur. When might the dates on that schedule be more fully developed?

Ms Morris—More fully fleshed out?

Senator COLBECK—More fully fleshed out. There are general chunks of months. When will that more detailed information be available?

Ms Morris—Over the next few months, I would say.

Senator COLBECK—Essentially, as time gets closer for each consultation, appointments will be listed on the website?

Ms Morris—Yes.

Senator COLBECK—Has each superclinic be allocated a classification of priority?

Ms Morris—I have just had something scribbled and given to me that says ‘settle venue’. Yes, it is fairly important when you having a community consultation to get the right venue. I think we have made a bit of a blooper regarding next week in Queensland because it is State of Origin night and we are at a rugby league club. Maybe we should start the consultation at 6.30 pm.

Senator COLBECK—Not even I will criticise you if you have to make some modifications to the process in respect of that. As an Aussie rules person, not even I could criticise that.

Ms Halton—Ms Morris and her colleagues actually have not yet figured out that we have now acquired sport, so we actually have to be sensitive to these issues. Historically, it did not matter a jot. These days, we have to be in the zone.

Senator COLBECK—It is an ongoing process of training within the APS. I understand that very much.

Ms Halton—There is significant re-education happening.

Ms Morris—So I think we will get better at organising consultations and venues as time goes on, taking all factors into account, both cultural and health.

Senator COLBECK—It may be, if nothing else, you get a very good turnout to your consultation next Wednesday night.

Ms Morris—We may well.

Senator COLBECK—I am not sure that you will get a lot of people paying attention to you, but there will be a fair few people there. With the classification of priority, is there a prioritisation process?

Ms Morris—We have been trying to work on that both with the minister and our colleagues in state and territory governments. In four cases, the relevant state governments will be providing matching funding. They are the two in WA and two of the three in South Australia. In several of the other locations, state governments have indicated an interest in working closely with us. When Senator McLucas read out some of the criteria for where they were located, fitting in local services and taking pressure off local public hospitals is up there with them. We cannot do them all in the first six months. That is an impossibility. The funding profile is not set up that way. We have needed to think through and talk through what will work where and what we can move on quickly and what will take a longer timeframe to sort through the issues on.

Senator COLBECK—So in terms of the funding profile, what will that allow you to do in each of the years? I do not expect that you would have any operating by the end of this year. That might be a bit of an ask.

Ms Morris—We did receive two applications just before we came up here. We were a bit excited.

Senator COLBECK—I do know that in certain areas there is significant interest, particularly from corporate medicine, to get involved in these. That is a bit of an issue I can talk about later. I am just trying to get a sense, given the funding profile, which you quite correctly identify. So by, say, the end of 2009, how many might we expect to have up? Give us a suggestion over three years.

Ms Morris—Given that we are essentially paying for capital works, it is a bit hard to predict. I could tell you how many we think may have been started on. Some of them may be finished and may be providing services. Others may still be being built.

Senator COLBECK—I would prefer to have a what-we-think type situation. Bear in mind that there may be some variability based on applications and what happens in local communities. I think I am prepared to accept that that might happen. But what informs your

funding assumptions, essentially? What do you think might happen? We have had during these estimates what we hope might happen. So what do we think might happen?

Ms Morris—I am just trying to understand what you mean by funding assumptions in terms of what we are looking to fund in advance of others.

Senator COLBECK—You have a funding profile. Is there a priority? You have indicated that there may be that.

Ms Morris—Yes, there is a priority.

Senator COLBECK—And I do not even necessarily need to know locations. At the end of 2009, will we have six operating? Do you think we might have that? What sort of progress are you looking to see started?

Ms Morris—The only number I can remember off the top of my head without annoying you by flipping through papers for some time is that we expect to have started funding six, I think, within the next few months, really.

Senator COLBECK—What do you mean by the next few months?

Ms Morris—Probably by the end of July and into early August. But I would not like to sit here at the next Senate estimates—

Senator COLBECK—I am quite happy to ask you how you are going.

Ms Morris—That is fine.

Senator COLBECK—I accept that you are trying to help me. You are giving your best guess because it is still early. But I would like to get some sense of what the expectations are going to be over the budget cycle.

Ms Morris—There are some that were identified in the announcement where it was clear whose auspices the clinic would be under. We expect that they will be able to be set up sooner, rather than those where we will go through an invitation to apply process. I can tell you that the two that we are matching funding for in South Australia will be fitting into the cycle of funding that South Australia has for their GP Plus clinics—that is what they are called in South Australia. We are matching funding for two clinics that they were going to set up in any case. We are fitting into their cycle of funding, and they have a planned rollout. I think that is a good 18 months away.

Senator COLBECK—Which two are they? That is Modbury and—

Ms Morris—Noarlunga, I think.

Senator COLBECK—Modbury is one of them.

Ms Morris—Onkaparinga.

Senator COLBECK—Onkaparinga?

Ms Morris—Yes. I am not trying to obfuscate here, but I think you can probably see from the cycle of consultations those areas where we think there is benefit in going in as soon as we can and talking to people and—

Senator COLBECK—A relationship with a state government would give you some specific targets to meet. Some of them will be more problematic. But I would have thought there would have been some specific target areas in which you really want to see some progress. I am trying to get a sense of what those specifically targeted areas are. I am sure the government would have given you some priorities in respect of that.

Ms Morris—As I said, they are the ones that we are consulting with first and the ones where it was clearly identified that there would be a body whose auspices it would be under. But there is still a lot of work to do between consultation and actually getting an application that the government can fund.

Senator COLBECK—Let us take the Modbury one, for example. My understanding is that a fairly large clinic already exists there. How do you see the two services fitting together in that particular location?

Ms Morris—That is something we have to work through with the South Australian government and with local health service providers. This will be a South Australian GP Plus clinic. I do not think I should even try to characterise what their program is. I think they have at least one up and running. They are, as we will be with GP superclinics, quite flexible about how they work. Their interest in funding them is to try and reduce unnecessary hospital admissions. To give you yet another example, based on no clinical expertise whatsoever, if, for instance, it was in an area where the local hospital had had an overly high rate of admissions of people with diabetes and they felt that that was not being properly managed in the community, their GP Plus clinic may have a focus on the management of people with diabetes. GPs that worked in the area may well work at that clinic and do some specialty work on the management of diabetes but still maintain their own practice. It is not a given that a GP superclinic will have a certain staffing profile and that that staffing profile will be static. It may well be in some areas. It may not in others.

Senator COLBECK—So in the example of Modbury, is there an expectation that GPs would actually work in that clinic, given that there are two fairly significant GP practices in the area?

Ms Morris—That is something we need to talk to local providers about. That is why the minister has insisted that there be open local consultations at each site. The other thing I would comment on is, if in the application to build and run a superclinic it looks like the entity running it is not able to actually attract a workforce, that is something that we would have to tell the minister about.

Senator COLBECK—Well, it would appear that that may be an issue. I was at the AMA conference at the weekend. One concern they have about this initiative is that it will not provide one additional doctor. It is basically all about infrastructure. I know that in some of the communities where I have spoken to people that is one of the major concerns where there is already quite good infrastructure. Some of it is quite contemporary. Large chunks of infrastructure funding in those communities could have quite a detrimental effect on their businesses. In talking about GP practices, we are effectively talking about small businesses.

Ms Morris—As I said, the minister is insisting on a very open program of local community consultation. The other comment I would make is that the superclinics will be

focused on an interdisciplinary model of care. In some places, there may well be GPs, but there may not be allied health service providers there in numbers.

Senator COLBECK—The budget papers show spending of \$33.1 million for the 2007-08 financial year. Are you expecting to expend all this funding and what on?

Ms Morris—We will expend as much of it as we can. As I said, we just received two applications literally as we were walking out the door. I am not sure if we will get more before the end of this financial year. We cannot spend money until we get viable applications for proposals that will work and that will pass the assessment test, basically. So we will spend as much of it as we can. If not, we will be seeking to roll it over.

Senator COLBECK—So for any of the 31 particular locations, is there a specified cut-off date or is it first come, first serve?

Ms Morris—No. There will be a separate round for each location and it will be an invitation to apply process.

Senator COLBECK—So you have opened invitations to apply for which locations?

Ms Morris—We did not have an invitation to apply process for sites that were identified for direct funding. There was no need to go through an invitation to apply process for the two sites that we have already had open consultations with.

Senator COLBECK—What do you mean by that? So there is already effectively a provider that is chosen?

Ms Morris—That applies to some of the sites that were announced. For most of them, it will be open to application.

Senator COLBECK—What will be the process for the open to application sites? Will there be an expression of interest stage, a tender stage?

Ms Morris—It will not be a tender process. It will be an invitation to apply, which is a slightly different process.

Senator COLBECK—So you will have expressions of interest to start with, and then from the expressions of interest you will select a particular potential operator and negotiate exclusively through them with an invitation to apply process?

Ms Morris—Yes. I do not think we were thinking of going through an expression of interest first. Given that this will be for specific areas, I do not think there will be 20 expressions of interest. I expect that there will be some.

Senator COLBECK—But how do you intend to manage the process if there is more than one group that is interested in operating a clinic?

Ms Daniel—We will conduct an invitation to apply process in the majority of sites. That will involve our local consultation process followed by an issuing of documentation to complete the application. The program guide information that we have outlines an indicative application. Obviously, interested parties will complete that application form. Then there will be an assessment process run by the department to evaluate the different number of applications that we receive. That will be supplemented by independent expert advice about the financial sustainability of the proposals. From that, we would select an applicant. Because

it is an invitation to apply process, not a tender, we do have the capacity to work with the applicant.

Senator COLBECK—Which of the locations would you consider to be open?

Ms Morris—It is in the program guide document that we will be tabling.

Senator COLBECK—So it is effectively public?

Ms Morris—Yes. It is public information.

Senator COLBECK—Which are closed sites and which are open?

Ms Morris—Yes.

Senator COLBECK—Who are the partners that you have in respect of the sites that are already closed? I know, for example, of the two sites in South Australia and two in Western Australia. Both those are in conjunction with the state government.

Ms Morris—But there is no auspicing body chosen. There will be invitation to apply processes for the two WA ones, most probably; and in South Australia, not necessarily—that is something we have to sort out with the South Australian government. I am going from memory here. In Mount Isa I am fairly sure the announcement specified that the local Division of General Practice would be the auspicing body. In Ballan it is the bush nursing hospital. There is an existing primary health-care consortium in Bendigo that was included as part of the announcement. Is this all clear in the program guidelines?

Ms Daniel—Not the auspicing body; but the fact that they are direct funded sites is identified in the program guide.

Senator COLBECK—So these were effectively elements of the program that were stitched up before you took it over from the new government?

Ms Morris—They were included in the announcements at the time.

Senator COLBECK—So, effectively, pre-election deals or negotiations that the new government has done. That is part of the inheritance process that the department has had to work with. Have you done any modelling on how many additional GPs might be required to work in with these new clinics?

Ms Morris—No, we have not.

Senator COLBECK—So there has been no modelling done on that at all?

Ms Morris—No.

Senator COLBECK—What about work on the impacts on existing GP practices, particularly given the \$15,000 incentive to move into a GP superclinic, to relocate?

Ms Morris—There has been no modelling work done by us, but I would stress that this is the sort of information we are trying to ascertain through local community consultations—what effects, if any, there are and what factors we need to take into account when assessing the application.

Senator COLBECK—I asked you at the last estimates—I do not think you were far enough into your processes yet to answer the question at that time—about GPs wanting to

move into a GP superclinic that is not in an area of workforce need when the GPs are coming from an area of workforce need. I asked whether those GPs would be given the incentive payment. Given that only one-third of the clinics are in areas of workforce shortage, it is a significant issue.

Ms Morris—I would not pretend to be on top of the rules regarding the workforce in the areas of workforce shortage. I will defer to my colleagues in mental health and workforce division. But I suspect that a doctor could not do that. It is something I would need to check with my colleague, Professor Calder.

Senator COLBECK—Surely that is a reasonable criteria to have in providing what is quite a significant incentive to relocate. So it is not something that is necessarily and specifically being considered as part of the program at this stage?

Ms Morris—No. But I take your point.

Senator COLBECK—Could you come back to the committee and let us know whether in fact that is going to be a criterion or not?

Ms Morris—We will take that on notice, yes.

Senator COLBECK—I suppose it is almost a rhetorical question, but how many of the clinics are going to require significant new building infrastructure?

Ms Daniel—There may be instances where the funding is put towards refurbishing an existing facility. The program guide allows for that. I think that is something that the department would not be prescriptive about. But we will look for the outcome of local processes to decide what is the best approach. We note that the amount of funding is variable.

Senator COLBECK—Again, it is probably something that is difficult for you to judge, given that it is an election commitment that you are dealing with. On the amount of money that has been allocated in each of the locations, have you been given any information on how those costings were arrived at?

Ms Morris—No.

Senator COLBECK—I think we are talking, in policy terms, of an amount ‘up to a certain amount of money’ in each of the particular clinics?

Ms Morris—Yes, the most being \$12.5 million for the two matched South Australian sites. So the South Australian government will be putting in an additional \$12.5 million.

Senator COLBECK—So the two South Australian ones—the Onkaparinga and Modbury ones—are \$25 million each. Is that correct?

Ms Morris—Yes.

Senator COLBECK—And that is because we are jointly funding?

Ms Morris—Yes. I can give you an answer to your earlier question—I am sorry, we have information overload ourselves on superclinics. On page 22 of the very lovely national program guide, it says:

GPs, allied health professionals, nurses and pharmacists currently working in an area identified as an area of need or a district of workforce shortage where this is applicable to their profession are not eligible for a relocation incentive.

So we did listen to you last time and did something at the time, and subsequently forgot we had.

Senator COLBECK—I think it is a sensible condition to apply. I do not think any of us like to see additional pressure being placed via an incentive program on those areas that have issues to deal with. So in the circumstance that a site does not require the amount pledged, what is going to happen to the additional funding?

Ms Morris—I think that is a decision for the minister.

Senator COLBECK—Is there capacity within the guidelines for it to be applied to other elements of the business? I am not completely familiar with all the guidelines.

Ms Morris—I would not think so. The guidelines are quite clearly related to the parameters of the election commitment and what funding could be useful.

Senator COLBECK—So specifically directed to capital infrastructure?

Ms Morris—Yes. Small amounts of recurrent.

Senator COLBECK—Of the two applications you have received, what is your expected time frame for the assessment of them and starting to get some rubber on the road? I know it is a bit-of-string question.

Ms Daniel—We do have a timetable set to assess those. I do not have the exact dates in my head, but we are aiming to do it before the end of the financial year.

Senator COLBECK—So is there a time frame within which, from the time a submission is lodged, the applicant might expect an outcome? Have you given yourself some time lines of, say, six weeks to assess and issue a contract or something of that nature? Is there a target time frame?

Ms Daniel—We have done some indicative planning to have those time lines in place. They will vary across the different processes. They obviously allow for the departmental processes but also for our external input into it. But it will be for us very much a case of seeing how we go.

Senator COLBECK—Can you tell us where the two lucky sites are? Surely someone is bound to get some good news out of estimates.

Ms Morris—Well, those that submitted them know they have.

Senator COLBECK—Yes, but nobody else in the community does.

Ms Morris—I am loath to, Senator, because then that puts an expectation on those areas and the process of those applications. There may be issues that we need to go back to them on and that could delay the assessment of them. I am personally not comfortable with giving you the two sites.

Senator COLBECK—Are they in any of the listed areas of priority? I will try and narrow the focus as much as I can.

Senator McLucas—If the consultations have not begun, I do not know whether it is actually fair on those communities. I understand your desire to know. Perhaps we can provide you with some information that is more in keeping with the time frame that the officers are managing.

Senator COLBECK—I think I have quite gently asked to try to get some information in respect of what the projected rollout is. That is still fairly fluffy at this point in time. I understand that we are still working our way through a process. But I do not have too much information, except for the fact that two areas have already had consultation, we are hoping to have six started by August and the priority areas are those that have been consulted first. We can start to tease a little out of that. I would have thought that, hopefully, this would be a good news program for the government. I know, having had discussions with the AMA at the weekend and my local division of GPs, there are still a lot of question marks out there about this.

Senator McLucas—That is why the consultation is being done so slowly.

Senator COLBECK—I understand that. A lot of people really do not understand how this is going to work. But we need some understanding that things are actually starting to move and where people might look to see how things might be moving so that they can understand better. That could be of advantage not just to those communities but perhaps to a lot of us in starting to move this forward. There is still a lot of fog around this whole concept at this point in time.

Senator McLucas—I perhaps would not paint it as fog. But there is a lot of work happening. There is a lot of consultation occurring.

Senator COLBECK—Well, there is fog and there is scepticism. I am sorry, Senator McLucas. I am not trying to downplay a government initiative, but I think that is a reasonable way to describe the interaction that I have had. People just do not understand how these things are going to work. There was some interaction with Minister Roxon at the weekend, as you would be aware. People want to see how this is going to move and understand how this is going to work so that they can see what might be possible for their communities. There is not a lot of understanding about how these things are going to work. I agree with you that that is why the process is important.

Senator McLucas—Can we undertake to provide you with some information as soon as we are comfortable that the consultations have been completed?

Senator COLBECK—Perhaps while we are continuing our conversations, you might be able to ask whether it is reasonable that we release some information. If it is not, it is not, but we will see how we go. You have mentioned a range of parameters and objectives for the clinics. Senator McLucas has indicated some of those as well. What about integrating those into the overall training process for medical students? Given that they are private practices, would that be a matter for them?

Ms Morris—It is certainly one of the objectives of the superclinics to encourage GP training and hopefully, where possible, training of allied health professionals. However, it will be up to the applicants to develop a model that incorporates that. I can, for example, tell you that the clinic in Geelong will be jointly managed by the university and the local division of

general practice. The university has a very clear view about using the clinic for the placement of students to get a taste of GP life and also for GP registrars. That will not be the case in every superclinic; they will not all be near universities and have universities interested in that. Where possible, we would see education and training as a very strong component of the clinics.

Senator COLBECK—Senator Adams, you go for some questions while I see where else I can probe.

Ms Morris—Senator, just before we leave superclinics—

Senator COLBECK—We are not leaving superclinics; I think we are attacking you from a different angle.

Ms Morris—That is fine. We do have a website which you have obviously accessed and we will be keeping that as up to date as we can.

Senator ADAMS—I would like to go back to how the election commitment was funded. I understand that funding for GP programs, such as More Allied Health Services and workforce support for rural GPs, is being cut in order to be able fund the GP superclinic election promise. Is that correct? Will some of the funding come from those programs?

Ms Morris—There were some savings identified in identified in the budget and superclinics were an election commitment. Whether you can say this was cut to pay for that is a matter for the government, not me, to answer. Yes, there have been some savings within the primary care outcome.

Senator ADAMS—Minister, can you answer that please?

Senator McLucas—That is not the way we budget. You go through a process of identifying where savings can be made, where funding is not being required and then you also look at the expenditure side and work out what you need to meet the commitments that we made. It is not a matter of robbing; it is a matter of doing two columns of sums.

Senator ADAMS—My question was specifically to More Allied Health Services and also workforce support for rural GPs. I have not been able to find it but I have been asked the question so I am asking you.

Ms Morris—More Allied Health Services was not changed in the budget.

Senator ADAMS—Has it had any cuts at all?

Ms Morris—No, it has not.

Senator ADAMS—What about workforce support for rural GPs? Has anything come from that that would have gone there?

Ms Morris—No. My colleague Professor Horvath says no.

Senator ADAMS—That is good. Did the budget result, as claimed by the AMA, in cuts of \$170 million for general practice incentive programs? Is that correct?

Ms Morris—I would have to double check the figures but yes, there were cuts to the practice incentive program.

Senator ADAMS—Right. My second question then is this: were these savings necessary because of money to be spent on the GP superclinics?

Senator McLucas—We have answered that question. It is not the way you do a budget.

Senator ADAMS—To what extent are the GP superclinics multidisciplinary?

Ms Morris—The strong intention of the election commitment, and this is further articulated in the program guidelines, is that they do provide multidisciplinary care. However, we expect each superclinic will be different, as I said, to respond to local community needs, local morbidity profile, age profile et cetera, plus what providers will be working in the clinic and what services the people running the clinic want to put together for patients. There is a very strong expectation about allied health providers and practice nurses being involved in superclinics but there is no blueprint for what the staffing profile of the superclinic should look like. There will be variation.

Senator ADAMS—I refer to superclinics in regional and rural areas. Have any of those been identified? I have not seen the list yet.

Ms Morris—Yes, some of them are in regional and rural areas—for example, the Ballan and District Soldiers Memorial Bush Nursing Hospital and Mount Isa. Sorry, Senator, I am just checking.

Senator ADAMS—I come from Western Australia and I know they are certainly in Perth.

Ms Morris—Yes, the two WA ones are in Perth. They are in far-flung parts of Perth but they are still clinics.

Senator ADAMS—Well, you would not really call Midland and Wanneroo far-flung parts.

Ms Morris—They are places I have never been to in Perth before, I can tell you.

Senator ADAMS—The rest of Perth goes 40 kilometres past them.

Ms Halton—She is not Perth sensitive.

Ms Morris—No, I am definitely not. Continuing with the list: Townsville, Bendigo, Geelong, we mentioned north-west Tasmania already, Shellharbour and Blue Mountains in New South Wales. There are quite a few.

Senator ADAMS—Unfortunately, as I said, I come from rural Western Australia and our largest rural town has 20,000 people, and we have about three of those and that is it. I have a question here from one of the rural members in Western Australia. She is asking, ‘Where in the budget has the government addressed the need for more doctors in regional areas of unmet need and will super clinics be built in these areas?’ She is obviously looking for a super clinic in her area, if possible. To move on from there, what is the role of GP super clinics in improving health clinics in rural and remote areas if we happen to get one there. The shortage in the workforce is probably our biggest concern.

Ms Morris—I am not sure I can comment on that, but given that they will probably employ larger numbers of health professionals than a normal GP practice, I am not sure that it is a long-term model for remote areas.

Mr Davies—On that particular issue, I am very much aware from talking to GPs that one of the things that sometimes puts them off setting up practice in rural areas is tying up their capital in those smaller communities. To the extent that the super clinics actually provide that infrastructure, it is feasible that they could make it easier for doctors who want to go to the bush, maybe for a short period, without committing themselves financially. It would open up that possibility. We may see some positive impact in those areas.

Senator ADAMS—I hope so.

Ms Morris—Senator, you may not be aware that the Rural Medical Infrastructure Fund is now in this portfolio.

Senator ADAMS—That was another question for me, actually.

Ms Morris—That will come under rural health later.

Senator ADAMS—I have got it noted, because I was dealing with rural and regional last week, combining with Regional Partnership funding, and it had moved to you.

Ms Morris—I will happily talk to you about it under that outcome.

Senator ADAMS—Thank you. My question was based around a hypothetical if we did have one in a rural area, but I will go back to Senator Colbeck for a minute on this one.

Senator COLBECK—In respect of the comment that Mr Davies made about a hesitancy to inject capital into regional areas, is that not going to depend significantly on what is already there? I know that in some communities with which I am quite familiar the GP infrastructure is quite contemporary. It has had quite a bit of money spent on it in recent times. The potential threat to those small businesses by a large injection of capital funding into competing businesses is potentially quite significant and underpins one of the real concerns about this program. Looking at Burnie and Devonport, \$2.5 million in Burnie and \$5 million in Devonport will buy a lot of infrastructure. Where there has been a significant investment recently in infrastructure by GPs in the area, that underlies one of the real concerns that exists, I imagine, in other areas as well

Mr Davies—The example I quoted to Senator Adams was one model, one example, of a problem that rural and remote communities may face. I think what you are highlighting is that circumstances vary very much across these 31 locations and indeed across the country as a whole. As Ms Morris has been consistently emphasising, this is not about a one-size-fits-all solution.

Senator COLBECK—I genuinely do understand that; that is one of the reasons at the outset that I was raising the concerns and the question about the whole process of establishing the program in the first place. I understand that as an agency you are implementing an election promise, and I make no criticism of that, but it is a real concern that has come back to me from a range of sources. Given that this is effectively a kick in the back pocket to a small business, in a lot of cases in a regional area, that potentially sets up competition to other small businesses, and how the government manages that is quite delicate. If one business is successful against the other, it creates all sorts of problems. I am not trying to be partisan about it. I am trying very hard to come to grips with how that is going to work. In my local community, \$5 million is a lot of money; it will buy a significant amount of infrastructure.

Mr Davies—Certainly, Senator. One of the criteria that we will be looking at in the evaluation is precisely the impact on existing providers. We will be looking at that on a case-by-case basis.

Senator COLBECK—Laid on top of that is the government's desire for it to integrate and to work in with other services in the region. That raises even more questions, and I think quite legitimately. Perhaps we can explore that a bit later.

Senator McLucas—The point that you have just made is a point that we are very aware of. We are very keen that there will not be impact on existing services; that is a given. The last thing you would want to do through any program is jeopardise existing programs that are there. The GP super clinics are designed to complement existing services, not to compete with them. That is a fundamental of the program.

Senator COLBECK—Senator McLucas, I genuinely understand that that is the desire of the government, but it is why I raised the issues I raised at the outset. They are obviously partisan, and I make no apology for that. You have your view of the world and I have mine. When it comes down to the actual practicalities of it, I have tried to sit down quite genuinely and say, 'How can all this work?' Maybe it is just my capacity, but I am really struggling to see how it is going to work unless there are significant modifications made to the program. I know very well how committed the government is to its promises; we have been reminded of that on many times. Unless there are some modifications to the program, from the way I have tried to objectively look at it, I see there are some real issues that we need to deal with.

Senator McLucas—Maybe you have not quite captured—and I am not being critical of you—the absolute desire to, first of all, understand the community need that is there, and to be as flexible as possible.

Senator COLBECK—I actually have done that, Senator McLucas, and I have considered it very carefully in the context of my community—I really have. Unless there is some willingness to modify the approach, I foresee there will be some difficulties. I am quite happy to give you my suggestions at some point in time if you are prepared to listen.

Senator McLucas—I certainly am.

Senator COLBECK—There are real issues that people who understand it better than me have raised. Quite frankly, when we have had our discussions we start reading off the same page.

ACTING CHAIR (Senator Humphries)—I am happy to move onto some other issues, bearing in mind we have got 15 minutes and I do have one other separate matter to talk to. Which area do you want to move to?

Senator COLBECK—It is in the same portfolio area. It is still under primary care but it is not on GP super clinics. I do not think it will take me long.

ACTING CHAIR—You start off and then we will come back.

Senator COLBECK—We talked at February estimates about the Healthy Kids Check program; you did not have a start date for that program. I would be interested to know where we are at.

Ms Morris—We have an MBS item ready to be introduced from 1 July, subject to the normal regulatory processes. That has been drafted. We are in negotiations with the states and territories about that part of the funding that will be administered by them through their child health clinics. We are on track for introduction on 1 July of the MBS item and as soon as possible in the new financial year of the state-territory component.

Senator COLBECK—We have not expended any money at this point in time?

Ms Morris—No.

Senator COLBECK—The funding tends to go up and down a little over the budgeted years; can you give me an explanation for that? The budget is \$7.3 million for 2008-09, \$5.9 million for 2009-10 and \$6.1 million—it tends to flatten out. Are those essentially start-up costs in the first year?

Ms Morris—I am assuming so, Senator. I am assuming that there would be some start-up costs there, but I do not have the information to answer that now. I can get back to you on that, Senator. I am not aware of any big blips in the demography of four-year-olds that would affect it.

Senator COLBECK—So it is still going to be delivered through GPs and practice nurses? The process has not changed?

Ms Morris—Yes. My colleague Ms Santiago is just suggesting that we have probably assumed a bit of carryover within the four-year-old age group for the start-up—people waiting for the introduction.

Senator COLBECK—So, a bit of a splurge to start with. What sort of numbers are you expecting to go through the program? It indicates to me that you have an expectation of take-up; can you give me an indication of that over the four years of the program?

Ms Morris—Not quickly, Senator. I would probably have to get back to you on that unless we have a supporting officer with information. I am sorry; I do not. There will be numbers I can give you but I just do not have them with me.

Mr Davies—I have got some figures: 111,000 children in 2008-09 and full uptake by 2009-10.

Senator COLBECK—Which is how many?

Mr Davies—It will be a quarter of a million—250,000 per annum.

Senator COLBECK—Two hundred and fifty thousand per annum?

Ms Halton—That would be about right in terms of the demographics.

Mr Davies—In 2009-10.

Ms Halton—That is about right, Senator.

Senator COLBECK—How does that fit in with the—

Ms Halton—No, it does not fit in with our presumption about the funding in the first year. We will have to check that and get back to you on notice, Senator.

Senator COLBECK—Have you had any discussions with GPs with respect to the actual fee they are going to charge? You are providing an MBS item of \$45; what costing has been done? Is there an expectation that there will be a gap that will need to be paid for this program or can you not fully understand that yet, not until it gets up and going?

Ms Morris—What GPs charge is their business. The item was announced at \$45 and we have negotiated with the AMA—

Ms Santiago—Yes, they were consulted.

Ms Morris—about the structure of the item.

Senator COLBECK—There has been some discussion with the industry—

Ms Morris—Yes.

Senator COLBECK—about what might be charged—

Ms Morris—No, about what would constitute what is required to claim the item—the fees as announced.

Senator COLBECK—Thanks, Chair.

Senator ADAMS—I have got quite a bit. I would like to ask a question about Round the Clock Medicare. Which practices are losing Round the Clock Medicare?

Ms Morris—None.

Senator ADAMS—None at all?

Ms Morris—None. No existing services are affected, Senator.

Senator ADAMS—There is no impact on existing services, just on ones that would have liked to have had it and cannot now?

Ms Morris—Yes.

Senator ADAMS—So no new practices will be able to access the scheme?

Ms Morris—Yes, they will, Senator. The three existing after-hours primary medical care programs that have long names will be collapsed into a new program that is as yet unnamed. All existing services will continue to be funded but will have to reapply for funding. There will be up to 100 grants a year to provide subsidies of \$100,000 over two years.

Senator ADAMS—When will this new service be named?

Ms Morris—When the minister has received advice from the department, considered it and made a decision.

Senator ADAMS—What consultation was conducted about this new change to the program?

Ms Morris—I will let my colleague Mr Kennedy answer that.

Mr Kennedy—We are just developing the guidelines at present and we expect to be able to consult with the profession on those guidelines over the next couple of months, probably before the end of July in fact.

Senator ADAMS—Just in case I run out of time, I think I had better bring up my favourite subject, which is the Patient Assisted Travel Scheme. I cannot let this go. I note that there was \$9.9 million put into the budget for patients from north and north-west Tasmania to go to Hobart. This arose over the hospitals that were going to have a change of direction and change of ownership last year.

Senator McLucas—Senator Adams, perhaps this is in outcome 6, Rural.

Senator ADAMS—I have just been told it was here.

Senator McLucas—That is the next one on.

Senator ADAMS—I will leave it for that one and I will ask the other questions that I have got—but I will not forget it.

Senator McLucas—We will remind you.

Senator ADAMS—You do not need to. How does the government plan to improve access to allied health services in rural and remote areas?

Senator McLucas—There are a range of programs. Where do we start? What is the question to do with?

Senator ADAMS—I think mainly it is because people think that the More Allied Health Services program has been cut.

Ms Morris—It has not, Senator.

Senator ADAMS—No, I know; you have told me that, but this is I think where this question has probably arisen from.

Senator McLucas—Please assure the questioner that—

Senator ADAMS—I will refer back to the answer I got for the last one, so that is fine. What is the future for GP obstetrics, particularly in rural areas?

Senator McLucas—That is a thesis. We will do that under Workforce, I think.

Senator ADAMS—Okay. I was referred this question on aged care, regarding the Aged Care GP Panels Initiative. I am in the right place this time?

Ms Morris—Yes, you are.

Ms Halton—It is program bingo, isn't it?

Senator ADAMS—Yes, it is very difficult because they cross around a bit. We will get better. The Aged Care GP Panels Initiative obviously will not be funded beyond 30 June this year. It has now been replaced by the new scheme called the Aged Care Access initiative. This announcement has caused confusion amongst aged care providers and doctors alike, as the guidelines for the new program are not finalised and the amount of funding has not been published. How much money does the government intend to spend on the new program?

Ms Morris—I am just trying to look through the correct part of my briefing. It is \$77.7 million.

Senator ADAMS—How much funding is reserved for GP incentives, which are supposed to be from Medicare, and do they have the resources for this?

Ms Morris—Do Medicare have the resources?

Senator ADAMS—I cannot really understand this question, the way it is written. We might skip that one.

Senator McLucas—Senator Adams, you asked questions about obstetrics in regional and rural areas. Are you aware that the minister has announced that we will draw up a maternity services plan? Have you been provided advice on that?

Senator ADAMS—I was aware of that. My next question on that was going to be: when will it happen?

Mr Davies—The officer with that information is just coming to the table.

Ms Morris—Senator, you asked for information on the maternity services?

Senator ADAMS—Yes. The question was: what is the future for GP obstetrics, particularly in rural areas?

Ms Daniel—The minister has conducted some preliminary consultations to kick off the process. The review process will obviously take those issues into account.

Senator ADAMS—Do we know when the review process will finish?

Ms Daniel—Not yet.

Senator McLucas—It is early days on this one, but it is an important piece of work that needs to be done.

Ms Daniel—And complex.

Senator ADAMS—It is certainly important because, as I concentrate mainly on rural and regional areas—

Senator McLucas—And given your professional background.

Senator ADAMS—for women in the bush it is very, very difficult to have a baby these days. It is difficult having to go to a city centre for four weeks before they are due to deliver, whether they live in the north of WA or wherever. King Edward maternity hospital, which is our main women's hospital in Perth, is absolutely overflowing, the problem being that they are being inundated with rural people having to travel there rather than go to other centres because there is no-one there to deliver their baby.

Senator McLucas—Those specific issues that you face in Western Australia will be considered, along with regional differences across the nation. I think it underlines the government's commitment to pregnancy birthing services and to doing it in a mother and child focused way that hopefully will get better outcomes for mothers and children.

Senator ADAMS—This question is in regard to the Primary Care Collaboratives. The funding has been reduced by \$16.7 million over the next four years. A year ago the coalition government granted \$34.6 million over four years to allow 800 GPs to participate in the Australian Primary Care Collaboratives program in order to better treat and assist people with chronic diseases. What is happening now with those 800 GPs? Is that continuing?

Ms Morris—The program is continuing. There will be fewer GPs involved in it. There will be 500 rather than 800.

Senator ADAMS—The people who have been involved cannot continue? It will be just 500 out of the 800?

Ms Morris—This is a continuation of the program, so it is not as if people who are currently involved have to stop being involved. It is just recruitment of new practices interested in participating. What it essentially affects is the rate at which it reaches into the GP community, but it is still ongoing.

CHAIR—I thank the officers from outcome 5. We are now moving into a group of outcomes which we want to complete before dinner. I am suggesting that we start with outcome 8, Indigenous Health. We want to give a full hour to outcome 8, so we thought the safest thing to do would be to start with it. We will go to outcome 8 then we will put the others through. I am hoping to then move to Rural Health and Hearing Services before dinner. That is the plan.

[4.34 pm]

CHAIR—Welcome. We will go to questions and we will start with Senator Siewert.

Senator SIEWERT—I will start with an overarching question which I touched on yesterday with FaHCSIA. I do not know if you were around when I asked about the ad for the evaluation of the emergency response drug and alcohol response measures. Did you start this review process independently of FaHCSIA or did you talk to FaHCSIA first, and how is it going to line up as part of the review?

Ms Podesta—We made a decision, as a portfolio, to undertake an evaluation of the measures that we are delivering. The alcohol and other drugs measure is one of the first evaluations that we are conducting under the Northern Territory Emergency Response. We have planned that so that the findings from that evaluation can be fed into the 12-month review of the Northern Territory intervention. It is a program evaluation, and we will use the findings from that program evaluation to support the information that we provide into the review.

Senator SIEWERT—Will it be a publicly available document separate to the review process?

Ms Podesta—It will be a program evaluation that will be used by the department.

Senator SIEWERT—It will not be publicly available or tabled at this committee?

Ms Podesta—It is a program—

Senator SIEWERT—I will ask for it anyway.

Ms Podesta—It is a program of evaluation, and we will use that to make sure that we are operating the program effectively.

Senator SIEWERT—Could you tell me how much the review is going to cost?

Ms Savage—The Northern Territory Emergency Response review?

Senator SIEWERT—This evaluation; I beg your pardon.

Ms Podesta—Our evaluation of alcohol and other drugs?

Senator SIEWERT—Yes, sorry, you cannot see what I am holding up. Yes, that one.

Ms Savage—Point eight has been allocated for data collection and evaluation of the expanding health service delivery measure. I will get to the actual cost for the alcohol and drug evaluation in a moment.

Senator SIEWERT—I am very short on time so, while you are doing that, I could go on to my next question. On the ad it says that you can submit an expression of interest before the department will send you terms of reference. Can you tell me why that is?

Ms Podesta—Sorry, I cannot hear you—

Senator SIEWERT—I beg your pardon. In the ad, it says that you can lodge expressions of interest and then they will send you the terms of reference. Is there a reason why that is done that way? Are the terms of reference publicly available?

Ms Savage—It just follows the normal process. We have not considered making it publicly available because that is just the normal tender process.

Senator SIEWERT—I do not lodge many tenders for more jobs with the government. I am obviously quite keen to look at the terms of reference, because we are taking a deep interest in how these programs are being evaluated.

Ms Savage—If you would like copies of that terms of reference we can provide them.

Senator SIEWERT—That would be much appreciated; thank you. Did you find that cost?

Ms Savage—Yes, \$150,000.

Senator SIEWERT—Thank you very much. While we are on issues of alcohol, I understand that you—

Ms Podesta—Around the intervention or generally?

Senator SIEWERT—This is related to the intervention—or, it will be.

Ms Halton—It is a different folder, Senator.

Senator SIEWERT—I understand that you have reprinted Dr Maggie Brady's *The Grog Book: Strengthening Indigenous Community Action on Alcohol*, a resource for communities to take action to deal with grog.

Dr Walker—That is correct.

Senator SIEWERT—Could you tell me how many copies you have reproduced?

Dr Walker—I am afraid we do not have that information; we could certainly that on notice.

Senator SIEWERT—Could you take it on notice?

Dr Walker—Certainly.

Senator SIEWERT—Could you tell me what other funds are available to support the kinds of community programs and initiatives it advocates? The book has been reproduced, and I think that is great. I am just wondering then what sort of funding levels are available?

Ms Podesta—As a result of the intervention, as opposed to the residential resources, do you want to know the additional other local based resources?

Senator SIEWERT—Yes, that is what I am particularly interested in.

Ms Podesta—As you know, we have put a significant amount of additional resources into residential and treatment services in the Northern Territory. We also have a number of additional alcohol and other drug outreach workers who have been employed through local services. We have a total of \$1.9 million this year for alcohol and other drug nurses, community health workers and other staff, including part-time GPs, living skills officers, et cetera. They are based in a variety of services, including drug and alcohol services and community controlled health services. We also have a range of other professional resources that we have made available in the Territory as part of this. That includes the alcohol and treatment guidelines for Indigenous Australians, which we have distributed to health services, to sub-use services and to rural and remote health clinics. This is to assist people to make sure that they are using best practice in dealing with people who are at risk from alcohol consumption. We also provide training on the use of the guidelines. We established a 1800 national addiction medical hotline during the intervention. We also provided additional short courses for alcohol and drug workers in the Territory. And, as you have indicated, we have distributed *The Grog Book* and the *Strong Spirit Strong Mind* DVD which we produced and circulated to other agencies.

Senator SIEWERT—I will not get you to go through it now, but would you be able to provide a list of the centres and the locations where those resources were on the ground?

Ms Podesta—I can go through it now, if you prefer; I certainly can.

Senator SIEWERT—I am aware of the time and I know the Chair is breathing down my neck. If you could table the list, it would be really appreciated.

Ms Podesta—We will take it on notice for the consolidated list of services.

Senator SIEWERT—Thanks. Those are services you provide now; what is the ongoing budget that you have for 2008-09?

Ms Podesta—Alcohol and other drugs?

Senator SIEWERT—Yes.

Ms Podesta—Do you just want alcohol and other drugs for next year?

Senator SIEWERT—Yes please.

Dr Walker—It is \$2.6 million, Senator.

Senator SIEWERT—Thank you. That has been an increase of \$700,000?

Ms Podesta—It is a significant increase, and we have made sure that the additional resources align also to the additional investment that goes in through the COAG-matched investments of nearly \$50 million in the last two years.

Senator SIEWERT—Thank you. My next question is not alcohol related. I think it is health related, but I might be pushing my luck here. There is an issue around takeaways and good food. I was in a town recently and visited the pool and it had a takeaway shop. I know that pools are being put into a number of communities and there are really good health advantages, and I will move on to the issues around those in a minute. Could you tell me (a) what the department's policy is around tuckshops and the food they serve as they relate to

pools, and (b) how many pools you are aware of that have been built with a combination of federal resources that actually have tuckshops? The reason they put forward that they have tuckshops is to pay for maintenance of the pools. Pools have been put in with joined resources—SRAs, for example—and they have not been getting money for maintenance. The reason that organisations such as councils are putting forward that they have to put tuckshops in is to pay maintenance. It seems to me to be defeating some of the purposes of the program because kids are getting easy access to not very good food. A number of towns are making efforts to actually have really good food available.

Ms Podesta—They are. Senator, we certainly provide advice and information for communities about better practice. We also provide a number of nutritionists who work through primary health care services. However we do not, in any way, regulate or legislate in regard to the types of foods that are available by the community enterprises that are set up by the governing bodies of communities. We certainly encourage them and try to provide good information but we do not regulate what is made available through the community enterprises, including tuckshops and stores. We certainly put a lot of work into encouraging better information within communities so that the managing entity of those services makes good nutrition choices but, as you have indicated, in some cases a decision is made that it is a source of profit for communities. That is a decision that community enterprises make for themselves.

Senator SIEWERT—For example, when Commonwealth money is provided to local councils to put in a pool, additional ongoing funding for maintenance is not provided. One of the driving forces, certainly in at least one of the communities I have visited, is that they say they cannot afford to maintain the pool so they have put in a tuckshop. It seems to be defeating the purpose of why the pools are going in in the first place. Has the Commonwealth looked at what they can do to ensure that maintenance is provided or at least where funds are raised, they are raised in a way that is not undermining the very principles of why the pool went in in the first place?

Ms Podesta—I will make a couple of points. We are undertaking an evaluation of the health benefits of swimming pools through the funds that we have invested, precisely from the question that you asked regarding the base line health status of communities and whether we can measure improvements in the health status of the participants in that community as a result. In regard to maintenance, it really will depend on the terms of the contract, community by community. In some cases the communities raise funds independently. They may have sought a donation through different parts of governments, in some cases through SRAs. In many cases the project was a joint Commonwealth-state initiative. I certainly know that with the pool that we invested in in South Australia we worked with the South Australian government to make sure that the maintenance costs were picked up through the state government. It is difficult to make a blanket answer in regard to swimming pools in Aboriginal communities, because there has not been a blanket approach. We can certainly provide you with the information when the evaluation on the swimming pools happens.

Senator SIEWERT—That would be useful. Who is undertaking the evaluation and when is it being done?

Ms Podesta—If you give me a couple of minutes, we will find that out.

Senator SIEWERT—When is it being done? The terms of reference would be really handy, thank you.

Ms Podesta—I might have to take that on notice.

Senator SIEWERT—Thank you. The other thing is, is it covering all of—

Ms Podesta—No. I can tell you that it is not covering every swimming pool in communities. It is covering a number of swimming pools in outback communities in which the Department of Health and Ageing has put an investment, not every one.

Senator SIEWERT—I was going to ask if it is where you have invested.

Ms Podesta—Yes, it is.

Senator SIEWERT—Thank you. Can I move on? I am actually asking these questions on behalf of both myself and Senator Allison who, as you all know, has a passionate interest in eye health and trachoma. She would not want to miss an opportunity of making sure she gets these on the record. Can you tell me what programs are—

Ms Podesta—We would feel sad if we did not answer a trachoma question.

Senator SIEWERT—Yes, I knew you would, you see.

Ms Halton—We would be having serious withdrawal.

Senator SIEWERT—Can you tell me what programs are currently in place to deal with trachoma in Aboriginal communities?

Ms Podesta—Funded by the Australian government?

Senator SIEWERT—Yes. I understand there is a coordinator in Alice Springs.

Ms Podesta—In the current financial year there is funding made available for a number of activities through our department—namely, through the National Trachoma Surveillance and Reporting Unit. That deals with training and the implementation of trachoma guidelines, the production and distribution of guidelines and the funding that we provided to state and territory governments to train staff and to provide activities for control and management of trachoma. The three states and territories where trachoma is endemic are South Australia, the Northern Territory and Western Australia.

Senator SIEWERT—For the coordinator in Alice Springs, am I correct in thinking that the funding is only to the end of this financial year, as you just said?

Ms Podesta—There has been \$150,000 made available to the Northern Territory. They have recently sought additional funds and we have indicated to them that we will provide additional funding. As I indicated to them last week at my face-to-face meeting with them, we are in the process of negotiating the amount. I think it is important to state here that we provided significant additional resources to the states and territories and it is very important that it is not seen that trachoma is the Australian government's responsibility. Eradication of communicable disease is a very clear responsibility that states and territories have. We are very happy to assist states and territories to upgrade and improve their efforts but it is not an Australian government sole responsibility. We are making sure that we continue to work in a partnership with our colleagues around this area.

Senator SIEWERT—I do appreciate what you are saying but I am sure that people involved in treating trachoma do not want to get caught in the middle of the usual state-federal bun fight.

Ms Podesta—We had a long discussion with our colleagues from the Northern Territory only last week and we indicated to them that there is additional funding that will be made available to them. The size and the scope and the activities around that are still being discussed, but we indicated that we do not want to see that project conclude at this point.

Senator SIEWERT—What you are saying is that there is funding into the future in the 2008-09 financial year but you have not reached an agreement on what it is going to be?

Ms Podesta—We are involved in discussions to make sure there is a fair share of responsibility for the ongoing activities.

Senator SIEWERT—Is that likely to be able to keep the coordinator in Alice Springs going?

Ms Podesta—That was the intention of it.

Senator SIEWERT—That was the intention? Okay, thanks. Do you know what percentage of the population the coordinator is able to reach in Alice Springs?

Ms Podesta—Part of the negotiations is aimed at getting additional information on the range of activities. We certainly know that the additional funding that we have provided up until now has enabled them to expand their current activities. They have employed additional staff and they have also been able to undertake aircraft charters et cetera. There has been a significant expansion of the work and the feedback from communities has been very positive. Part of the negotiations around extended funding will be to make sure we get a pretty comprehensive report from the Northern Territory government about what activities they have undertaken with the funding and what they would intend to do.

Senator SIEWERT—Could you tell me how many children have been found, through the NT intervention checks, to have trachoma?

Dr Williams—We have not kept a record of that particular number; that is not something that we are keeping on our database. There are many things that we do record that require follow-up care from our primary healthcare teams and other specialist referrals. Trachoma is dealt with by the population health units in the states and territories and by the specific officers that they employ. Children who are identified with trachoma are dealt with according to the CDNA protocols, the Australian protocols, and they will be referred also to the trachoma team that the state or the territory runs.

Senator SIEWERT—I find it a little bit strange that you have not been keeping those statistics when the health checks are being done. I would have thought that that would have been something that would have been of interest.

Dr Williams—The child health check initiative is not a research process into what is the prevalence of various diseases in the Northern Territory. In terms of determining the prevalence of trachoma across Australia, the Australian government provided \$450,000 over three years to the Centre for Eye Research Australia to set up a national reporting unit for trachoma surveillance. It is that unit that employs people and collects data from the states and

territories and determines the prevalence and the locations of trachoma across Australia. It is not a function of the child health check initiative to try to duplicate or replicate that.

Senator SIEWERT—Surely children that have been found with trachoma will have been referred on for further health care?

Ms Podesta—Absolutely.

Dr Williams—That is right.

Senator SIEWERT—So, have you got an idea of those? They seem to be able to tell us how many ear, nose and throats, ENTs, have been forwarded, so surely you have kept a record of how many kids have been sent for further treatment?

Dr Williams—We have got data on referrals to ophthalmologists, to eye specialists and to optometrists but not specifically for the reason of trachoma, which, as I say, is dealt with in a community context. The usual public health service will determine the treatment of that child, whether the family needs treatment and whether other people in the community and other contacts require treatment. It is dealt with really in that way in a primary healthcare follow-up context within the community. The simple answer is that we have not collected that data.

Senator SIEWERT—Okay, thanks.

Ms Podesta—We have information on whether children have eye issues, so we have eye data. I think it is really important to understand that the child health check is an opportunity to assess the general health of a child. We have been very careful in consultation with the Northern Territory government and with AMSANT, the peak body representing the community controlled services, to agree on a data collection protocol and process which will complement the type of work that they already undertake. It was not agreed that we would include a specific category on trachoma and therefore we have not just unilaterally said, 'Well, we will.' As Dr Williams indicated, there is an agreed process around the surveillance and collection of trachoma information and, as much as possible, we have attempted to work within agreed processes. It was not agreed in how we would collect information from the child health checks that we would specifically measure trachoma, so we have not. But we have collected information on eye problems.

The only other thing I would say is that it is important to know that for the diagnosis of trachoma you do not just look at a child's eye and say, 'Trachoma.' A range of techniques and training are required. If a child clearly has an eye problem and they are referred, it is really important that someone who is well trained or is trained in the technique to do the diagnosis of trachoma undertakes that work. It is about flipping a lid. For very young children that is quite a intrusive and difficult process and we make sure that the right person—hence the additional resources that have gone into the Territory—is available, trained, able to do that and able to teach health workers to do it.

Senator SIEWERT—Okay, thanks. I want to come back to the NT health checks in a second, if that is okay. I understand from Senator Allison that the minister has received a proposal from Professor Hugh Taylor for a three- to five-year Indigenous eye health program which is worth about \$30 million and which would deal with issues of trachoma. I am sure

you know what I am talking about. I understand this was not funded in the budget. Is there a reason why it was not funded in the budget?

Ms Halton—That is a question to ask government. We have a range of allocations and a lot of people have good ideas in terms of where money should go.

Senator SIEWERT—Was that assessed?

Ms Podesta—I can answer that. I will not comment on the proposal in terms of the budget process but I will comment on what has happened since we received Professor Taylor's trachoma proposal. He is someone we revere very much and we work with and respect very much. When Professor Taylor put forward this proposal, we met with him and had some detail. As you know, his centre has the surveillance contract with us now, so he is clearly an important person in regard to surveillance. We convened last month, in Sydney, a clinical roundtable with Professor Taylor, in part to assess the ideas and views put forward in that submission. We also had a range of very eminent eye health specialists from across the country; representatives from community controlled health services; representatives from the public health units who have responsibility for trachoma; representatives from the clinical advisory group of the Fred Hollows Foundation; and the Chief Medical Officer was at a substantial part of the meeting. It was to discuss, in detail, the clinical issues regarding trachoma management, control and surveillance with a view to being able to assess Professor Taylor's suggestions and strategies within a broad context.

Trachoma is a really important issue. It is not an issue where you can just say from Canberra, 'Thou shalt do.' Trachoma elimination management and control is about a very good level of co-operation within a community, within a health sector, within a state and territory jurisdiction to be able to put in place a range of measures that contribute and co-ordinate. It is not just a case of identifying a child and giving them a pill. You need to undertake a surveillance of the affected family members, you need to bring them back in for treatment and you need to check that the original diagnosis is correct. It is a process that requires a lot of co-operation. Any strategy to significantly increase management and control requires a lot of understanding, commitment and buy-in from all of the parties.

Professor Taylor was very pleased that we convened the clinical roundtable with a view to being able to get, where we could, good agreement and discussion about where we would move forward. All of the states and territories where trachoma is endemic were part of that process. We got a lot of very useful suggestions about models, about how we might proceed, and we are certainly assessing that at the moment.

Senator SIEWERT—Thank you. Are you assessing the ongoing funding of that program?

Ms Podesta—We are assessing both that submission and the other views that came from the eminent people in the room about the ways forward. There is a strategy called SAFE, which is Surgery, Antibiotics, Facial cleanliness and Environmental improvement. There are four elements to that and they need to be linked together, and there needs to be co-operation locally and regionally on any efforts to undertake an eradication and management control process. That was what part of the discussion was about.

Senator SIEWERT—Thank you very much. Could I quickly go onto petrol sniffing?

CHAIR—Yes.

Senator SIEWERT—Could you tell me what funds have been allocated this financial year for the rollout?

Dr Walker—Senator, there has been \$10.632 million allocated for this financial year, 2007-08.

Senator SIEWERT—How does that compare to last year?

Dr Walker—Last year it was \$8.931 million.

Senator SIEWERT—At the last estimates meeting we had a brief discussion around those roadhouses that were yet to stock Opal, or non-sniffable fuel. Has there been any progress made there with those roadhouses?

Dr Walker—Those roadhouses are still not supplying Opal fuel, Senator.

Senator SIEWERT—We started having this conversation about diversionary programs with FaHCSIA and we ran out of time. We were at the stage where we were talking about the programs that are being funded under the NT intervention, which are the shorter-term programs. In answer to questions, you confirmed that there were full-time youth workers in four communities but still none in the Central Australian expanded zone, those other areas from Central Australia which are now part of the eight-point plan or the rollout region. Has there been any progress in locating full-time youth workers there rather than the temporary programs?

Ms Podesta—I am sorry, this is not our outcome.

Senator SIEWERT—Does this belong to the other group?

Ms Podesta—It does.

Senator SIEWERT—Yes, all right.

Ms Podesta—The diversionary activities are FaHCSIA. We look after the substitution of petrol in bulk and we look after the treatment programs for long-term chronic sniffers.

Senator SIEWERT—I will get to that in a sec; I am just pushing my luck. I am aware that you are doing the review of the long-term plan. What I am specifically interested in finding out at the moment is whether there has been a decrease in the number of sniffers overall. I have heard that in some localities there has been a spike and I am not sure if that is true or not, because you hear different stories. Further, could you tell me the commitment for ongoing funding for the treatment?

Ms Podesta—I will start with the evaluation and the treatment. There are a couple of things I can tell you. As you know, we have funded Nganampa Health Council for some time. They have been collecting data on petrol sniffing on the APY Lands now for nearly 20 years. The most recent report showed yet again another 50 per cent reduction in the number of sniffers in the lands. That followed an 80 per cent decrease the previous year. The survey found that the introduction of Opal had been the material factor in the major reduction in the prevalence of sniffing. We have continued to provide funding for evaluation. We have now contracted James Cook University to collect the baseline data on the petrol sniffing across 74 remote communities in the Northern Territory, South Australia, Western Australia and

Queensland. We do not have that kind of baseline data that Nganampa health centre has been collecting everywhere else. This will enable us to collect that and then give a real evaluation of the impact of Opal and the diversionary activities over the next couple of years.

Senator SIEWERT—Thank you.

Dr Walker—To add to that, that particular work has been completed now and there is a summary on our website of the 74 communities that have had baseline data done. The next step now is we have gone out to 20 of those communities and are looking to run the same methodology and compare what impact Opal has had in those 20 communities across Australia. That will help to inform on the impact Opal has had and also inform the broader eight-point evaluation. I will go now to treatment and rehabilitation.

Senator SIEWERT—Yes.

Dr Walker—Treatment and rehabilitation for petrol sniffing is done as part of the broader substance abuse treatment and rehabilitation.

Senator SIEWERT—Yes.

Dr Walker—The department provides funding to a range of organisations to do treatment and rehabilitation. This financial year, the Australian government Aboriginal and Torres Strait Islander substance use program is providing \$27.621 million to fund 93 Aboriginal and Torres Strait Islander substance use services across Australia. That includes 46 Aboriginal and Torres Strait Islander substance use services as well as 46 primary healthcare services which provide substance use services and one peak body, the drug and alcohol service, which also provides services.

In addition to those funds we are providing funding under the Council of Australian Governments measures. There were two measures, both \$49.3 million over four years. One commenced in 2006-07 and the other is commencing the next financial year. The Northern Territory has been allocated \$23.9 million in total out of those two measures, in addition to the base substance use program funding, which we provide.

Senator SIEWERT—That is much appreciated, thank you.

Ms Podesta—Senator, I just wanted to give a little bit more information as a follow-up to the question around trachoma screening in the Northern Territory.

Senator SIEWERT—Yes.

Ms Podesta—As I am sure you are aware, on 26 May 2008 we published a very extensive report, *Progress of the Northern Territory emergency response child health check initiative: health conditions and referrals*. As part of the analysis of that data, there is a subanalysis of the referrals to eye specialists. There is a small section in that report on trachoma and we would be happy to give you the information on those findings.

Senator SIEWERT—Okay. Thank you.

Ms Podesta—It is completely consistent with the answer we gave you, which is that in most cases there has not been a specific screening for trachoma, but there were a percentage of children who were checked for trachoma and we have the information on the prevalence rates as a result of that. It is really important to note, though, that we do not take this as an

indication of prevailing rates; it is a sample point in time et cetera. It is non-scientific at this point.

Senator SIEWERT—Okay.

Dr Williams—To clarify that: amongst those referrals to eye specialists and optometrists and so on, there has been a subanalysis done within the child health check where trachoma was identified as being a diagnosis. Within that analysis, we can say that, of the 1,989 children who were included in that subanalysis, seven per cent were identified as having trachoma in at least one eye. That varied across regions. Certainly the Northern Territory, as you know, has its own program for monitoring for trachoma through the Healthy School-Age Kids Program, in which they do trachoma screening. How recently their Healthy School-Age Kids Program teams have been out looking for and treating trachoma obviously changes the prevalence in the communities that we are coming to if it is after they have been there. It is difficult to analyse that and to make a clear estimate of prevalence across the Northern Territory. I think it is important that we clarify that we do have some information on trachoma incidence in the children that we saw.

Senator SIEWERT—Thank you.

Ms Podesta—Following up on the swimming pool evaluation—

Senator SIEWERT—Yes.

Ms Podesta—We pride ourselves on not taking questions on notice. The swimming pools in Mimli, Amata, Watarru and Pipalyatjara were funded through SRAs. The evaluation of the benefits of the pools is being conducted by Health Care Planning and Evaluation Pty Ltd. We will have the evaluation report by 30 June 2009. The total cost is \$357,000.

Senator SIEWERT—And why is that?

Ms Podesta—It is just an inevitable part of any consultancy in remote communities.

CHAIR—Did you have some follow-up on petrol sniffing?

Senator ADAMS—Dr Walker, you said that you are going to be looking at evaluating 20 communities. How have you chosen those communities?

Dr Walker—I think they were chosen based on getting a regional coverage across Australia so that we were able to test in a number of different regions in Australia where Opal fuel has been rolled out. That was the main criterion.

Senator ADAMS—Is it possible to get a list of those? I am fully aware, having been involved with the Northern Territory intervention area, of break-outs that have occurred in the last few months.

Dr Walker—We have not provided community names for the 74 communities where we collected the baseline data. This is partly for privacy reasons so that people do not have a sense that these are the communities that have got a petrol-sniffing problem. It is quite a sensitive issue, so there may be some problems with providing the names of those 20 communities to you. We can certainly have a look at it.

Ms Podesta—It is certainly true that there are still break-outs, but we also know it is absolutely true that, because the rate of petrol sniffing has dropped so dramatically as a result

of Opal in many places, the capacity now to case manage the individual children who do engage in petrol sniffing is much better. The information we have, for example, from Central Australian Youth Link-Up Service, CAYLUS, with whom we work closely—

Senator ADAMS—Yes.

Ms Podesta—They can respond because they are not dealing with overwhelming numbers. When there is a break-out they know, they are able to go in quickly and find the kids, find out what is going on and if possible divert or do other activities. We have never pretended that Opal would mean it would go away forever.

Senator ADAMS—That is not what I was suggesting. My time is getting really limited. Have CAYLUS been funded to do more work with petrol sniffing for this next year or so?

Ms Podesta—CAYLUS is funded under outcome 1.

Senator ADAMS—Yes, I know; you see this is the problem.

Ms Podesta—We provide some funding to CAYLUS through our petrol-sniffing program for youth diversionary programs during the school holiday program period. That is a good and positive relationship that we do not see changing. We do not have the main CAYLUS contract in outcome 8.

Senator ADAMS—Okay. That was just a question on petrol sniffing.

Senator SIEWERT—Do you have any more?

Senator ADAMS—I have got lots on other issues.

Senator SIEWERT—May I ask one more; because I realise I have taken a lot of time? I know there has been an increase in funding for Aboriginal health. What I am keen to know, and I think you may have to come back to that on notice—

Ms Podesta—In the Territory or overall?

Senator SIEWERT—This is overall. What is now the ratio of spending on health related issues for Indigenous and non-Indigenous people? You will be aware that there is a lot of talk around how much is spent on primary health care for Aboriginal people versus other Australians. I am keen to know how that ratio is now balanced following the injection of the additional funds that have been committed.

Ms Podesta—We understand the question.

Mr de Carvalho—The most recent report of the expenditures on health for Aboriginal and Torres Strait Islander people, which was compiled by the Australian Institute of Health and Welfare based on 2004-05 data, has a number of ways of cutting that information. If you are looking at overall relativities, which I think was your question, it says that, for every dollar that is spent on the health care of a non-Indigenous person, \$1.17 has been spent on the health of Indigenous people. What that overall figure does not show is of course that the level of need and the burden of disease experienced by Indigenous people are substantially higher. We would expect that, if the level and service and expenditure matched the burden of disease and the level of need, then the relativities would be higher again.

Senator SIEWERT—Did I hear you say that was 2004-2005 data?

Mr de Carvalho—That is 2004-2005 data.

Senator SIEWERT—I appreciate that. I was wondering about the injection of more funds in the last couple of years and particularly with the several budget announcements that the new government has made of injection of funds to Aboriginal health. Despite the fact that I have been critical that it is not enough, at least it is a step in the right direction. Has any analysis been done as to how those injections are heading us in the right direction?

Mr de Carvalho—Not yet, Senator. These reports are compiled every three years.

Senator SIEWERT—I was just wondering if there were any other sources of information available for that.

Mr de Carvalho—Not in a comprehensive and public way in the manner that the AIHW does it on a three-yearly basis.

Senator SIEWERT—Thank you.

Mr Davies—One of the problems with that calculation, and the reason it is done every three years as a special exercise is of course—you mentioned the budget; some of the funding of those budget measures will benefit Indigenous people—that if we just added the specific Indigenous measures to the Indigenous side of the equation and the other budget measures to the non-Indigenous side it would be very unreliable. That is the reason why this sort of exercise is done, I assume on some sort of a survey basis or retrospective analysis, by the experts in AIHW.

Ms Podesta—One of the most important issues from our point of view is to increase Indigenous peoples' use of Medicare and the PBS.

Senator SIEWERT—Yes.

Ms Podesta—One of the important roles that we play through the grant funding that we provide is also to increase strategies which will improve the take-up and usage of Medicare and the PBS. We do not think that the answer is that you just provide grants; it is also that the mainstream health system is as responsive as possible, and the Urbis Keys Young report has indicated that there has been a significant increase in the take-up of Medicare and the PBS.

Mr de Carvalho—Senator, to add to that answer: the latest report from AIHW does indicate an increase in the ratio of Indigenous people using the MBS and the PBS relative to non-Indigenous people. In 2001-02, which was the last time this report was compiled, Indigenous per capita usage of the MBS was 39 per cent of that of the non-Indigenous population; by 2004-05 that had risen to 45 per cent. In relation to the PBS, in 2001-02 per capita usage of the PBS was estimated at 33 per cent of the non-Indigenous usage; by 2004-05 it was estimated at 51 per cent.

Senator SIEWERT—Thank you very much. I would like to ask more, but I know I have run out of time.

Senator ADAMS—I would like to ask some questions on child and maternal health services in Indigenous health. There is \$90.3 million in the budget over five years. I will start the \$58 million to expand health education, treatment and care services for mothers and children. What education treatment and care services will be provided from this \$58 million?

Ms Podesta—I am sorry, Senator; we look puzzled.

Senator ADAMS—Yes, you do.

Ms Podesta—Where is the \$58 million from?

Senator ADAMS—I do not know; I will have to find it.

Mr Thomann—Over four years.

Senator ADAMS—Over five years is what I have got here. The \$90.3 million over five years is first up, and then part of that is \$58 million to expand health education, treatment and care services for mothers and children.

Ms Podesta—Let us start with that.

Mr Thomann—Over five years—

Ms Podesta—Thank you; I am sorry. The \$58 million is the four-year figure and the \$90.3 million is the five-year figure.

Senator ADAMS—Okay, sorry.

Ms Podesta—We always think of it as the five-year figure—

Senator ADAMS—When I was doing these notes I can assure you that, with the number of things I had to cover, I just pushed them through. What I want to know is what education, treatment and care services will be provided for the \$58 million?

Ms Podesta—The minister has recently announced the first five primary healthcare services that were funded for the first funding round under the new directions—mothers and babies. Yerin Aboriginal Health Services; Aboriginal medical service co-op, Mount Druitt; Mawarnkarra, in Roebourne, Western Australia; Carbal, in Toowoomba; and Danila Dilba, in Darwin, have all been funded for additional mothers and babies services commencing this year. They have all been offered contracts.

Senator ADAMS—How much is there for each of those?

Ms Podesta—The total is \$653,000.

Ms Balmanno—For Yerin, it is \$137,953.20.

Senator ADAMS—I would leave that for the *Hansard*.

Ms Balmanno—Do you want me to round them to the nearest thousand?

Senator ADAMS—Yes.

Ms Balmanno—For the Aboriginal Medical Service Western Sydney, which is the one in Mount Druitt, it is \$155,000. For the Mawarnkarra Health Service, in Roebourne in WA, it is \$145,000. For Carbal Medical Centre, in Toowoomba, it is \$140,000 and for Danila Dilba, in Darwin, it is \$127,000. That is the funding for this financial year. All five services will also receive funding in the next financial year to continue the projects, and we are currently negotiating those amounts with them.

Senator ADAMS—When do they start?

Ms Balmanno—The amounts will be more than they received this financial year because it will be a full year effect.

Senator ADAMS—When do they start?

Ms Podesta—They will start relatively quickly. They have all been offered contracts now. Three of the five have been executed and the remaining two will be finalised within the next week or so. It will now be a case of them recruiting staff, putting in place training and whatever activities they need to, but they will commence in the next couple of weeks.

Senator ADAMS—That is good. How will the efficacy be measured? How are you going to do that?

Ms Balmanno—No decision has been taken at this stage. We are certainly considering whether some of the indicators that were developed for the Healthy for Life program that looked at child and maternal health services may be able to be used for this program as well. But we have yet to work that through with the services involved.

Senator ADAMS—Right.

Ms Balmanno—They will provide annual plans for what they intend to do with the funding each year and they will then report against those plans, as do all OATSIH funded services. We will be able to measure their progress from that point of view. If you are asking for outcome measures, we have yet to agree indicators with them.

Ms Podesta—We certainly agreed to the standard set of activities that the services will undertake. They will provide mothers with access to antenatal care in some cases, standard information about baby care, practical assistance and advice around parenting, monitoring of developmental milestones and health checks for Indigenous children before they start school. There is a range of standard things we will expect from those services. They will tailor them around what else is already available or already being provided within their service. In most cases, though, given the number of antenates in the community, we would expect most of those services to provide the full range of those through these grants. As Ms Balmanno has indicated, they will provide information through the service activity report or, if they are a Healthy for Life program site, as part of the negotiation they might report through the Healthy for Life program life indicators. That is something we will negotiate service by service.

Senator ADAMS—How are they going to reach the Indigenous women and children?

Ms Podesta—The good thing is that the first five are all services that are part of the community controlled sector. They are community run by Aboriginal and Torres Strait Islander people, depending on where they are. Those services are expected to have good links and outreach services, and they will be encouraged to make sure that they provide the services. Our experience is that the important thing is to make sure that there is a high level of trust, that Aboriginal women who use those services feel confident in the clinical competency of the people working there and that the cultural sensitivity is recognised and built in. Primary healthcare services run by the community controlled sector tend to be good around those factors.

What we will be doing, as part of the general work that we are doing with maternal and child health, is encouraging the services to do some particular things. We cannot mandate it

but we will be encouraging them. The important issue for us with regard to maternal and child health is to make sure that we are getting more Indigenous women coming early in their pregnancy. It is a key factor. At a recent Healthy for Life conference, which was well received, the strategies and the work that is being done to encourage this were stressed. As you know, antenatal care has improved significantly for Indigenous women. The take-up rate now, the number of Indigenous women using antenatal services, has increased. It is now almost comparable to non-Indigenous women. What has not improved well enough, and this certainly will be a feature of the work under the new program, is to make sure women come earlier in their pregnancy and more regularly.

Senator ADAMS—Will they be using Indigenous health workers?

Ms Podesta—That will be part of their staffing complement, but they will inevitably have nurses as part of this service.

Senator ADAMS—Yes.

Ms Balmanno—To add to that, Senator, the first five services were specifically selected because they had demonstrated capacity and commitment to deliver mothers and babies services. They were chosen particularly because they were seen as strong contenders to expand their efforts in this area.

Senator ADAMS—Thank you. We have a number of non-Indigenous health workers that are male—how do we get on there? Will the Indigenous women go to a service if there is a male nurse attending? How will they go with that?

Ms Podesta—That really varies from community to community. One of the reasons that community controlled services have such a high impact in this area is that there is a good understanding of cultural norms. It is impossible for us in Canberra to say it will work if you have male staff here or not; we do not live within that community. The philosophy and ethos of a service is about recognising, as I indicated earlier, the cultural sensitivities. In some cases clinics have separate doors for men and women; in some cases they have separate waiting rooms, but that is not universal. It really will depend on the culture and history within that community.

Senator ADAMS—The only other thing is: what if there are no female health workers and there is only a male available when someone comes in?

Ms Podesta—That would be unusual, I would think.

Senator ADAMS—How would they deal with it?

Ms Podesta—I would think that would be unusual in a maternal and child health service. It would be hard to answer, but Dr Williams might be in a better position to answer that.

Dr Williams—Senator, I think it is a very good point: that may be culturally inappropriate in some settings. Certainly services work hard to have female health workers or female nurses available wherever possible. It does not mean that male health workers or doctors or nurses are not quite accepted in some cases and particularly where they are well known and trusted by the community. It varies, as you would know, from place to place, but we certainly consider it important that staffing is appropriate for the cultural needs of the community.

Ms Podesta—And clinical staffing.

Senator ADAMS—Yes, all right. I would like to move on now to the home visits for which \$32.3 million has been set aside. When will the home visits start?

Ms Podesta—The first three sites for the home visiting program have been announced. The sites are now gearing up to be able to deliver those services. The program is not intended to be delivering home visits this financial year. The staff will need to be selected and trained. As you are aware, the program that has been announced, Health@Home Plus, is part of an international collaboration with Professor David Olds. We are currently finalising a tender process which will then take responsibility for the adaptation of the materials from Professor Olds. Then we will be involved in the training of staff in the techniques and the work of David Olds. Once the staff have been selected and the materials are adapted appropriately for Australia, staff will then be in a position to make contact with women and families and start visiting. We believe that services will commence that work, subject to the staff being trained, before the end of the calendar year.

Senator ADAMS—Calendar year? That is a bit different to the financial year.

Ms Podesta—It is, but the measure was deliberately designed that way, Senator. This is quite a different program in Australia; it has never been run here before. As part of signing up to the international collaboration we committed to program fidelity. That meant that we would have our materials developed in co-operation with Professor Olds's team, who are the world leaders in this, and that the training would be introduced and run in Australia with fidelity and appropriately. After that has happened and the sites commence, we can then speed that up. It will go faster after the foundations have been put in place. It is important to know that this is a program about being able to have a manualised program that can then be used in other places because the training, information and skills are in Australia. What we want to know is: can this work successfully within an Indigenous setting? So we are doing it carefully and properly.

Senator ADAMS—Very briefly, what would be involved with a home visit?

Dr Williams—The home visiting will be provided once women are recruited to the program through, say, antenatal clinics. There will be four visits on a weekly basis, then a visit by the home-visiting personnel every two weeks until the baby is born, then weekly after that for six weeks, then fortnightly again until the child is 18 months old and then monthly until the child is two.

Senator ADAMS—Are these sites very remote or are they in built-up areas?

Ms Podesta—No, they are not remote. The sites are selected on the basis that there are a sufficient number of antenates born to Indigenous women or Indigenous children in any year. We have made a decision that there needs to be about 100 children so the case management load is reasonable for the team of staff working on this program. The first three sites are Alice Springs, Cairns and Melbourne because there are sufficient antenates to do that. We do not think, and particularly for the first part of the program, that remote is appropriate. We need to make sure that the program is situated within communities with high numbers of children and with other services available to be able to support the referral of other information. It is important to note that the home visitors will not replace midwives, child nurses or other staff within maternal and child health services. This is a supplement, an addition, to those services.

Senator ADAMS—As far as child and maternal health statistics stand at the moment, have you got a benchmark to start with? I am just wondering what the figures are as this will be part of the evaluation.

Ms Podesta—As part of the health performance framework we certainly have information now on maternal and child health statistics, including things like birth weights, full-term births, early births, failure to thrive and so on.

Ms Balmanno—Use of antenatal services, smoking during pregnancy—things like that.

Ms Podesta—We have a range of factors that we collect data on across state and territory governments and our services. That information has been reported in the health performance framework. We would anticipate that in the next report we will have even more information on that that we would be happy to give you.

Senator ADAMS—With this specific program, how many years would you go before you review it? What is your intention there?

Ms Balmanno—Part of the delivery of this program involves an ongoing quality assurance process and feedback to individual sites and individual home visitors on the effectiveness of what they are doing. Compared to other interventions in Indigenous health I think it is fair to say it is data intensive in what it is doing. There will be quite detailed records on the client group available within the services and being reported to the national organisation that Ms Podesta mentioned that we were contracting. Once the visits actually start there will be a level of data about what is changing over time in the population being served, on the children in these target groups, to complement the national data and to use as a comparison to the national data that we have in the health performance framework

Ms Podesta—Part of the work that will be undertaken by the tender I alluded to previously will be around the collection of data. We also have a program reference group made up of experts in the country who are responsible for the development of the evaluation framework and the research and information requirements within the program. This will be a rigorously evaluated program.

Senator ADAMS—Good.

Ms Podesta—Part of the requirement for a site to join this is an agreement to be part of a very rigorous evaluation.

Senator ADAMS—Thank you. Am I completely out of time, Chair?

CHAIR—We are running out of time. You can ask one more but it is cutting into your time for rural health.

Senator ADAMS—This is on rheumatic heart fever, the \$11.2 million allocated over five years, and how it is going to be dealt with.

Ms Podesta—We can give you a little bit of information about this, but I am sorry to say, Senator, that we do not deal with this issue. This relates to Ms Morris from the previous outcomes, but Jennie Roe is happy to give you an answer on that if you are happy for someone from a different division to deal with your question.?

Senator ADAMS—Yes, thanks.

Ms Roe—I did not hear the question, I am sorry.

Senator ADAMS—The question was regarding the \$11.2 million allocated over five years. What will be your approach and can the government provide statistics on the prevalence of the disease? I notice there have been a number of newspaper or media articles on rheumatic heart fever and unfortunately it seems to be on the rise. I would just like some information on that.

Ms Roe—The \$11.2 million over the next few years is to do two things. One is to establish a national co-ordination unit to co-ordinate efforts to tackle acute rheumatic fever, and I can tell you what that will do in a moment. The other part is to establish two program sites, in Western Australia and Queensland, and also to continue the existing one in the Northern Territory, around collecting the data and also providing proper diagnosis and improving access to antibiotics. You mentioned prevalence. I do not know if Dr Williams can comment on prevalence, but one of the things that this is trying to do is to establish the data collection processes.

Senator ADAMS—What about the ongoing treatment for that?

Dr Williams—Rheumatic fever not being a notifiable disease nationally means that few jurisdictions really have accurate data. The Northern Territory, given that it does have a well-functioning register that is supported by the Commonwealth government, does have data. I just do not have that information right in front of me. They are able to do year-on-year data on the incidence and prevalence of rheumatic fever and rheumatic heart disease. In terms of treatment, obviously having a register such as they do in the NT allows them to maintain a program of prophylaxis with the antibiotic therapy very effectively.

Senator ADAMS—Just practically, I have visited a few of the communities but unfortunately it is difficult for the health workers to catch up; they might get the first dose but then unfortunately are not around for the next one. There seem to be a few issues there, but I think that is just a general area which is difficult.

Dr Williams—That is true, Senator, and because of patient mobility it can be very difficult to maintain a track of patients. Having the jurisdiction-wide register certainly helps with that because then you can track patients across communities and across the jurisdiction.

Ms Podesta—Senator, as I am sure it is your constant bedtime reading, in the health performance framework put out by the Australian government, we do have a particular chapter on acute rheumatic fever and rheumatic heart disease which includes the prevalence rates. The data is included on page 39 of that report. The rate per 1,000 persons in the Northern Territory, as of 2002-05, was 1.3 for acute rheumatic fever and 19.5 for rheumatic heart disease, but I will stress that was in 2005. That is part of the information that we are able to get from the register because we fund that register.

Senator ADAMS—It might be interesting when we see the review of the intervention and the child health checks to see if it has changed.

Ms Podesta—We publish this information as part of the health performance framework in Health.

Senator ADAMS—Thanks.

CHAIR—Thank you. That is all on outcome 8. Now we will move to outcome 6, Rural health.

[5.36 pm]

Senator ADAMS—Does the infrastructure fund come into this one?

Ms Morris—The Rural Medical Infrastructure Fund, yes, Senator.

Senator ADAMS—There was some confusion at the rural and regional hearings last week; it seems like a year ago. The applications from those organisations or shires that had been put into that agency would have come across to you if those applications had been approved. What happens to the other ones that are part-way through; are they going to come to you or not?

Ms Morris—I will let my colleague Ms Appleyard answer that, Senator.

Ms Appleyard—Yes, we have asked the Department of Infrastructure, Transport, Regional Development and Local Government to forward to us what we believe are 18 applications that were submitted for approval and are still under consideration under the RMIF. We are developing a new program, which will be an amalgamation of the Rural Medical Infrastructure Fund and the Rural Private Access program, to be known as the National Rural and Remote Health Infrastructure Program. It will commence on 1 July 2008.

Senator ADAMS—Will that be advertised with guidelines set out?

Ms Appleyard—That is exactly right, Senator.

Senator ADAMS—That will be very good news to a lot of communities that I know about anyway, so that is something that is very good. Is this the right place for the Medical Specialist Outreach Assistance Program too?

Ms Appleyard—Yes.

Senator ADAMS—Good.

Ms Morris—You are in luck at the moment.

Senator ADAMS—Is it correct that \$12 million is put aside for the Medical Specialist Outreach Assistance Program?

Ms Appleyard—Over four years, that is correct—an additional \$12 million, Senator.

Senator ADAMS—I come from Western Australia and trying to get specialists now to go out into rural areas is difficult. I have an article here that was in the paper this morning about a cardiologist who has been part of the program and was trying to get to Kalgoorlie. Qantas has decided that some of the areas in the bush will no longer be serviced, so the poor cardiologist was really stuck and all his patients were waiting for him in Kalgoorlie to no avail. I just wonder how we are going to get on with this. It is a great program to get specialists out, but if we cannot get them from A to B to C it is going to be very difficult.

Ms Appleyard—Senator, it would certainly be possible for that cardiologist to submit an application under MSOAP to use charter flights, if necessary. We often do that to get specialists to remote areas. Obviously this does impact on the cost of the service; however, if that is the only way to get a specialist to a particular area, it is seen as a reasonable part of the

costs. Having said that, the decision is made by the local MSOAP advisory forum in Western Australia, who will prioritise services and determine which services are funded within their budget.

Senator ADAMS—That is good news if we do have that problem again. Whereabouts are these specialists going to come from if there is more money being put into the program? Are you expecting to be able to entice more specialists to go to rural and remote areas?

Ms Appleyard—You are absolutely right that there are workforce issues in respect of the specialist workforce. However, we find that MSOAP is a very well-subscribed program and generally we have more specialists putting in applications than we have funding. So, an increase in the budget is generally a good thing.

Senator ADAMS—How much will each specialist be paid; is there a set amount or does it vary?

Ms Appleyard—It does not work that way. Each of the auspicing organisations in each state and territory will get an additional amount of money to add to their budget. They will then determine how many more services they can pay for from that additional amount of money.

Senator ADAMS—Where will these specialists be sent to?

Ms Appleyard—The specialists themselves are able to submit applications for where they may propose to provide services and also the members of the advisory forum represent a broad range of stakeholders who know where services may be needed. So the word gets out that we need specialist services in area X and then specialists are invited to submit proposals to provide those services.

Senator ADAMS—With these visiting specialists—I am getting very practical here, so you probably know what is coming up—is there funding available within this program if the patient needs to visit a city for treatment based on the specialist's recommendation?

Ms Morris—It is not funded from within MSOAP. That comes back to your favourite program to ask questions about.

Senator ADAMS—There are visiting specialists going to the north and north-west of Tasmania, as I was trying to talk about last time, and they have been given \$9.9 million for patients from that area to go to Hobart to see their specialists. Is that going to be a reciprocal payment around the rest of the rural and remote areas in Australia?

Ms Morris—I am afraid your luck has run out, Senator; that comes under outcome 13.

Ms Halton—It is a particular program in respect of Tasmania due to the circumstances in Tasmania.

Senator ADAMS—Why are their circumstances any different? Their communities are a lot bigger than the ones I deal with.

Ms Halton—It is a policy decision of government in respect of a number of things to do with Tasmania.

Senator ADAMS—As we are on this issue and so I do not have to come back and revisit it, Ms Halton, I have written to the minister about the recommendations from our inquiry and

I have not had a reply. Is there any movement on COAG or on the Health Ministers Advisory Council as to a national approach to get the guidelines nationally accepted as well as all the other issues that were raised in our inquiry? Are we making any progress?

Ms Halton—There are two things we can say about this, Senator. Firstly, through the Regional Medical Advisory Committee, the states and territories have had a conversation about setting up a process to look at all of those things.

Senator ADAMS—Is that a question for them later?

Ms Halton—Essentially the idea is that there will be a subcommittee of AHMAC set up to progress a number of those recommendations. I was about to tell you that the ACT was going to chair that and then I remembered that the ACT decided it probably did not apply so much to them as to others. I cannot remember which state or territory—

Ms Morris—The Northern Territory.

Ms Halton—Thank you for remembering that. So the Northern Territory is to chair that, which I think is appropriate. I can also tell you that in the COAG discussions amongst officials that the question of patient travel has been quite a feature. I cannot give you salvation to say that we have come up with ‘the answer’, but I can assure you that it has featured. I do not think I would be overdoing it in saying that in every conversation that I have been party to in the COAG context, it has been raised. People are very aware of it, but quite how that will manifest in terms of solutions and how the work will come together I cannot tell you yet, because I do not know, but it is being actively discussed.

Senator ADAMS—That is certainly a relief for those people who have been writing to me and saying, ‘What’s happening, what’s happening?’ I am sure they will be happy that at least we have got it on the national agenda anyway, so that is good. I note that Healthy Horizons is being reviewed by the government. Is there going to be another program like Healthy Horizons or will something else take its place? Where are we at with that?

Ms Appleyard—The Healthy Horizons framework has recently been reviewed by the Rural Health Standing Committee, which is a subcommittee of AHMAC, in consultation with the National Rural Health Alliance. The report has just been submitted and is being considered by that group. That was an evaluation of the previous Healthy Horizons framework. It was to see whether or not it still remained relevant and, to the extent that it did not, what might be further options. Being a strategic framework, if there were not Healthy Horizons, there would have to be something like it. We are very conscious of the fact that the Healthy Horizons framework fills an important role, and we will certainly be looking for options for the successor to this program.

Senator ADAMS—Good. The National Rural Health Alliance has been calling for some time for the National Health and Medical Research Council and the Australian Institute of Health and Welfare to have increased funds for their rural and remote research streams. Are appropriate amounts spent on rural research by these organisations?

Ms Halton—Apart from the fact that that is asking for an opinion, we have canvassed that issue many times in the last day and a half. I do not know that we can make any comment.

Senator ADAMS—Let me ask it in a different way. Has any funding been put aside for rural and remote research?

Ms Halton—I do not understand what you mean by ‘rural and remote’ research. If you look at translational research or services research, the NHMRC has a funding stream—and indeed a number of things have been picked up in that stream. Professor Horvath wants to speak to this. Go on, Professor Horvath.

Prof. Horvath—There has been quite a discussion on this at council on a number of occasions. The CEO, who will be speaking later under outcome 10, can elucidate. He is looking at increasing the funding into health services, research and health delivery systems. Remote issues and rural issues certainly come under that.

Senator ADAMS—That is very nice to know. I think I am in the right place for my next question. Given the fact that there are no teaching or research hospitals in rural and remote areas, how will the \$10 billion Health and Hospitals Fund help rural and remote health outcomes?

Ms Halton—As yet, Senator, we have not got the fine detail on how that fund is to be allocated but it is certainly in respect of health infrastructure. Professor Horvath, have you got your pencil up again?

Prof. Horvath—Yes.

Senator ADAMS—He is doing well. You do have to wait for people to ask you questions.

Prof. Horvath—Senator, there is a lot—

Ms Halton—Let me finish what I was saying.

Prof. Horvath—Excuse me; I thought you were waving to me.

Ms Halton—If you let me get a word in, she will not say, loudly, what she just said about your pencil. On that particular fund, the notion is that it will fund health infrastructure—and that is not just research infrastructure. Depending on the fine detail of what we do with the fund—which is yet to be sorted out—I would not say that rural and remote services will not be eligible. On contrary, I think they may well be, but we have to work that through. It is around infrastructure. Okay, pencil waver.

Prof. Horvath—Senator, there is in fact quite a large investment in the rural clinical schools and the rural health issues. For example, in New South Wales are Dubbo, Orange and Broken Hill campuses and in all states and territories there is quite a large investment. In fact, 25 per cent of the total student time is spent in the rural clinical schools.

Senator ADAMS—I keep finding fives and not sixes here. I think I have just about run out except for the Northern Territory intervention. Seeing I missed out with that before, can we squeeze that into rural as well?

Ms Halton—I can probably answer some of it and Mr Davies might be able to answer some of it—but Ms Podesta has run away at great pace.

Senator ADAMS—I bet she has!

Ms Halton—She was last seen flying with a cabinet submission in her hand. Ask what you wish, Senator, and we will see what we can do.

Senator ADAMS—It is probably about the review, with the task force finishing up at the end of the month. What is the state of the review, have the people been chosen yet and when will the review start?

Ms Halton—That is a FaHCSIA matter as it is being done by FaHCSIA.

Senator ADAMS—I could not get an answer there so I thought I would try you.

Ms Halton—I am aware that the review has been considered. What I do not know is what has been put in the public arena about it. I am certainly aware that arrangements are well in train.

Senator ADAMS—Good. It was just the fact of the task force finishing and just noticing that Dr Gordon is heading back to Western Australia. I am just hoping, for rural and remote communities, that everything is not going to fall in a heap but that it is going to keep going.

Ms Halton—I am not sure whether Minister Macklin has put this in the public arena. I think they probably are in the public arena but, at the risk of getting myself into terrible trouble, I will not tell you what I know.

Senator ADAMS—We do not want that.

Ms Halton—No, we do not want that. If she has not put it in the public arena, I am aware that it was already very well organised and will definitely be underway.

Senator ADAMS—Good. Madam Chair, I cannot find any more.

[5.54 pm]

CHAIR—Thank you, Senator. We will now move onto Hearing Services, outcome 7.

Senator HUMPHRIES—Page 130 of the budget portfolio statement refers to the introduction of a new rehabilitation service for hearing service program clients fitted with free-to-client hearing devices for the first time. Can you tell me how many new clients will be receiving this first-time hearing device in 2008-09?

Mr Kingdon—I am sorry, Senator, we do not have that information so we will have to take it on notice.

Senator HUMPHRIES—I was going to ask as well what the cost of that will be and for you to tell me how you qualify for that service. Will you take that on notice as well?

Mr Kingdon—We can do that now.

Ms Williams—Could I just clarify the question, Senator: is it cost in terms of the total cost per year or the cost for the service?

Senator HUMPHRIES—Total cost. I could not see it in the budget papers as a line item, so what is the total cost say in 2008-09?

Ms Williams—For 2007-08 it is \$3.59 million.

Senator HUMPHRIES—I asked about 2008-09. It says that the service will be provided in—

Ms Halton—Are you talking about that new service? I do not think we have that. I thought we were going to tell you what the eligibility criteria were.

Senator HUMPHRIES—That was the other question, yes. The cost was one question.

Ms Halton—You were asking about the cost for the new service?

Senator HUMPHRIES—Yes. What is the cost of the new service and the eligibility criteria?

Ms Williams—Regarding the cost for the new service, a payment of \$120 will be paid to service—

Senator HUMPHRIES—Excuse me. I meant what is the cost to the budget for providing this service?

Ms Williams—Do you mean providing the service for a full year?

Senator HUMPHRIES—Let us say for the financial year beginning on 1 July 2008?

Ms Williams—It is between \$7 million and \$7.5 million per annum, in anticipation that there will be a full take-up. In terms of eligibility, it is for a client who is having a first fitting and who is taking a free-to-client device.

Senator HUMPHRIES—What makes them eligible for a free-to-client device? Could I go and get one?

Ms Williams—If you are eligible for the voucher program.

Senator HUMPHRIES—What would make me eligible for the voucher program?

Ms Williams—Broadly speaking, if you have a pensioner concession card or if you are a veteran, and there are certain other classes.

Senator HUMPHRIES—I do not think I fall into that category. Sadly, my hearing probably does but I do not. I take it you are going to take on notice how many people are likely to benefit from that? Can you tell me what the average cost per device fitted might be? Am I right in saying that there will not be a standard device that meets everybody's requirements but there will be different responses to different people's hearing needs? Can you tell me the average cost of the devices provided?

Mr Kingdon—It is about \$1,100 for an average fitting and then you would add \$120 for the extra rehabilitation component to give a total of \$1,220. That is for a very average price. There is not a standard amount as it would depend on the service provided to the individual.

Senator HUMPHRIES—How will people find out about this service. Will there be advertising through mail-outs to eligible cardholders, for example?

Mr Kingdon—No, Senator, it is part and parcel of the Hearing Services Program. It is just an additional part that was considered to be inadequately covered. We were concerned about the number of people who were using their hearing aids once they were fitted. We had research advice to suggest to us that if there were better rehabilitation follow-up then we were more likely to have people persist in that difficult phase when you take on a hearing aid. The eligibility rests with the normal eligibility for the hearing program and that, to my

understanding, has never been advertised as such. Providers often will advertise that there are services available.

Ms Williams—We will include it in the information that goes out to clients when they receive their voucher as part of the services that will be provided under the program.

Senator HUMPHRIES—Might a GP direct somebody to this service?

Mr Kingdon—Yes, but it is the general hearing service rather than the rehabilitation service. It has to be seen as the continuum of care. A GP may well suggest to someone who has hearing difficulties to go and get their hearing tested and they will say, ‘Here is a form that you can fill in because, if you are a pensioner and meet these criteria, you will be eligible for a free service.’

Senator HUMPHRIES—You also describe in the budget papers the establishment of a Hearing Loss Prevention Program, but go on to say that during this coming financial year, there will be research to establish an appropriate evidence based prevention strategy. Can I take it that that research will be completed before the Hearing Loss Prevention Program will be rolled out?

Mr Kingdon—Yes, that is correct—and it has been completed. We have come up with some priorities.

Senator HUMPHRIES—It has been completed?

Mr Kingdon—Yes, the initial research has identified where the priorities are. We are in the process of seeking applications from people for conducting particular projects. We also identified the priorities. It was not just open slather for researchers to put up any good idea; we had identified critical areas.

Senator HUMPHRIES—We are talking about research projects?

Mr Kingdon—Yes.

Senator HUMPHRIES—You have a number of projects which are already designated?

Mr Kingdon—No, Senator, priorities are designated and now we are getting applications.

Ms Williams—It is a procurement process.

Senator HUMPHRIES—Will the research itself be conducted in 2008-09?

Mr Kingdon—It will be started.

Senator HUMPHRIES—Would you see the result of that research on the table before you then proceed to put in place the Hearing Loss Prevention Program?

Mr Kingdon—No, that is part of the program. We are trying to identify the barriers that stop people behaving in risky ways. The obvious one with children and young adults is iPods, for example. There is a fair amount of evidence to suggest that, if you play them too loudly, you are going to experience hearing loss. It is all very well to go out and tell people not to do things but it has not been particularly successful. The next step is to identify those barriers that are causing those messages to deflect away from the people. That is an example of the advice we will be seeking so that we can best communicate with our target groups regarding what we need for prevention.

Senator HUMPHRIES—This is more research into strategies for prevention as opposed to what physically harms the ear or damages hearing?

Mr Kingdon—Yes, that is right.

Senator HUMPHRIES—I would like to have more information about that, but perhaps I will ask at the next estimates hearing as to what projects have been released or tendered for.

Senator CAROL BROWN—Who are the target groups and what are the identified priorities?

Mr Kingdon—The target groups are youth, Indigenous people and people in workplaces. One of the priorities, as I have said for young people, is to identify what are the barriers to communicating successfully those messages about harming hearing. Similarly for people in the workplace, one priority is around why it is that people do not wear their head safety gear.

Ms Williams—The third one is preventing hearing loss in young Indigenous children, in particular in the nought to five age group.

Mr Kingdon—Particularly as a consequence of middle-ear infection.

Senator HUMPHRIES—That is good. We will get more information about that perhaps at the next estimates. You also indicate in the budget that you are going to provide increased funding to meet hearing services for special needs clients and upgrade ear level frequency modulation systems used by children to hear more clearly in noisy classrooms. Can you give me some indicative numbers here? How many classrooms are we talking about and how many children are we targeting?

Ms Williams—I have not got those figures with me, Senator, but I can get them for you. The funds allocated were about \$1.1 million per annum over two years.

Senator HUMPHRIES—Excuse me?

Ms Williams—They are \$1.1 million per annum over two years, 2007-08—

Senator HUMPHRIES—That is \$1.1 million.

Ms Williams—Then again in the coming year.

Senator HUMPHRIES—Do I take it that it is the installation of something like earphones or speakers in classrooms for children with hearing difficulty to sit next to and hear what is going on?

Ms Williams—They are ear level systems which enable the children to hear as though the teacher was beside them.

Senator HUMPHRIES—Do I take it that the systems when they are rolled out will be at no expense to the schools themselves? Does the program pick up the full cost of delivering these systems into the schools?

Ms Williams—There is a cost with the setting up. We are funding the actual—

Senator HUMPHRIES—I am thinking about the difficulty we have had in other areas with the computers in schools program where the government has provided the computer but has not provided any of the infrastructure costs. I want to be clear that these devices are effectively going to be available to any school with a child with hearing loss?

Mr Kingdon—It is a supplementary program rather than a complete program because many states are already doing that in their classrooms. This in many ways is meant to supplement that by upgrading the technology where it is appropriate and particularly at the child level as opposed to the infrastructure in the school. I cannot definitively say we will pay for it all. It is a contribution towards ensuring that there is ear level hearing assistance available in schools. It is something that is done jointly between the states and the Commonwealth.

Senator HUMPHRIES—Who is actually funded, the school or the state government?

Ms Williams—The child.

Mr Kingdon—The child usually in the case of the particular device. If it is necessary the school may get some assistance. This is all administered through Australian Hearing but with funds that come out of the Hearing Services Program.

Senator HUMPHRIES—It is actually the child who is funded so the funding is available on the basis of the need of the child?

Mr Kingdon—Yes.

Senator HUMPHRIES—Presumably there is some kind of prioritisation.

Mr Kingdon—Primarily, but there is no point in giving the child a device if the equipment does not work. We do not have a hard and fast rule that says you cannot do that. A lot of this is about working in remote localities and flexibility is needed. We have always allowed a degree of flexibility to ensure that the outcome is focused on the child.

Senator HUMPHRIES—I am trying to get a fix on how this would work. You have Johnny in a school in remote western New South Wales and he is identified as suffering from hearing loss. If there has not been a child like that in this particular school before, does Johnny apply to Australian Hearing?

Mr Kingdon—Australian Hearing would probably advocate on this child's behalf to ensure that there is an appropriate assistance in school.

Senator HUMPHRIES—Do they do that to the state government of New South Wales?

Mr Kingdon—Usually they would do it through the school. The school may require them to go through the state government.

Senator HUMPHRIES—The school goes to the state government and says, 'We've got a child who needs a hearing enhancement.' Then the state government would provide assistance.

Mr Kingdon—Yes, in many instances the state would make that provision.

Senator HUMPHRIES—Federal money would be rolled into that state government assistance for the child?

Mr Kingdon—Yes, in terms of actually making sure it is delivered. Some of the problem is that the equipment is in schools but never gets used. There may well be circumstances where there are no children needing it but then a child does turn up.

Senator HUMPHRIES—I appreciate that.

Mr Kingdon—It is really giving them the capability to ensure that it works. As I say, the focus is really getting something that is working rather than getting ourselves knotted up about whose responsibility it is to pay for that particular service.

Senator HUMPHRIES—I just want to know how it happens. If I have a constituent come through my door, I want to be able to say to them, ‘Here’s what you do to get your child some services that would suit their need in their school.’ I am trying to find out what the procedure is.

Mr Kingdon—In the normal circumstances you would expect most schools to make that provision; it is giving people access to education which is an education responsibility. But, because particular children who have got a severe hearing loss are under the responsibility of Australian Hearing, they will also negotiate and if necessary provide assistance to make sure that child is not disadvantaged. I know this is not making it very clear.

Senator HUMPHRIES—No.

Mr Kingdon—It is a program that is designed to make sure a child does not go without being able to hear rather than saying, ‘We’re going to ensure that every school in New South Wales has this equipment.’

Senator HUMPHRIES—I appreciate that is a very worthwhile goal, I am just not quite clear how the \$1.1 million a year actually reaches students. Can you tell me, on the basis of what you have described, whether you can even say how many students are likely to benefit from this arrangement?

Mr Kingdon—We can get those figures. Australian Hearing will be able to provide us with a breakdown of what they have spent in this item; there is no question about that.

Senator HUMPHRIES—I look forward to seeing that. One more question: in last year’s budget there was provision for \$70.7 million over four years to improve hearing outcomes and access to hearing services programs. There is no reference to that in this year’s budget. Can I assume that that tranche of funding is still there and rolls over for the next three years?

Mr Kingdon—Yes, that is the budget initiatives that have been put into the base, they have remained as they were projected.

Senator HUMPHRIES—Thank you.

Senator SIEWERT—I have a question that I was told ask here rather than where I was originally going to ask it, about the deafness services consultation committee. I understand this is in the process being reappointed, is that right?

Mr Kingdon—The minister has an advisory committee, I think that is probably what you are referring to: the Hearing Services Advisory Committee. There are many.

Senator SIEWERT—I cannot find the other piece of paper that I thought I had written the proper name on, but I thought it was the deafness services consultation committee.

Mr Kingdon—I am sorry but I do not know of that.

Senator SIEWERT—You are probably more likely to have it right than I am; it was the committee that Barry McKinnon was chairing.

Mr Kingdon—That is the Hearing Services Advisory Committee. It was a ministerially appointed committee to advise the minister.

Senator SIEWERT—As I understand it, they provided the minister with a report some time ago that made a series of recommendations?

Mr Kingdon—They have provided many reports. They advise the minister on a wide range of activities that they have engaged in. There are two products coming out of that committee: a set of minutes and there are often reports or advice that the committee wishes to convey to the minister. These are usually conveyed through the chair.

Senator SIEWERT—I understand they provided an issues paper to the minister based around major things that could be done. They provided recommendations around improved clinical pathways, rehabilitation services, research and those sorts of issues. It was not just a normal report to the minister; it was a paper around issues.

Mr Kingdon—They have provided many reports but because it is a minister's advisory committee, those reports go to the minister and then the minister chooses whether he or she wishes to release that report. It is not a public appointed committee as you get in many other areas of health where there is an expectation that their reports will be published. This is an advisory committee and can offer whatever advice it wishes to the minister on hearing issues, and the minister can ask that committee for whatever the minister would like to hear about.

Senator SIEWERT—Thank you. Could you tell me if the new minister has reappointed a new advisory committee?

Mr Kingdon—The minister has taken a decision to continue with an advisory committee but there have not been reappointments at this stage.

Senator SIEWERT—When is the new membership of the committee likely to be appointed?

Mr Kingdon—I cannot really speculate; that is the minister's decision.

Senator SIEWERT—Is it likely to be in the near future?

Mr Kingdon—I just do not know. It would just be wrong for me to say when.

Senator SIEWERT—Did the previous committee wind up when the government changed, or did it wind up previous to that?

Mr Kingdon—Its term of appointment finished in February of this year. There was a sort of a natural break.

Senator SIEWERT—Thank you.

Ms Morris—Earlier when we were talking about GP super clinics I gave examples of sites where the election commitment had referred directly to an organisation that would auspice the clinic. I was running on memory there and one of the examples I gave was Mount Isa and the local division of general practice. That was incorrect. Could that be corrected in the *Hansard*?

CHAIR—It was incorrect that it was auspiced by that, or incorrect—

Ms Morris—The election commitment did not refer to an auspicing body.

CHAIR—So there is going to be one in Mount Isa but the election commitment did not name the auspicing body; is that right?

Ms Morris—That is right.

CHAIR—Thank you very much. I am sure that we will make sure that Senator Colbeck picks up on that, because it was his question.

Ms Halton—I told Miss Morris that it is not a hanging offence, by the way.

CHAIR—Not at all. Three offences are, but not one. Now we will move to outcome 10, Health system capacity and quality.

Senator HUMPHRIES—Can I ask about eHealth. Budget Paper No. 2 says that there is a new eHealth incentive payment for general practitioners of \$6.50 per patient up to \$50,000 per year.

Ms Halton—Senator Humphries, you are not going to like this but that is PIP, outcome 5.

Senator HUMPHRIES—It is outcome 5?

Ms Halton—Why don't you ask the question and we will give it a go. We are in a charitable mood because we know it is nearly dinner time.

Senator HUMPHRIES—The measure also says that there has been a \$110 million saving over four years that delivers on the commitment to responsible economic management. I assume you have dumped one eHealth initiative and replaced it with another. I just wanted to know why that is. What was wrong with the previous program and how is this new program different?

Ms Halton—Do you want to give it a go?

Ms Morris—Yes, I will give it a go. Basically the Practice Incentives Program is designed to provide incentives for practices, as per its title. The previous eHealth incentives that were in PIP were to encourage take-up of electronic patient information records et cetera by general practitioners and have been very successful. I will not try and find the papers and give you the figures but there has been a very high take-up by general practitioners of the eHealth incentives. They are now, by and large, using electronic patient information for their records. Therefore, there will be a new incentive that will be related to the broad eHealth agenda. The purpose of it is yet to be refined and defined. We will work together with Ms McGlynn, who looks after the eHealth branch, on what would be the best use of that money. It will probably be around electronic decision support, will it?

Ms McGlynn—Yes.

Ms Morris—Basically the time for one incentive had been and gone. It had been very well taken up and we had got very good reach into the general practice community. This is a new incentive that will relate to where the eHealth agenda is up to now and what would be the best use of an electronic health incentive within general practice.

Senator HUMPHRIES—What are the differences between this program and the one that is being superseded?

Ms Morris—I will have to look up my papers for that. My PIP people have gone home.

Senator HUMPHRIES—The portfolio budget statement on page 159 says ‘Program 10.2 eHealth implementation’. Why is it headed that way but not under outcome 10.2?

Ms Halton—Where are you looking?

Senator HUMPHRIES—Portfolio budget statement page 159.

Ms Halton—There are different places where we have eHealth money. PIP is a program that basically encourages, guides and facilitates general practice to improve its practice. As Ms Morris says, it has exactly as named incentives for that. As well as PIP, there is the whole approach on eHealth, which has funding of its own. We are up to program 10 now.

Senator HUMPHRIES—It is very hard to work out what the difference is between those two categories.

Ms Halton—I think it is quite explicit. Essentially PIP is about general practice, and it is about the practice of medicine in the specifics, the day to day of what a general practice actually does. The eHealth program is about connecting the entire health sector. It is a question of how you actually e-enable everything from pharmacy to the hospitals to the electronic health record, I could go on; it is that entire frame. The PIP, this particular component of it, is a very specific thing which says, ‘Now, general practitioners, what we want you to do is put software in practices to actually manage your patient records in your practice,’ or whatever might be the currently important thing to do.

Ms Morris—It is behaviour of GPs.

Senator HUMPHRIES—Do you have an answer to that question, Ms Morris?

Ms Morris—Sorry, Senator?

Senator HUMPHRIES—You were looking up what the old program was like.

Ms Morris—I got diverted by page 159, I am sorry. It was called the information management/information technology incentive and was initially aimed to encourage general practitioners to better use information management and information technology. From 2006, practices were required to have appropriate IT security arrangements in place and to use electronic records for the majority of their patients. We now have around 95 per cent of practices using computers and 90 per cent of practices meeting the 2006 requirements. It was an incentive that worked very well as an incentive. We have had good take-up.

Senator HUMPHRIES—With this new incentive arrangement, you say it is \$6.50 per patient, capped at \$50,000 per practice.

Ms Morris—Yes.

Senator HUMPHRIES—Practice: could that be a practice of several practitioners in one group?

Ms Morris—Yes. And PIP payments are made to the practice, not to individual GPs.

Senator HUMPHRIES—Presumably when a practitioner wants to access this money, they would say, ‘It is our intention to put all of our patients on an eHealth basis. All the patients on our books will now go onto this system.’ How do you actually know that they are dealing with each of those patients?

Ms Morris—With the new payment, we will have to talk to the profession about how it works and how we measure it. We have not yet done that. Unlike MBS payments, which are made at the time of service if a doctor bulk bills or at the time a patient claims, PIP payments are made quarterly to the practice, so we have time to bed that down.

Senator HUMPHRIES—I will just ask a couple more questions on something different: asthma. Are you asthma? This is program 10.1, Chronic Diseases—Treatment—the Asthma Friendly Schools Program. Page 163 of the PBS says that the department is aiming to have 80 per cent of all schools nationally registered under the Asthma Friendly Schools program in this coming financial year. The website for the Asthma Foundations Australia, which I gather supervises this program, says that 82 per cent of Australian schools are presently registered on the Asthma Friendly Schools program. I assume that you are well and truly on the way to meeting your targets? Is that a fair assumption?

Prof. Knight—Yes, Senator, that is the case.

Senator HUMPHRIES—The website also says that 43 per cent of Australian schools are recognised as asthma friendly. What is the difference between being asthma friendly and being an asthma friendly school?

Prof. Knight—There are a number of criteria for being an asthma friendly school, which are around training for the staff, together with information and teaching resources that support the health curriculum of primary and secondary schools, and improving self management for the students with asthma to enable them to provide support for exercise and sport.

Senator HUMPHRIES—That is the Asthma Friendly Schools?

Prof. Knight—Yes.

Senator HUMPHRIES—What does ‘asthma friendly’ mean by itself?

Prof. Knight—I am not aware of any difference between ‘asthma friendly’ and ‘asthma friendly schools’.

Senator HUMPHRIES—How much funding are we looking at? Given that we are already there, is there money in this program to make 80 per cent of all schools members of the program this year? If so, how much?

Prof. Knight—I would have to take that on notice, Senator.

Senator HUMPHRIES—If there is money there, what do you do with it if you have already reached the target before the financial year begins? Can you also take on notice whether this funding is directed towards the schools or to the asthma foundations?

Prof. Knight—The money is directed towards the asthma foundations, who work with the schools directly.

Senator HUMPHRIES—Does being an asthma friendly school involve the training of teachers in those schools to respond should a child have an asthma attack?

Prof. Knight—It provides training for the teachers to know what to do under those circumstances, but it is not particularly medical management. It is about recognising the symptoms and also training the students themselves and providing, in particular, support for their peers to know what the symptoms are—but not actual medical management.

Senator HUMPHRIES—That is all I need, thank you.

CHAIR—Does anybody else have anything on Outcome 10? Thank you very much, Professor; thank you Ms Halton.

Proceedings suspended from 6.32 pm to 7.32 pm

CHAIR—Ms Halton, we have a request in terms of the program. We have been told we will need 45 minutes on mental health.

Ms Halton—Right.

CHAIR—I know that we have Dr Bennett coming at eight o'clock.

Ms Halton—Ish.

CHAIR—We wanted to put that on the record. We do apologise, because she is coming in particularly at that time, but it will be a 15 minute—

Ms Halton—She will get over it.

CHAIR—I will make a note.

Ms Halton—She will be instructed to get over it.

CHAIR—I suppose she had best get used to it, but that is the change.

Ms Halton—Welcome to the public sector!

CHAIR—So we are going to have 45 minutes on mental health. I believe a couple of senators have got questions, and then we will go to acute care, which will take a significant period of time, from my understanding.

Ms Halton—That is fine.

CHAIR—Then we will finish up with the health workforce capacity. We will start with mental health. Senator Humphries.

Senator HUMPHRIES—Thank you, Chair. I want to try and tease out what exactly is the extent of the cuts that have been made in mental health programs across the various packages and so forth. As far as I can see, they are essentially those that were announced in 2006, following the release of the select committee report on mental health. Can you confirm the figures that I have been provided with on reductions in these programs? The telephone counselling self-help and web based support program, which is part of the COAG package, has been reduced by \$2.5 million. Is that your understanding?

Ms Krestensen—That is correct.

Senator HUMPHRIES—And the \$188 million from the Mental Health Nurse Incentive Program.

Mr Smyth—The \$188 million is over an additional year past the initial five years of the COAG package. So you almost say that is into the sixth year, not the fifth. There is an amount prior to that, obviously, just for the five, but it is not \$188 million out of the initial \$191 million that was allocated to that measure. It is a reduction of \$188 million.

Senator HUMPHRIES—Six million dollars from the NGOs' funding in the National Mental Health Program.

Ms Krestensen—It is actually \$6 million from the National Mental Health Program. I will put on the record, too, that that is not a COAG program; it is one of the older programs which dates back to the 1990s.

Senator HUMPHRIES—Reduced funding for the Support for Day to Day Living in the Community program: half a million dollars.

Ms Krestensen—That is correct.

Senator HUMPHRIES—There is \$15.5 million from the Mental Health Services in Rural and Remote Areas program.

Mr Smyth—That is correct, and again into the sixth year.

Senator HUMPHRIES—There is \$29.7 million from the Better Access to Psychiatrists, Psychologists and GPs program.

Mr Smyth—Correct, with the same caveat.

Senator HUMPHRIES—Two million dollars from the Psychiatry Training Outside Hospitals program.

Prof. Calder—That is correct.

Senator HUMPHRIES—We have abolished the PIP for Better Outcomes in Mental Health at \$7.3 million.

Prof. Calder—Can you say that one again?

Senator HUMPHRIES—This is the Practice Incentives Program, PIP, for Better Outcomes in Mental Health, \$7.3 million.

Senator McLucas—That was the discussion we just had before about e-health. It is a practice incentives payment program. That is in outcome 5.

Senator HUMPHRIES—Yes, but that was a program, as the name implies, for mental health, wasn't it?

Senator McLucas—Sorry, I was just aligning it in the system.

Senator HUMPHRIES—I realise it is not in program 11, but it is mental health nonetheless. There was also an education and media campaign about the link between illicit drugs and mental illness worth \$9.7 million which has been abolished.

Prof. Calder—That is not in our outcome and not my portfolio responsibility, but that is correct.

Senator HUMPHRIES—That is a total of a \$289.6 million cut over four or five years. I have to say that it is astonishing, given the level of support that we all gave—and I am looking here at the politicians in the room—to those initiatives on mental health only two years ago and how much we said that they were necessary, that we feel we can slice nearly \$300 million off those programs and not imagine that we are going to lose some quality outcomes for mentally ill people and those that support them in this country.

Senator McLucas—I wonder if I can respond to that.

Senator HUMPHRIES—Please do.

Senator McLucas—When you add up those sorts of savings in the way that you have, yes, it does not look a very pretty picture, but I think it is useful that we would go through each of the programs and ask the staff to explain how and why and what is going to happen. The reality is that a lot of those programs were being underutilised, and we will go through each of them—not all of them, I admit that, but a lot of them were underutilised—and there was a view that we could possibly do this better. But in the way you construct the discussion, I ask you to let us go through them so that we can have a look at each of the proposed outcomes and how they were travelling, and then we will also go to the broader commitment from the government to delivery of mental health services in the country.

Senator HUMPHRIES—When we have programs that were barely underway—or were only in the very earliest stages of operation, in the case of many of these programs—I do not know how we could assess that they were not hitting the target or were being undersubscribed, or whatever else are the reasons for cutting them back. I am going to need a lot of persuasion that that is actually the foundation on which these cuts have been made.

Senator McLucas—Let us work through it, shall we?

Senator HUMPHRIES—Could we start with the big one, the Mental Health Nurse Incentive Program? The original program was for \$191.6 million. That was over five years, starting in July 07, and the next tranche one year further down the track is being reduced by \$188 million. I am not quite sure how much was at either end of that six-year period, but we are looking at at least a 90 per cent cut to that program, are we not?

Mr Smyth—The revised figures for that program now are \$49.45 million.

Senator HUMPHRIES—Over five years?

Mr Smyth—That is correct.

Senator HUMPHRIES—That is only roughly an 80 per cent or 75 per cent cut to the program. I appreciate that there is a shortage of mental health nurses that might be found, but are you telling me that you would not be able to spend more than \$45 million in this program, given that shortage?

Mr Smyth—The changes to the program reflect, as you have already stated, a national shortage of mental health nurses. There are a number of workforce initiatives in play at the moment, and a new one announced as part of the budget to increase the national workforce of mental health nurses. The government has stated that, should the demand be there to increase the size of the program, those figures will be revised.

Senator HUMPHRIES—That is comforting, but that is not the issue here. It has been cut. It is there. We were not given any indication before the last election that there was going to be a savage cutting of mental health programs. So with the greatest of respect, I will take with a very large grain of salt the argument that the money is going to be put back at some point in the future, if it is needed. What I am asking you is: is \$45 million actually going to cover the projected take-up of this program? But for this announcement that it has been cut, would it have covered the projected take-up of this program, given the supply of mental health nurses available in the community?

Mr Smyth—It is a difficult question to answer because the supply of mental health nurses is something that is hard to estimate.

Senator HUMPHRIES—But you have cut the program on the basis that there are not enough mental health nurses there.

Mr Smyth—That is correct.

Senator HUMPHRIES—If you knew that there was a certain problem with the number of nurses on the horizon, why have you cut it by that amount?

Prof. Calder—There has been a very low spend in this program. Last financial year the Mental Health Nurse Incentive Program spent \$4.1 million. The budget now provides—

Senator HUMPHRIES—Last financial year?

Prof. Calder—Yes.

Senator HUMPHRIES—When did the program begin?

Mr Smyth—The financial year that we are currently in, sorry.

Senator HUMPHRIES—So this financial year you spent \$4.1 million?

Prof. Calder—Just on that amount, and we now have \$49.5 million for the remaining four years.

Senator HUMPHRIES—But this was the first year of the program.

Prof. Calder—Yes. That is correct.

Senator HUMPHRIES—When in the financial year did it start—at the beginning?

Prof. Calder—Yes, it did.

Mr Smyth—It started on 1 July. That is correct.

Senator HUMPHRIES—I am assuming you have to recruit nurses to this program to make it work. How many mental health nurses were taken in as part of this package?

Mr Smyth—The latest figures that we have, as of 31 March, are that there are 120 mental health nurses currently engaged in the program. There are 297 organisations registered for the program. I should also say that those 120 nurses are not full-time equivalent nurses; the vast majority of those nurses are working on a sessional or part-time basis.

Senator HUMPHRIES—Had you spent any of the money in the program for advertising or promoting the availability of this program?

Mr Smyth—There have been some activities undertaken with the Australian College of Mental Health Nurses. There have also been a number of newsletters that we have undertaken with Medicare, who will promote the initiative. We have promoted the initiative at the national mental health nurses conference and generally at most opportunities that we get to promote the benefits of this initiative to eligible providers under the measure.

Senator HUMPHRIES—So, presumably, as the year went on, with all this promotion, more nurses came on board?

Mr Smyth—There has been a slow but steady uptake of nurses, yes.

Senator HUMPHRIES—How many nurses can we pay for—let us take the full-time equivalent—with the new budget of \$45 million over five years? That is an average of \$9 million a year, which is about twice what was spent in this present financial year.

Mr Smyth—The estimates that I have are based on about a full-time equivalent nurse, paying around \$115,000 for that nurse. That includes on-costs but does not include rural and remote loadings, which, as you know, are around 25 per cent for this measure. That would suggest that, by 2011-12, for FTE you might be looking at about 160-odd nurses engaged in the measure. At the moment, as I said, there are 120 mental health nurses but the vast majority are working part time. We anticipate that that is likely to remain the case. The minister has made some recent announcements to allow shared care arrangements between the public and private sectors for these nurses. They will be predominantly utilised on a sessional or part-time basis, so FTE is not, in many respects, an accurate reflection of the number of nurses that will be engaged in the measure.

Senator HUMPHRIES—We have limited time, so can we turn to the Better Access to Psychiatrists, Psychologists and GPs program, through the MBS package's education and training component. This was covering the training of psychiatrists, psychologists and GPs.

Mr Smyth—That is correct.

Senator HUMPHRIES—What was the take-up of that?

Mr Smyth—Are you referring to the actual MBS items or the take-up of education and training?

Senator HUMPHRIES—What does the \$29.7 million cut refer to?

Mr Smyth—That refers to education and training activities to eligible providers, as well as mental health nurses under the Mental Health Nurse Incentive Program. As you know, we have engaged two organisations to date to undertake substantial work in that area. The first is the Australian General Practice Network, who have rolled out information and orientation sessions in most of the divisions around the country. That is an ongoing program. We also have engaged the Mental Health Professionals Association to develop a training resource and conduct an environment scan of the sector for the measure. We are in the process of finalising contract negotiations for them to roll out a comprehensive, multidisciplinary education and training package that will commence early next financial year. The minister recently made an announcement of \$15 million for that program.

Senator HUMPHRIES—What do you expect to be the take-up with the new funding arrangements? How many are you budgeting for? How many doctors, psychiatrists and psychologists are you budgeting to include in the program on the basis of the new funding?

Mr Smyth—I will check that figure. We do have it.

Prof. Calder—It is expected that the program that is being delivered by the Mental Health Professionals Association will engage about 24,000 mental health professionals over two years. That is a commitment that we expect to see rolled out over the next two years.

Senator HUMPHRIES—Is that based on the new funding arrangements or the funding that was in place before?

Prof. Calder—That is based on the funding commitment of \$15 million that the minister recently announced, which is within the new budget.

Mr Smyth—That is not impacted by any of the cuts. We anticipate around 1,200 workshops nationally for that.

Senator HUMPHRIES—What about the funding for NGOs under the National Mental Health Program?

Ms Krestensen—That has been reduced by \$6 million over the three years from 1 June 2009.

Senator HUMPHRIES—From what to \$6 million?

Ms Krestensen—It has been reduced from \$40.2 million to \$31.8 million, but that is not just the sum of the savings. Six million dollars has been taken from that program as savings. There has also been a transfer from that program to fund two new initiatives which were in the budget. One was the Sisters of Charity program down in Tasmania, at \$1.25 million. The other is the new Advisory Council on Mental Health, at \$2.4 million.

Senator HUMPHRIES—That money that was going to NGOs to provide various programs, I assume?

Ms Krestensen—The funding which has been reduced from June 2009 was uncommitted funding. Any funding that has been committed to or contracted to NGOs will continue. It will not impact on the existing of the funding.

Senator HUMPHRIES—That is not the question I am asking. This is funding that would have gone to NGOs, had it not been reduced, to provide services in the community.

Ms Krestensen—It is a program which tends to fund a range of NGOs; that is correct. But these funds had not been committed to any NGOs at this point in time.

Senator HUMPHRIES—But that is because presumably people were not invited. This is over a number of years. This is forward estimates.

Ms Krestensen—Correct.

Senator HUMPHRIES—So people have not been invited to take up that money in every case, have they? Are you saying to me that there would not have been enough NGOs out there interested in this funding, offering worthwhile programs to justify the full expenditure of \$40.2 million, given the critical shortage of mental health services in this community?

Prof. Calder—We recognise that the budget reduction in this measure will reduce the level of activity that this measure can support.

Ms Krestensen—This program does not support any mental health service delivery. It may impact on mental health promotion activity from June 2009.

Senator HUMPHRIES—Which is a very important activity, isn't it, given that community support—the work of NGOs—is particularly critical in an area where all the previous work we have done has emphasised the need for a non-clinical approach towards mental health.

Ms Krestensen—That is correct. The expansion of the Suicide Prevention Program through the COAG measure has also boosted the funding for mental health promotion activities.

Senator HUMPHRIES—That is great, but I am concerned about what is not being funded and what has been taken away from all of this. There are a number of rural and regional programs that were previously available. In last year's budget, for example, there was \$20.6 million for 114 allied health and mental health nursing professionals in drought affected communities and \$51 million was previously there to provide access to treatment services and provide psychologists, social workers and mental health nurses in rural and remote areas et cetera. We do not know which ones of those have been cut. Will you tell us which ones have been cut?

Mr Smyth—None of them have been cut out of the funding allocation. There were a couple of stages to this program. Under stage 1 there were 14 auspice organisations funded. There have been no changes to those. There will be a phase 2 rollout of additional services that we are currently in the final stage of negotiating contracts for.

Senator HUMPHRIES—When you told me before there was a \$15.5 million cut to mental health services in the rural and remote areas program, which was a COAG initiative or COAG package measure, what did you mean by that?

Mr Smyth—The way that we have rejigged the program was to put it into two discrete phases. Phase 1 was a series of three-year contracts for 14 organisations around the country and they will be funded for the full three years. We are now in the stage of negotiating or finalising the contracts for another 24 organisations for phase 2 and they will be funded again for three years under the contract arrangements. What we have done is that, in years 4 and 5, we have brought forward that money from phase 1—potential money—into the phase 2 allocation to ensure that we are able to get maximum take-up and money out to all of the organisations that have been identified.

Senator HUMPHRIES—I am sorry to be so blunt: that sounds like gobbledygook to me. You say you are making a saving of \$15½ million out of this program but it is not going to result in any loss of services, any cut to services.

Mr Smyth—That is correct, in the three years from now and in the first three years of phase 1 of the program.

Senator HUMPHRIES—If that money was still there and had not been cut, what would have happened to that money?

Mr Smyth—The money was allocated in years 4 and 5 for the continuation of the phase 1 program and subject to—

Senator HUMPHRIES—You said there were 14 organisations?

Mr Smyth—That is correct.

Senator HUMPHRIES—What will happen to those organisations in years 4 and 5?

Mr Smyth—There will be an evaluation of the performance of those organisations and whether or not the objectives of the program have been met. The minister has made a decision

that she will then go back through the budget process to seek further funding should that be determined by the outcomes of the evaluation.

Senator HUMPHRIES—But, if she decides that there are organisations of those 14 worth continuing to fund beyond the third year and if she is unsuccessful in securing the extra funding for them, then those organisations will have to scale back or stop doing what they are funded to do, won't they?

Mr Smyth—That is a question that I cannot answer at the moment.

Senator HUMPHRIES—It is bleeding obvious, with respect, Mr Smyth: it must be the case, if you are taking \$15½ million out, that they cannot do that job any more.

Prof. Calder—As Mr Smyth said, the program will be subject to evaluation, and the point of these programs is to establish that they are able to deliver what we have set out to deliver.

Senator HUMPHRIES—They were funded originally to provide these services. It assumed that they, or somebody else, would meet an evaluation target, surely, and would be able to provide those services. The only way in which you could establish that you do not need the \$15½ million is if somehow the demand out there either disappears, which we know is not going to happen, or somehow no organisation presents itself capable of meeting that demand. I think that is pretty unlikely to be the case. With great respect, if you are taking \$15½ million out of the program, just admit that you are making a cut of \$15½ million, not pretend that you can rejig it so the money does not appear to matter any more.

Senator FISHER—With the previous 14 and the new 21, is there an overlap or are they—

Mr Kalisch—No, 24.

Senator FISHER—The 24 in phase 2, are they different from the 14 in phase 1 or is there some overlap?

Mr Smyth—They are different. There is some minor overlap, too, because some organisations were able to put a proposal to us to secure additional allied healthcare professionals, so we were willing to fund them to expand services in those particular areas. So there is some overlap, yes.

Senator FISHER—So to roll into phase 2, effectively.

Mr Smyth—That is right.

Senator FISHER—How many of those were there?

Mr Smyth—I would have to take that on notice.

Senator FISHER—Thank you.

Senator HUMPHRIES—Can I turn to what is, I suppose, a positive out of this budget in the provision of \$35 million over four years for 1,070 postgraduate and masters degree scholarships for mental health nurses, 100 of which are targeted for rural or remote areas. Given what you have told me about the very poor take-up rate for positions designated for mental health nurses under the other program—the program with the cut of \$188 million—and that we had, what, 120 who took that up and we were expecting 160 full-time equivalents

at the end of the day, how realistic is a target of getting 1,000 nurses under this program to undertake postgraduate and masters degree scholarships?

Prof. Calder—It is an ambitious target but it is one that we aim to achieve because there is such a low level of workforce available to deliver the services that are now in the system. So we need to achieve it. We will be working with the Royal College of Nursing, with the College of Mental Health Nursing and with the Australian Psychological Society to achieve the maximum uptake of these scholarships.

Senator HUMPHRIES—I am not really very reassured that you have actually got an accurate projection that sees that number of people taking up those sorts of places. We have programs that are calling on nurses to work in rural and remote areas and we are incentivising all over the place to come and join the profession. There is work everywhere for them, so they are being pulled in several different directions, and to find another 1,000 of them to take up postgraduate study seems to me to be ambitious. I suppose we cannot accurately project these things, but it does sound strange to me.

Mr Kalisch—It is not just nurses, though. We are also looking at psychologists here as well, so there are a couple of occupational groups covered by that measure.

Prof. Calder—One of the issues in mental health nursing has been establishing a career pathway and this is a very firm step in that direction.

Senator HUMPHRIES—What Budget Paper No. 2 says is that the government will provide an additional \$35 million over four years to provide up to 1,070 new postgraduate and masters degree scholarships for mental health nurses, and there are another 222 positions for psychologists. But the 1,070 is just mental health nurses.

Prof. Calder—That is correct.

Senator HUMPHRIES—Can I turn to another question. The National Advisory Council on Mental Health—you are cannibalising another program to pay for this, I see. That is what you told me before, isn't it?

Ms Krestensen—It is being paid for through the National Mental Health Program. That is correct.

Senator HUMPHRIES—Who is going to go on this advisory council?

Prof. Calder—That is for the minister to announce, and we understand that that is likely to be announced fairly soon.

Senator HUMPHRIES—Do you know how large the council will be?

Prof. Calder—No. Again, we have given the minister advice and she will make a determination.

Senator HUMPHRIES—Have you given the minister advice about ensuring that there are carer and consumer representatives on the council?

Prof. Calder—Yes.

Senator HUMPHRIES—Did she look receptive when you gave her that advice?

Prof. Calder—We provided an opinion—

Senator McLucas—I think you are going a little bit too far.

Prof. Calder—We provided her with advice.

Senator HUMPHRIES—I am just asking for an assessment of her body language when you said that; that is all.

CHAIR—Is this the right program for that? I am just wondering.

Senator McLucas—Body language assessment.

Senator HUMPHRIES—Body language, yes.

Senator McLucas—5.1.3, yes.

Senator HUMPHRIES—Yes. The funding is indicated to be for three years. Why is it only three-year funding?

Prof. Calder—That was an election commitment. We have provided advice accordingly.

Senator HUMPHRIES—What, the government said it would fund, for three years, a mental health advisory—

Prof. Calder—Establish a council for three years.

Senator HUMPHRIES—For three years?

Prof. Calder—Yes.

Senator HUMPHRIES—I will have to go back and reread my well-worn copy of the Labor Party policy and see why it said that. Postnatal depression—you have promised to deliver \$85 million for a postnatal depression plan, a national plan, but in fact \$30 million of that \$85 million comes from the states and territories. Is that correct?

Prof. Calder—That is correct.

Senator HUMPHRIES—What if they do not put in the \$30 million that you are asking for? Are we still going to see the \$55 million?

Prof. Calder—Yes. I would expect so. That would obviously be something that the minister would need to consider, but I would expect so.

Mr Kalisch—The budget appropriations will make it to the value of \$55 million, so that will be settled.

Senator HUMPHRIES—Let us hope that the state treasurers do not read that, otherwise they will not put the money in. I have had communication from the Australian Counselling Association—I think that is what they are called—about the discussions that they have had with the department, specifically with you, Mr Smyth, about their concerns at not being able to access the MBS schedule items, as psychologists and social workers can. I do not want to rehearse their concerns that they had about the meeting that they had with you, but would you be kind enough to perhaps take on notice your understanding of where that meeting got to and what is the nature of the position that the department is taking with respect to the matters that they raised with you at that meeting.

As you may be aware, they are very upset that they were not given a reasonable opportunity to present their case. They complain about a number of aspects of the meeting,

which I will not rehearse here, but in looking at that I would be interested in knowing how you see the issues that they have raised. Perhaps I might send you a copy of the email that they sent me and perhaps ask you if you would respond to the issues that they raise in there.

Mr Smyth—I look forward to it. We have responded. I think Professor Calder today has responded in writing to the Australian Counselling Association about a number of issues that they have raised in a letter to the department last week.

Senator HUMPHRIES—Okay.

Prof. Calder—It is important to state that there have been ongoing discussions with the two bodies involved in counselling and psychotherapy, and they have been advised of the issues that they need to address should they wish to seek, through the government, access to MBS funding for services that they provide. They, I think, are fully aware of the issues. The MBS funding arrangements are for clinical services for people qualified to deliver mental health treatment services.

Senator HUMPHRIES—Thank you.

CHAIR—Any other questions? Senator Fisher.

Senator FISHER—Thank you, Chair. Mr Smyth, I suspect my questions might be of you. You have outlined to my colleague Senator Humphries your view of what is happening with some mental health programs applicable particularly to rural and regional Australians. I think we respectfully differ from you in your interpretation of what the money means. Aside from that, I want to ask you in a bit more detail about the Mental Health Services in Rural and Remote Areas program and I think, in terms of your language, I am talking about the phase 2 rollout which you say is in progress now, which I find particularly curious.

Being a senator for South Australia, my question is about a division of general practice in my South Australian background, and that is the Yorke Peninsula Division of General Practice. They have indicated to me that they received from the department a draft contract on 26 February this year. Until Monday this week they say to me that they had not had conclusion from the department; indeed, when they rang the department to query what was happening with the paperwork, they were reassured that funding would be forthcoming, but when they asked about reasons for delay I am told they were told reasons like, 'The documentation is sitting on the delegate's desk awaiting sign-off,' and when they attempted to get the name of the delegate, that name was apparently not able to be passed on. What has been going on?

Mr Smyth—You are correct: we have been in negotiations with the Yorke Peninsula Division of General Practice and we were awaiting advice from the minister in relation to the impact of the \$15 million budget cut to the rural and remote measure and how we would potentially deal with some of the issues that we had in relation to funding the phase 2 rollout, so we sought advice from the minister. We have not been able to go back to those divisions until we have had sign-off from the minister's office, which we now do have, and we hope to get those contracts processed in the immediate future.

Senator FISHER—Let me not take away from the fact that it is very good that you are now able to progress with your arrangements with these organisations. But, meanwhile, this

particular organisation and, as a logical consequence of what you have been saying, Mr Smyth, presumably another 23 organisations have been hanging in limbo, where their successful receipt of this money relies upon their part performance of certain things by 30 June this year. How then have you reassured these organisations that the money would be coming when at the same time you say you have been negotiating with the minister's office?

Mr Smyth—We have just been seeking advice from the minister's office in terms of the phase 1 funding that would be reallocated into phase 2. It has been a difficult process, I appreciate that, for the organisations involved, but we hope to move forward incredibly quickly—

Senator FISHER—Incredibly quickly, because in the case of the Yorke Peninsula Division of General Practice they have waited for more than three months and now, in an email from one of your departmental officers, they are told:

... regarding the program a very quick turn around will be required as our strategy to enable proposals to be funded rests on allocating a substantial proportion of funding in 2007-08.

Therefore—

they said—in an email dated two days ago; curiously, some two days before today's Senate estimates hearing—to this organisation, which had waited, despite agitating, for some three months:

... get back to me—

by close of business today, two days later. How many of the other 23 organisations are in the same boat? Are they all in the same boat?

Mr Smyth—All organisations are in the same position.

Senator FISHER—Were any concerns about the progress raised with your organisation? Is it correct, for example, that the Yorke Peninsula Division of General Practice raised concerns with the department about progress?

Mr Smyth—I would have to take that on notice. I am aware of concerns that were raised by a number of organisations in relation to this.

Senator FISHER—All right then, that will do. In respect of the concerns that were raised, what did you do as a consequence of the concerns being raised?

Mr Smyth—The issue comes down to one where we had to seek advice from the minister's office in relation to the funding, and we could not proceed until we actually had that advice.

Senator FISHER—So the minister's office was aware that these organisations were essentially hamstrung in the provision of mental health services—

Mr Smyth—It was pending the outcome of the budget, obviously, arrangements—

Senator FISHER—in rural communities? It is a logical consequence of what you are saying: the minister's office must have been aware.

Mr Kalisch—This is, I think, an example where, because of the timing of the budget and the need to wait for budget decisions and then some finetuning of those decisions, often

organisations are put in the position where there needs to be a quick turnaround for funding agreements to be put in place.

Senator FISHER—Thank you for that valiant attempt, Mr Kalisch. It is an example of a government that is not in charge of the nuts and bolts of delivering what the community needs and, in effect, what has been promised to communities.

Senator McLucas—You cannot allocate money unless it has been budgeted.

Senator FISHER—Minister, on what basis was your department reassuring these totally well-intentioned organisations that money would be forthcoming and they should do the groundwork that would justify the funding?

Senator McLucas—Well, I hope they did. It was good advice.

Senator FISHER—How reliant is that advice going to prove to be in the future if your government continues to conduct business in this manner?

Senator McLucas—A bit like yours.

Senator FISHER—Minister, are you able to guarantee—and it would appear that you are in a position to guarantee—each of these 23 organisations that they will receive their funding upon signing their draft contracts?

Senator McLucas—That is a silly question.

Senator FISHER—No, it is not, because you have just said you hope that the organisations have been undertaking the actions they need to in order to be able to receive the money once the contracts are signed. So once the contracts are signed, will you guarantee that these organisations will receive their money; all 23 of them?

Mr Kalisch—Once the contracts are signed we will process the funding.

Senator FISHER—Will there be any mucking around with the contractual terms? The contracts have been sent out to each organisation, so will the department undertake that the contracts will be honoured as they have been dispatched to the organisations?

Prof. Calder—The delay is because of the budget. We are now in the same position in fact as the organisations are. We are trying to progress this before the end of the financial year, so we will be working extremely hard.

Senator FISHER—You are a servant of the government, I do understand that.

Senator McLucas—I am sorry, we could not change the date of the budget, Senator Fisher.

Senator FISHER—That does not help these community organisations and the rural communities that they are trying to serve, Minister.

Senator McLucas—It is a very strange argument that you are pursuing.

Senator FISHER—I am not sure that you understand that. Like your colleague Minister Albanese, who suddenly woke up to the fact that there were real communities affected by the Regional Partnerships program, maybe that is where we get to. Thank you for the guarantee that these organisations will receive that money.

Senator McLucas—Do not verbal me, Senator.

CHAIR—Senator Humphries.

Senator HUMPHRIES—One last question, perhaps to you, Minister. We have, as a committee, spent a lot of time in recent days on our most recent inquiry into mental health, traipsing about the country talking to state organisations and in some cases state governments about their commitment to mental health, and we have put the argument that the states need to match the commitment that the federal government has put on the table with respect to mental health. How do we change our pitch to do that now that the federal government is cutting back on mental health?

Senator McLucas—That allows me the opportunity to respond to the first comment that you made. We acknowledge that there has been a shift in funding for mental health. We know that. There are, though—and I think the officers have described very well—reasons, program by program, why certain changes have occurred. But all the changes have not been bad. There have been two very significant elements to the package of mental measures, and I think one will in fact be the most significant measure that we have undertaken as a country. I think, Senator Humphries, you and I agree very strongly on this, and I think this committee does, that we have to do more around mental health. But the one thing that we needed to do was deal with the workforce problem. Although I acknowledge your scepticism, we do need to ensure that we have the numbers of particularly mental health nurses but also psychologists—psychiatrists to a lesser extent—and mental health nurses. And that package that you identified as being an important positive step will be a very important measure in the long term.

We need to have a sustainable mental health package of measures and it is our view that this is a sustainable package. It does represent an increase—an almost doubling—of expenditure from the last four years to the four years ahead, from \$409 million to \$483 million.

Senator HUMPHRIES—Sorry, \$409 million to \$483 million is doubling?

Senator McLucas—Sorry, \$783 million.

Senator HUMPHRIES—Thank you.

Senator McLucas—Penmanship. There has been a huge increase. I acknowledge that the former government did also have a focus through COAG on mental health, but we are continuing that focus and, I think, in a sustainable way, possibly through the injection of those workforce measures. It is something we will be monitoring very closely. A number of the programs, whilst the figures in the budget show a cut, are demand driven and, being demand driven, when services are required they will be delivered.

The nurse incentive program in particular was being taken up very slowly, but it is demand driven and, if the take-up is higher than our expectations of \$45 million over five years, the money will become available. I am not giving assurances and I certainly am not giving guarantees, but I can say that I think that this is a good package of measures to deal with mental health.

CHAIR—Any further questions on mental health?

Mr Smyth—If I may respond to a question that I was going to take on notice for Senator Fisher: there are seven organisations out of the 25 that were funded in phase 1 that will be funded in phase 2.

Senator FISHER—Sorry, I thought you said there were 14 in phase 1.

Mr Smyth—No, that will be funded in both phases; in phase 2, seven organisations that are also funded in phase 1, out of the 25. So, effectively, 18 new organisations will be funded in phase 2.

Senator FISHER—Thank you.

CHAIR—Mr Smyth, can you tell me where the funding comes from for the Australian Mental Health Consumer Network?

Mr Smyth—It comes from our Commonwealth own purpose outlays funding.

CHAIR—So the ones we talked about yesterday morning, or this morning?

Mr Smyth—It was not me. It is part of the Australian health care agreements, the \$66 million over five years.

CHAIR—Thank you very much. We will see you again. Now we move to questions on outcome 13, which is acute care.

Ms Halton—We are going to do the Health and Hospitals Reform Commission first?

CHAIR—Yes, we are.

Ms Halton—So Dr Bennett will be retrieved from next door.

[8.20 pm]

National Health and Hospitals Reform Commission

CHAIR—Welcome. We will commence questions in this outcome with Senator Colbeck.

Senator COLBECK—Thanks, Chair. I will start with some general questions on the commission. Welcome, Dr Bennett. It is good to see you again.

Dr Bennett—Thank you.

Senator COLBECK—I hope you enjoyed your week in Tassie last week. I will start with some general questions on the commission and then go into some specific questions to Dr Bennett. Can I clarify what funds have been set aside for the activities of the commission?

Mr Broadhead—The funding was appropriated in the portfolio additional estimates and the amount, from recollection, is \$6.87 million in two parts—\$2.4 million or thereabouts this year and the balance next year. That is in administered funds in outcome 13, portfolio additional estimates.

Senator COLBECK—Does the commission have its own staff or is it all staffed out of the department?

Mr Broadhead—Again, I can answer that. There is a secretariat which has been established. So there are a small number of staff currently working out of offices in Northbourne Avenue, Lyneham. I am one of those staff members, and if you give me a few minutes I can count up the balance. There are nine at the moment.

Ms Halton—So that we can be clear in terms of the way this arrangement works, whilst the commission staff technically are my staff, it is a bit like the Safety and Quality Commission. They have a separate structure and they report to someone who is identified—Chris Baggoley in terms of the Safety and Quality Commission; Dr Bennett in terms of the commission—and the rules that apply to the use of the funding et cetera are the rules that I apply in the department. But they are not necessarily of the department in that they do not report to me, even though technically I am the employer.

In the case of the commission staff, a number of them are former departmental staff; not all of them. Some of them have come from elsewhere, but in terms of a home for food and watering, the department is their employer.

Senator COLBECK—Who is the head of the commission secretariat?

Dr Bennett—Our executive director of the secretariat is Lindy Hyam, and the way I would describe it is that the work of the commission is independent of the department. We are resourced and supported by the department in terms of an auspice, but the conducting of the work is independent.

Ms Halton—They live in the granny flat, Senator.

Senator COLBECK—That is a nice way to describe it.

Ms Halton—Yes.

Senator COLBECK—So the staffing and the commissioners are all funded out of that \$6.87 million that has been allocated over the two years?

Ms Halton—Correct.

Senator COLBECK—Does the fact that it has been funded for only that period of time indicate a finite life?

Dr Bennett—The work program of the commission is to deliver a final report at the middle of next year, so June 2009.

Senator COLBECK—So, effectively, through Lindy Hyam, the staff report to you, Dr Bennett?

Dr Bennett—The staff report to me for the conducting of the work of the commission, and they report via the department in terms of the use of funds.

Senator COLBECK—Mr Broadhead, could you give me the classifications of the staff that are working within the secretariat?

Mr Broadhead—Again, if you give me a second, I will work on the list I have in front of me.

CHAIR—Maybe you could move on to another question, Senator, while he does his calculations.

Senator COLBECK—Yes, I will.

Ms Halton—We will take it on notice. Is that okay?

Senator COLBECK—While he is working on that, I can perhaps do some other bits and pieces as well, but I would like to be able to get that put together, if I can. How is the commission formally auspiced or formulated? Is it a commission in the real sense of the word or is that, essentially, the name that we are giving to it for operational purposes?

Ms Halton—It is the name. The way that the commission is structured is that members of the commission are appointed by the minister, and they have a particular role in the charter given to them by the minister. The staffing, the support arrangements, are auspiced by the department, and—whilst I made it up at the time, it is actually not a bad description—they live in the granny flat. I pay the rates and the electricity and if they get out of control, I go out the back and talk to them. They will not get out of control, because that is Peter's job. But, essentially, the work of the commission reports to the minister, and I am there for food and watering.

Senator COLBECK—It is not a commission in the clinical sense or the statutory sense?

Ms Halton—In the statutory sense, no, it is not.

Senator COLBECK—It is, essentially, a term that has been applied to the organisation.

Ms Halton—Yes, that is correct.

Senator COLBECK—For the purposes of a description.

Ms Halton—Yes.

Senator COLBECK—I know that you have a fairly hectic schedule. I presume the position of chair at this stage is pretty much full time?

Dr Bennett—In my capacity as chair, I am part time, as are all the commissioners, and I would like to thank you also for accommodating my time availability this evening.

Senator COLBECK—I understand the work that you are doing and I do appreciate that you have been prepared to come up here for estimates. I would have to say that, when I first asked, I was not too sure what the response might be—

CHAIR—So you kept asking.

Senator COLBECK—so I am delighted that you have come to talk to us. So I did keep asking, yes. You say it is part time: how much time are the commissioners generally devoting to the task? I know it is at a busy stage of proceedings.

Dr Bennett—It is, and the work program will have, obviously, peaks and troughs. Generally speaking, two to three days a week, depending on which commissioner and what we have got going on at the time.

Mr Broadhead—Can I just correct an answer. I have done a count and it is actually 10 staff. Some have been with us for only a few days.

Senator COLBECK—You will get a bad reputation for growing your organisation too quickly!

Dr Bennett—Yes, we are.

Mr Broadhead—In the last five minutes I have added one, yes!

Dr Bennett—However, we actually have not completed the process of skilling up.

Senator COLBECK—Now that we have gone back to that: what is the expected staffing? What do you anticipate having as your full complement once you have them on board, just to save me being surprised at a later date?

Mr Broadhead—That is a work in progress, partly because we are trying to work out within the work program as a whole, which is developing, how much we would do in-house with the staff in the secretariat and how much of it might be under contract to consultants or advisers external to the secretariat. We do not have a fixed target figure yet for the staffing level.

Senator COLBECK—Okay. I can play with you next time, then.

Ms Halton—But it is not going to be large.

Senator COLBECK—That sounded more like an instruction.

Ms Halton—Senator, you know me too well!

Dr Bennett—We have been very careful to scale up by watching the actual work program and what we need rather than heading for a targeted staff number and getting those staff in. We are trying to match our requirements and, as Peter said, to work out whether we do it internally or externally.

Senator COLBECK—Given that the commission is a creature of COAG and it was initially an agreed process through the COAG process—

Ms Halton—Actually, I do not know whether that is strictly correct. I will look to the parliamentary secretary to correct me. My understanding is that the government promised a commission in opposition as part of the election platform and that commission is now being connected into and is working very closely with the whole COAG process, but I do not think you could actually describe it as a ‘creature of COAG’. Parliamentary Secretary, am I right?

Senator McLucas—That is correct.

Senator COLBECK—So it is more that the terms of reference are an agreement through the COAG process?

Senator McLucas—They were discussed with COAG and I think then forwarded to Dr Bennett. The appointment was made by the federal government, as you would be aware, but I think the point you have made does underline the very cooperative nature that we have been able to develop through the states and territories around dealing well with the difficulties faced by us being a federation.

Senator COLBECK—We will come to some of those issues as the night proceeds. The initial communique—and, I think, the election commitment—talked about between four and six commissioners. Why have we grown to 10?

Dr Bennett—The commission was announced with 10 commissioners at the outset.

Senator COLBECK—I understand that, but I just wondered what the rationale was for expanding it out. I do not necessarily expect you to know, Dr Bennett, because you are a product of the announcement; I understand that.

Senator McLucas—I am not sure that I can give you an accurate answer here, but I will certainly talk to the minister's office and see if there is something she would like to provide to the committee.

Senator COLBECK—The COAG communique of 20 December—and, I am pretty sure, the policy document, but I do not have that with me—certainly announced between four and six commissioners but, with the nine commissioners and the chair, we now have 10. I would be interested to know the rationale behind the additional four commissioners.

Ms Halton—I think the minister did say at the time that it was important that the commission represented a range of skills, abilities and views. We will give you an answer to this question on notice, but the bottom line is that the representation of people on the commission was designed to achieve that.

Senator COLBECK—I do not doubt that that is the case, but I would have thought some thought—if that makes sense!—would have been given to that process earlier in the piece when there was contemplation about the election. Obviously, we are interested to know what impact that has on the finances and the costs of the commission.

Ms Halton—I cannot comment, obviously, on the pre-election process. You would understand that very well.

Senator COLBECK—I understand that perfectly.

Ms Halton—But, in terms of the actual costs of the commission, I do not think the number of commissioners makes a huge difference. The reality is that the work of the commission is going to be what will be the cost driver here and, as you know because we have already discussed it, there is a fixed budget for the commission.

Dr Bennett—Can I add, too, that the commissioners are actually doing work. This is a hands-on commission and they are actually conducting work.

Senator COLBECK—Did you have any input into the appointment of any of the commissioners?

Dr Bennett—I was announced, along with all other commissioners, at the same time. No.

Senator COLBECK—Were the additional commissioners added by the Prime Minister's office?

Senator McLucas—You are presuming that there was an initial smaller group and then it grew. I think that that presumption is inaccurate.

Senator COLBECK—We do not know, because you do not know the reasons for the change. You are assuming that I am assuming, and that is dangerous.

Senator McLucas—That is probably a dangerous place to be, Senator!

Ms Halton—We cannot comment on that.

Senator COLBECK—I am interested particularly in the media release stating that two particular members of the commission were Geoff Gallop, former Premier of Western Australia; and Rob Knowles, former Victorian Liberal health minister. Is there any reason that political affiliations were attached to some members of the commission and not others?

Ms Halton—We cannot comment on that.

Senator COLBECK—Senator McLucas might be able to give me a bit of a hand there.

Senator McLucas—I do not have a copy of the press release in front of me and therefore I cannot accurately answer your question.

Senator COLBECK—I will expose my rationale. We are looking at a high-level organisation that is giving, allegedly, quality advice. I say ‘allegedly’ advisedly, because I believe that is genuinely what they are looking to do, so I find it interesting that one member of the commission would be identified politically. Obviously he is and has been a member of a government in Victoria, as a member of the Liberal Party, but a former Labor Premier of Western Australia is not identified. If the impression that the government wants to give is that this is a body that is going to do what it says it is going to do, injecting those elements into the process is diluting its message. You may or may not want to comment on that, but that is my jaundiced view of the world.

Senator McLucas—I will make a little comment. I think you might be being a bit sensitive.

Senator COLBECK—Perhaps I am. It is getting late.

Senator McLucas—It is.

Ms Halton—It is getting late.

Senator COLBECK—You have provided your initial report, which has the framework for the next Australian health care agreements and which was released on 8 May. What are the next steps for that particular report?

Ms Halton—I think probably I need to answer that, because the commission has done as it was asked, which was to provide some input into the process. You would be aware that the Council of Australian Governments is currently undertaking a whole range of work in a number of areas and, in respect of the health arena, there are a number of processes that will lead both to the July and then to the October COAG. The July COAG will consider a preliminary report from what is called the Health and Ageing Working Group, which goes under the rather awkward title of the HAWG. Mind you, I prefer my acronym to the PWG, which is the Productivity Working Group’s acronym. The report that Dr Bennett’s group has produced, through the commission, is actually being taken into the work of the HAWG. In other words, in the COAG negotiations that are going on, the HAWG comprises the minister as chair; and Robyn Kruk, who is currently the head of the New South Wales Department of Premier and Cabinet, is vice-chair, co-chair—I am not quite sure how to describe it; together with officials from Treasury, Premiers, and line agencies. They are considering a preliminary report to COAG in July and then a more detailed piece of work in October. This has been a significant input to the work that the working group was asked to do.

Senator COLBECK—You have answered my next question. That will be fed into the next COAG meeting.

Ms Halton—Correct.

Senator COLBECK—Again, perhaps demonstrating the independence or otherwise, why is it that the department's home page does not have a link to the commission?

Ms Halton—There is a technical reason for that.

Senator COLBECK—Someone forgot to do it?

Ms Halton—No, it is not even that. I am not a technophobe but I have to say that websites have long since surpassed my capacity to program in FORTRAN. This is the first election where we have really ever had this enormously complex website that we have actually had to archive. We have had a shell website up for a period and we are literally—in fact, I signed off on it two days ago—about to put the new website in place. The shell website has not got the number of links that it normally would have. The new website that will go up in the next day or two will actually have this and a bunch of other links on it.

Senator COLBECK—So that may also make it easier for me to find things that I go looking for—

Ms Halton—Yes. I am sorry.

Senator COLBECK—which I have had some difficulty in doing in the last few days.

Ms Halton—Yes. I apologise.

Senator COLBECK—Have there been any additions or changes to the terms of reference since the work of the commission started?

Dr Bennett—No.

Senator COLBECK—Any additional specific instructions from the minister?

Dr Bennett—No.

Senator COLBECK—I have tried to have a look on the website to see a program of your visits. Can you assist us with that?

Dr Bennett—Yes, we could supply that. It is on the website.

Senator COLBECK—I am demonstrating my capacity to work around websites fairly graphically here tonight, aren't I?

Dr Bennett—We were in Hobart last week.

Senator COLBECK—I understand that.

Dr Bennett—Dubbo and Sydney this week; Alice Springs next week. The week of 16 June we are in Cairns and Brisbane; 23 June we are in Melbourne and Shepparton. The week of 30 June we are in Darwin; 7 July, Perth and Geraldton; 14 July in Adelaide; and there is a Canberra peak groups meeting on 25 July. So we have got a seven-week program of—

Ms Halton—A Canberra peak group. So Canberra does not get consulted?

Dr Bennett—Yes, sorry, and Canberra, yes.

Ms Halton—Thank you.

Senator COLBECK—I thought I heard 'Canberra'.

Ms Halton—I was doing your job there.

Dr Bennett—We actually did launch this program in Canberra as well, and met with some groups then, so we are sort of top and tailing with Canberra.

Ms Halton—I think they are retreating, Dr Bennett.

Dr Bennett—Keeping the best till last.

Senator COLBECK—I thought I heard ‘Canberra’, in Dr Bennett’s defence.

Ms Halton—She said, ‘Canberra peak groups’. There was no comma.

Senator COLBECK—I will have to listen closer.

Ms Halton—Tasmania has got how many senators, and how many has the ACT got?

CHAIR—That is enough.

Senator COLBECK—An appropriate number.

Senator HUMPHRIES—We will settle this outside.

Senator COLBECK—The north island has got so many more senators than the south island; I am not sure that that is fair.

Senator HUMPHRIES—I rest my case.

Senator ADAMS—On other rural areas—I am from Western Australia—you are going to Geraldton. You are not going anywhere else?

Dr Bennett—We have got five rural and remote locations across Australia. Geraldton is the one in Western Australia that we are visiting.

Senator ADAMS—Where are the other areas? I guess you are calling Alice Springs remote, are you?

Dr Bennett—Yes, and we have got Cairns, Dubbo and Shepparton, so there is a mixture of rural and remote.

Senator COLBECK—No, rural.

Senator ADAMS—Coming from a rural area, I can say that Geraldton obviously has a lot less population, but are there any other smaller areas that you can go to in the other states so that you get a really good feel for rural areas? Alice Springs is remote, I know that, but it is quite a large community.

Dr Bennett—We are consulting with rural and remote communities in other ways, but, obviously, with the actual physical touring, we have to have some sort of finite program and we felt that this was a good balance of capital cities and rural and remote areas. Obviously there are opportunities for submissions, teleconferencing, and also we are visiting rural and remote areas for various conferences and things that we are attending and speaking at.

Senator McLucas—I think also, Senator Adams, that when you look at the expertise on the commission you would recognise that a lot of those people have done a lot of travelling around our country to various places.

Senator ADAMS—Look, I am fully aware of that and I do know—

Senator McLucas—Like you, I think Cairns is a regional centre. That is where I live, so I would not call myself rural or remote when I am living in Cairns. But I think you need a balance of all of them. I was listening to the list and I think that it does have a balance, but they are not going to be able to go to 70 locations to capture what you are trying to describe.

Senator ADAMS—I still think that it would be good for those rural and remote constituents if perhaps the commission did visit several smaller communities. I know a town of 2,000 is very small and some Western Australian towns are not very big but they have expertise within them and it is hard for people to get to Perth. You just have to go there to actually get the feel and see the problems.

I could give you a really good example at the moment, which I am going to use in the next outcome, and that is the town of Narrogin. It is 2½ hours from Perth by road. It would take you probably 40 minutes in a charter aircraft. They have some dreadful things happening there. They have a medical fraternity. They used to have a lot of doctors and allied health people. They are just about in despair. They have had four suicides since March in young Nyoongar people. They cannot get anyone to come and work there. These are the sorts of towns that, if you can get to see them, it would give them such hope of talking to the right people. That is only one example for you.

Dr Bennett—Thank you for your suggestion. I will take it on board. Many of the commissioners are and have been visiting rural and remote areas in their working lives as well. Sabina Knight, Geoff Gallop, Stephen Duckett et cetera are very much out there now. I hope you can appreciate that we have a very intensive amount of work to do in a period of time where we are trying to physically get out there and, in these particular locations, see community front-line and industry groups. At some point we have to draw a line. I would love to be able to go to many more, but we are dividing it up. I will certainly talk to my colleagues about that.

Senator PATTERSON—I was not going to say anything but I feel compelled to say something. I think it is unconscionable that you are not going to one or two very remote communities. Shepparton, with all due respect, is not a remote community and the problems are different. Your argument, Dr Bennett, that these people visit everywhere—well, why go to Shepparton? Why go to Cairns? If as you say, ‘They have visited lots of places,’ don’t go anywhere; just give us the report. But Senator Adams is right. As a Western Australian senator she sees remote communities up close and hard. It cannot be justified not to visit at least one or two very remote communities. That is my view.

Dr Bennett—I will definitely take that on board to the commission.

Senator McLucas—Senator Colbeck, I have an answer from the minister’s office for you in terms of the broadening of the membership.

Senator COLBECK—Thank you.

Senator McLucas—The minister decided that there needed to be a wider range of expertise on the commission from the initial thoughts that it would be a small and tightly focused group. A decision was made by the minister to widen that expertise. It is also important to say that the people who sit on the commission are not representatives in any way.

They are selected because of their diverse expertise. I need to make that point: they are not representing any particular sector.

Senator COLBECK—I think that makes my point with respect to describing people with political affiliations. If they are there to do a job—and that is obviously what they are there for—to describe them as having affiliations dilutes that message, so thank you for reinforcing that point. Notwithstanding the conversation we have just had about where you are actually going—and it may give you some food for thought in respect of what your decisions might be down the track—as part of the consultation process, are different commissioners going to different places and participating in those consultations?

Dr Bennett—Yes. We are not all going to every location because we are trying to divide up the travelling as well and the availability, but there will be two to three, at least, commissioners in each location.

Senator COLBECK—How did you determine who you would consult with in each of the locations that you have been to?

Dr Bennett—We have three forums: one with front-line health workers, one with members of the community and a special industry group as well. We also meet with the local government agencies.

Senator COLBECK—How would one get invited to the community based forum?

Dr Bennett—We have used various mechanisms to do that, but we have worked with community bodies. It has varied a bit in different locations. In terms of the front line, we have worked with various professional bodies as well.

Senator COLBECK—From that perspective, I can understand you coming to Tasmania but I was not aware you were coming to Tasmania. Was there any public awareness process of that fact? You are an organisation doing an important piece of work in respect of long-term delivery of health care, which I understand is your charter and, unless you are in the system, so to speak, the opportunity to say something or interact directly with the commissioners does not arise.

Dr Bennett—We have put out media releases and attempted to do a national media campaign on the fact that we are moving around Australia. We have advertised a submission process as well, which we see as a valuable way of people contributing to our thinking.

Senator COLBECK—Submissions have now closed, though, haven't they—30 May?

Dr Bennett—We have had many requests for extension of time and we are obviously trying to accommodate that because we want to hear what people want to contribute.

Senator COLBECK—If you go to one of those quiet outback towns in Western Australia I can assure you that you will not be allowed to come and go without people being well and truly aware that you are there. I understand that you have to be relatively selective in elements of the process, particularly with the professional element of the services, but I know that there are a lot of community based people who have some expertise and information that might be useful to you. I am not sure whether I was hiding under too dark a rock, but I was not aware that you were coming to Tasmania last week.

In your interview with the ABC on 8 May, you suggested that the Australian health system needs a complete overhaul. There are varying views on that, but it certainly needs some work; we cannot argue in that respect. You also say that the Commonwealth should assume responsibility for mental and dental health. Is that true? Am I quoting you correctly?

Dr Bennett—I do not believe I said that in an interview. We do highlight the importance of mental and dental health as part of the care of the health of a whole person in our report, and there was great interest in that in the media.

Senator COLBECK—There has been great interest in it here today, too.

Dr Bennett—Good. We are hearing about that around the country right now.

Senator COLBECK—Do you have any perspectives on hospitals having or not having community boards of management or advisory boards, or haven't you developed any views on that yet?

Dr Bennett—One of the principles that we think should govern the future system, as in our first report, is a public voice. And, as for how a public voice is achieved in our healthcare system, we will explore mechanisms for that through the next period of our work.

Senator COLBECK—You listed 12 challenges in your initial report. Are they essentially general challenges? Are they listed in any order of priority?

Dr Bennett—They were illustrative of where we felt the principles we had identified highlighted opportunities for improvement. A lot of work has gone into those particular four areas by other groups. It is well documented that those are areas of opportunity for improvement, so they were listed. I do not know that I would say they were necessarily in exact priority order. That was not the purpose. They were all important.

Senator COLBECK—The 12 issues are important?

Dr Bennett—The 12 issues being highlighted.

Senator COLBECK—You also talk about moving to a single level of accountability. How do you see that working with the system that we have of states and the Commonwealth operating at two different levels?

Dr Bennett—I cannot comment on that at this stage. That would be pre-empting our work.

Senator COLBECK—I noticed in Hobart, when you presented at the AMA conference last Saturday, that you talked about determining who was accountable for what, Commonwealth or state. I would see that not only being accountable but taking responsibility for whatever they are accountable for is going to be an important part of the process going forward, if you intend to do what your report says and move beyond the blame game.

Dr Bennett—Yes, this first report does highlight the need for clarity of roles, responsibilities and accountabilities.

Senator COLBECK—Was the report cleared, or was the minister consulted on the draft before it was cleared for public release?

Dr Bennett—We provided the minister with the report on the 30th, which was our due date.

Senator COLBECK—So there were no modifications of the report before it came out?

Dr Bennett—No.

Senator COLBECK—How regularly do you consult with the minister's office about the work that the commission is doing?

Dr Bennett—I provide a regular update, by way of describing that we are heading in the right direction and that things are under way, not in the sense of content or outcome.

Senator COLBECK—Given that the commissioners are effectively all operating on a part-time basis and many of them have other roles, how do you separate the work of the commission from those other roles? Have you got a governance process in place to actually deal with that?

Dr Bennett—I am not quite clear what your question means. We obviously have competing time demands and we try to work cooperatively—

Senator COLBECK—And potential conflicts of interest that might arise as part of your work. Some are employed, some maybe not—

Dr Bennett—Yes.

Senator COLBECK—but there are potentially conflicts of interest that could arise from that.

Dr Bennett—Yes.

Senator COLBECK—Do you have a process in place to deal with that?

Dr Bennett—Yes, we do. Obviously all commissioners have working lives outside the commission and we at the outset put all potential conflicts, or perceived conflicts, on the table and register those, and we commence each commission meeting with a declaration of interest so, if anyone feels that anything that is going to be discussed would preclude them from discussion or create potential for conflict, they are raised and considered by the commission. We have that as a part of the process.

Ms Halton—That is consistent with departmental practice.

Senator COLBECK—Thanks very much for that. I am not sure whether I am getting into too much detail here but, looking into some of the matters that have been brought up in the report, one of your benchmarks suggests that GPs should not prescribe antibiotics for upper respiratory tract infections. I am interested that you are getting into that level of detail as part of the process.

Dr Bennett—The process of providing the advice for this first report, which was advice on the Australian healthcare agreements, was for us to establish some principles, look at those highlighted areas for opportunity to improve, and then we worked with the Australian Institute of Health and Welfare on identifying indicators that mirrored our priority areas, the highlighted areas. So that was an iterative and collaborative process with the AIHW in identifying those indicators.

Senator COLBECK—It is a bit difficult when you start getting into areas that potentially are a matter of clinical judgement for an individual GP, though.

Dr Bennett—The AIHW also have a consultation process that involves looking at best practice and with various groups. I could look up that particular one. I am not quite sure that it was completely correct, but the notion is an indicator that would be based on evidence and best practice.

Senator COLBECK—So you are saying it is an indicator rather than a benchmark at this stage?

Dr Bennett—It is an indicator.

Senator COLBECK—Has the commission looked at the question of early childhood vaccination programs as a preventative health measure?

Dr Bennett—The role of the commission is to look at the whole future health system, and we are not looking at individual issues so much as the structure, governance and financing that will deliver a health system in the future that is sustainable, affordable and meets the sorts of challenges that we are facing with ageing and the chronic disease burden et cetera.

One of the priorities, as you would have read there, is a healthy start to life and another is prevention and wellness, which we have listed in our key principles. Insofar as immunisations are key parts to those, they would be considered, but it is important to say that we are not duplicating and doing the work of other groups; we are trying to harness the work of other groups as well. But, to set the scene of what we need in our health system, our job is to determine what the structure and system would look like.

Senator COLBECK—The Private Hospitals Association have expressed concern in their submission at the number of private patients in public hospitals and the lengths that public hospitals go to to get such patients. They are suggesting that the cap on private patients taking up public hospital beds be reduced from 10 per cent to five per cent over five years. It potentially is a cost-shifting issue, and part of what you will be looking at, I presume, is the balance of the health system, including between the public and the private sector. Given that the private funds do not have to pay public hospitals the same as they would to a contracted private hospital, do you think that there is a sort of alliance of convenience there?

Ms Halton—Now you are getting into an area of opinion, which is not reasonable for Dr Bennett to be asked about.

Senator COLBECK—Okay.

Dr Bennett—Can I go back to your immunisation question, though—

Senator COLBECK—Sure.

Dr Bennett—to mention that we do have immunisation rates for vaccines in the national schedule; a 90 per cent benchmark is set for that. Thank you, Peter, for pointing that out.

Senator COLBECK—I recall some discussion—in relation to the 90 per cent benchmark—that we are actually achieving more than that at the moment, and there has been some discussion, I think yesterday, in relation to funding of programs around those benchmarks. Am I in a foggy haze of too many days of estimates?

Ms Halton—Yes, you are in a foggy haze. I could get someone to prescribe something!

Senator COLBECK—I have been in a lot of estimates in the last few days, but I am sure I recall some discussion about it. Where I go to is, if we are already achieving over that benchmark, is that a reasonable benchmark to apply? Should we be looking at raising the bar?

Mr Broadhead—Ninety per cent is not a new benchmark. It is a benchmark that has been around for a while.

Senator COLBECK—I understand that.

Mr Broadhead—You can achieve it at the national level, but you actually have to achieve it at the local level as well. I am not a clinician, and Christine is and may correct me on this, but there is an issue of herd immunity—

Dr Bennett—Yes.

Mr Broadhead—the number of people who have been immunised, such that you do not get an outbreak of the disease if a person does get it, and that is roughly 90 per cent. It is not just a national target; it is a target that can be applied below the national level. If the people who are not immunised are clustered in a particular place, 90 at the national level is not of itself good enough.

Senator COLBECK—I understand where you are at. So while the national average may be above 90 per cent, at 92 or 93—

Mr Broadhead—It does not mean everything is sweet everywhere.

Senator COLBECK—there could be pockets where you are not actually meeting that.

Ms Halton—That is right, yes. And, paradoxically, it is not—

Senator COLBECK—Which convinces me even more that we had a conversation about this, because I would not have remembered the statistic otherwise.

Ms Halton—No, but it was in a different context.

Senator COLBECK—It was in a different context and it was about funding of programs.

Ms Halton—Let us not go there; it is too late.

Senator COLBECK—I thought it was there somewhere.

Ms Halton—Parallel universe!

Senator COLBECK—My senior shadow is interested in having a conversation. Would you be prepared to offer a briefing on your work to the shadow minister, or do you have to clear that with the minister?

Ms Halton—It is appropriate that their request comes through the minister's office.

Senator COLBECK—So on request?

Ms Halton—Yes.

Senator COLBECK—Were you consulted on the changes to the Medicare levy surcharge?

Dr Bennett—No.

Senator COLBECK—You were not.

Dr Bennett—It is not the role of the commission to do that. The commission is looking at long-term whole-of-system reform; it is not a daily commentator or involved in daily health issue policy.

Senator COLBECK—I would have thought that a major policy change such as the change in the Medicare levy surcharge would have an impact on the long-term policy as a whole.

Ms Halton—It is very clear that the commission's perspective is sort of out at 2020 somewhere. Day-to-day matters are a matter for the department and for the minister.

Senator COLBECK—But, surely, in determining the balance of the health system, it would be appropriate to consider a group that is providing high-level advice to the government.

Ms Halton—Which is about the long term, and it is not part of the commission's role to comment on the day-to-day policy.

Senator COLBECK—It surely has a long-term impact.

Ms Halton—No doubt the commission will factor any decisions of government into its work. But, no, it is not its role to comment, and it was not asked.

Senator COLBECK—That will do me on the Health and Hospitals Reform Commission. Thank you very much for coming in, Dr Bennett. We appreciate it, and we hope we have the opportunity to interact again later in the year when we come back to this process.

Dr Bennett—Thank you.

ACTING CHAIR (Senator Humphries)—Thanks very much, Dr Bennett. Are there any further questions of outcome 13, Acute care? Do you want to ask Dr Bennett a question?

Senator ADAMS—Yes.

ACTING CHAIR—I am sorry. I was jumping the gun.

Senator ADAMS—Have you taken on board the initiatives that have come from the 2020 Summit?

Dr Bennett—We have been provided a report from the summit, and a number of people who have attended have also put in submissions to the commission, and there were also some commissioners who were at the summit.

Senator ADAMS—I realise that. Access to medical specialists is a huge problem for rural people, so is that on your list at all? Mainly they have to travel to capital cities. Could you just jot that down. It is the Patient Assisted Travel Scheme, commonly known as PATS.

Ms Halton—Senator Adams: we love her dearly, and we know that her biggest passion is patient travel.

Senator ADAMS—And there is a very good report that this committee did on it.

Ms Halton—It is an exceptionally good report, which most of us know off by heart.

Senator ADAMS—Good research.

Ms Halton—That is true.

Senator ADAMS—So I just had to mention that.

Ms Halton—Yes.

Senator ADAMS—Otherwise, thank you very much.

ACTING CHAIR—Okay, we really have now finished with you, Dr Bennett, and thank you for your time with us today.

Dr Bennett—Thank you.

ACTING CHAIR—We appreciate your coming to the committee. We have further questions of outcome 13, Acute care. Senator Colbeck, we will get you to do that. We will get the officers back at the table.

Ms Halton—Yes, we will have the officers.

Senator COLBECK—Thank you, Acting Chair. Are we in the right outcome for the \$10 billion Health and Hospitals Fund in the budget?

Ms Halton—No.

Ms Flanagan—We are in the wrong department.

Senator COLBECK—You've got me there! So who is operating this program?

Ms Halton—Finance.

Senator COLBECK—My old friends.

Mr Kalisch—I think they were last week.

Ms Halton—Yes, they were last week.

Senator COLBECK—I know when they were. I was there.

Ms Halton—You are in the wrong week—wrong department, wrong week.

Senator COLBECK—So I have gone to the wrong place for the hollow log. Okay. Let us move on.

Ms Halton—I wish I had it.

ACTING CHAIR—'Move on,' you say—as in move on beyond outcome 13?

Senator COLBECK—Not beyond outcome 13, no. There is plenty more to come.

Ms Halton—Is that a threat or a promise, Senator!

Senator COLBECK—I will let you judge that as we go through the process. Do we have agreements completed with all the states for the funding, the \$150 million, that was announced for reduction in elective surgery waiting lists?

Ms Flanagan—There are two amounts of \$150 million. One of them is stage 1.

Senator COLBECK—That is correct. There is an initial amount that we talked about at the last estimates, which was direct funding for hospital waiting lists, and there was another \$150 million announced recently, which I think was for equipment.

Ms Flanagan—We call it stage 2. Yes, it is for equipment and infrastructure and things like that.

Senator COLBECK—My understanding with respect to the first sum was that each state would complete an agreement with the Commonwealth for the funds to start to flow. Is that correct?

Ms Flanagan—Yes. They have all signed agreements.

Senator COLBECK—All the states have signed their agreements?

Ms Flanagan—Yes, they have all been signed.

Senator COLBECK—Is the money paid in a lump sum up front or are we paying on benchmarks?

Ms Flanagan—Ms Yapp can give you the schedule of payments.

Ms Yapp—Approximately a third of the money was paid within seven days of signing and the remaining two-thirds is to be paid next financial year, 2008-09.

Senator COLBECK—Is that payment based on specific benchmarks?

Ms Yapp—No, but states have committed to benchmarks, so the idea is that the stage 3 funding will be linked to achieving certain sorts of benchmarks.

Senator COLBECK—So they effectively get jointly \$300 million, but, if they do not do anything, the only penalty is that they do not get the next lot?

Ms Flanagan—No. For stage 1 the states and territories have committed to performing, I think, just over 25,000 by the end of December, so we will be monitoring that they achieve that.

Mr Kalisch—And stage 2 is for the completion of various capital infrastructure and equipment purchases.

Senator COLBECK—The communique also talked about progress reports. I know that Tasmania has published its progress report, but, again, I was trying to find something on the department's website, and perhaps its potential new state in the next couple of days might make it easy, but I was not able to find any published results of performance.

Ms Flanagan—What is going to happen is that each state and territory is going to report. We are not mandating that they have the same look and feel in terms of the way they report, because some states were already reporting—I think Victoria is an example—on elective surgery, and it is being done at a hospital level. So we, I think, had a teleconference with the states today about their preparedness to launch their sites, and then there will be a Commonwealth site that you can go to that links to all of the state and territory sites.

Senator COLBECK—It was not that I could not find it; it is that it does not exist yet?

Ms Flanagan—Not quite yet, no.

Senator COLBECK—Okay.

Ms Flanagan—We are waiting until the states and territories are also ready to go.

Senator COLBECK—But my understanding is that the reports were due before 6 May. We are now getting awfully close to that date in June. Tasmania reported I think on 22 May. How far away are we from getting the data?

Ms Flanagan—The Commonwealth has received the data from the states, but what we were talking about was whether it was published, so we are trying to set up the environment by which the public will be able to see what is being reported around what is happening on elective surgery waiting lists.

Senator COLBECK—Given that you have the data, can you tell us how we are going? I know that in Tasmania's case the figures do not necessarily look all that pretty, because the number of people on the waiting list has increased by 16.5 per cent since this time last year. It has gone from 7,144 to 8,323. How are we going in the other states?

Ms Flanagan—There are a number of things that are going on. We always expected or anticipated that what might happen is that, because people knew that the Commonwealth was providing a significant amount of money to reduce elective surgery waiting lists, in effect you might bring people out that might otherwise not have been there. Doctors might have felt that it was now appropriate to schedule elective surgery et cetera. So one of the things we were expecting was perhaps an increase in the number of people on the elective surgery waiting lists. The other thing is that there are seasonal variations in all of this and my understanding, for this first quarter, is that there are a lot less working days, so we would need to be looking at not the raw figures but the time that was available to actually perform elective surgery in this particular quarter.

Senator COLBECK—We are not talking about quarterly figures there. The figures that I have given you for Tasmania are March to March, so that is over 12 months. The reasons that Tasmania gives for its increase in its waiting lists is that it talks about having more specialists, more practitioners working in the system, and also closing down one of its theatres for 12 months without having made any provision for somewhere else to provide services. The reasons that Tasmania is giving me are not matching, unless you are getting different figures from other states. But the reasons that you are giving me are not matching up with the information that has been provided to us in Tasmania's report, so I suppose that is my justification for questioning what you are telling me. They even talk about population increase causing an increase in the numbers.

Ms Flanagan—I have just had clarified by Ms Clarke that this is, I think, Tasmania publishing it but it is not on the framework that has been set up for us to monitor the elective surgery waiting lists, so that report is presumably a local report. We are receiving data on a quarterly basis. That is what we have asked the states and territories to provide under this initiative.

Senator COLBECK—Are you in a position to let us know what is happening on a state-by-state basis? Do you have that data with you?

Ms Flanagan—We do not have it with us, but we can take it on notice. But, as I say, relatively soon it is going to be published on each state and territory site.

Senator COLBECK—It may be relatively soon, and we have heard a lot of imminence during the last couple of days, but it was due by 6 May so we are already a month behind and potentially it will be the second quarter.

Mr Kalisch—Can I get some clarification of the data you are using for Tasmania? Is it an annual March to March—

Senator COLBECK—Yes, and it is off the website.

Mr Kalisch—So it is March 2006 to March 2007, compared to March 2007 to March 2008?

Senator COLBECK—No. It is March 2007 to March 2008.

Mr Kalisch—So what are you—

Senator COLBECK—And it has got figures for each of the hospitals in the state. In fact, I have got 2005, 2006, 2007 and 2008 figures and, if I was the Commonwealth giving money to Tasmania to reduce waiting lists, I would be very concerned by the trend. It is going up every year.

Mr Kalisch—It is going up well before, obviously, the initiative came into place.

Senator COLBECK—When did the money start flowing?

Mr Kalisch—The money started flowing in February-March this year.

Ms Flanagan—February-March this year, so any data that you are looking at will not have had the—

Mr Kalisch—The communique that you talked about was in mid-January of this year.

Senator COLBECK—7 January.

Ms Yapp—In fact, for Tasmania, the first funding flowed out on 17 April, so it is after that report.

Senator COLBECK—Can you give me the dates that each of the states signed their agreements?

Ms Yapp—I have got the dates that the first payments were made. The agreements were made in the week before that.

Senator COLBECK—That was a fixed time frame from the date, wasn't it? So if you give me the dates the payments were made, that will—

Mr Kalisch—It would be fairly close to the dates of the agreements.

Ms Yapp—I have got the agreement signed date as well: for New South Wales it was signed on 27 February, Victoria was 29 April, Queensland was 27 February, Western Australia was 6 March, South Australia was 25 February, Tasmania was 9 April, ACT was 8 February and the Northern Territory was 25 February.

Senator COLBECK—What is the reason for the variance? There is a fairly wide range of dates there and if they are within a fixed time frame from the signing of agreements—they are the dates that agreements were signed that you have just read out?

Ms Yapp—That is right.

Ms Flanagan—It was a standard agreement for the states and territories but some of them had issues around perhaps intellectual property and things like that, so there was some negotiation. They did not just necessarily sign the agreements that were sent to them. There was some dialogue around what the agreements required.

Senator COLBECK—Some people seem to have sorted those things out a lot more quickly than others and, in terms of getting rubber on the road and having impacts, that makes it—

Mr Kalisch—Obviously the earlier you get the money, the more advantaged you are.

Senator COLBECK—Absolutely. That, effectively, is my point.

Ms Yapp—Just for clarification, the dates I gave you were the times that the agreements were signed by the Commonwealth, but generally we sign very quickly after, so the arrangements are that the—

Senator COLBECK—The states sign first and we follow and sign afterwards.

Ms Yapp—Then we follow.

Senator COLBECK—Is that data that you can table—that table?

Ms Yapp—No.

Senator COLBECK—Okay; it was worth a try. At the last estimates we talked about what each state would be doing as part of the process, and there was a negotiation process as to the different types of surgery that were going to be conducted. I asked to be provided with that information, which you said you could do on notice, but when the response came all it did was give me the chart that was released. This is the communique, but all I got with the question on notice was this particular chart and, specifically, I was looking to find out what the rationale for the break-up of the funding was, given that it certainly was not, as we discussed, on a population basis. It was based on the cost of doing certain sorts of surgery in each of the states. Is it possible for me to get that information?

Ms Flanagan—I do not think the funding was based on the surgery that was being done in particular states. We have given you the number of procedures that each state and territory said that they would commit to do but I think the initial allocation was not just based on what they said they were going to be able to do and what sorts of procedures.

Senator COLBECK—If I take you back to *Hansard* from the last estimates, we had a conversation about how the funding was allocated. I said to you:

The states provided information with respect to the general categories of work that they are going to carry out. Do you have information on that? People in Tasmania who need hip replacements have been on the waiting list for more than 12 months. Is there any specific information on the categories from each state?

Ms Yapp said to me, in response:

Each state has indicated the sorts of categories, but it tends to be quite spread, so it is not the sort of thing that I can necessarily read out now.

I asked:

Is it possible to provide us with a copy of that information?

I think, Ms Yapp, you had a chart at that stage that indicated those things, and Ms Yapp said:

Yes, that should be possible.

And I said:

I would appreciate that.

Is it possible for us to get that information?

Ms Yapp—The information that I had was in fact early information and there were negotiations that went on subsequently in order to agree the numbers of procedures and the amount of funding that would be done. That, in effect, overtook that information, and we did not subsequently go back to states to get any further break-up.

Ms Flanagan—I think the point here is that what we are expecting the states to do is the number of procedures that they have committed to do, which is on the public record, and that is what they will be held to and that is what we will be monitoring them against. So we are not interested necessarily, now that it has been agreed what the funding will be and what their targets will be, around—

Senator COLBECK—But the basis of what I was trying to get to was how the funding was divided up. That was the purpose of my question. I wanted to know how the calculation was made for the funding. It obviously was not on a per capita basis. You indicated to me that the states had put in bids based on categories of surgery that they wanted to undertake. The purpose for me asking the question was to get an understanding of how the funding was divided up because we have not been able to get information, and that is why I asked then and that is why I want to know. It is not necessarily about what you are or are not holding the states to. I want to understand, as does my shadow minister, how the funding was determined. So is that information provided in a chart that says, ‘We are going to do this many of this type of surgery and this many of this type of surgery’? I find it interesting that you are not really worried about what they are going to do now after the negotiations have been completed because—

Ms Flanagan—I did not say that.

Senator COLBECK—Perhaps there is a—

Ms Flanagan—We have got a whole range of performance indicators that we are going to be holding the states to in this initiative.

Senator COLBECK—How do we from outside judge that if we cannot get hold of any of the information?

Mr Kalisch—But that information will be made publicly available. There is going to be a range of seven performance measures that will be on the website that will be published.

Senator COLBECK—Yes, we are a month late already though. We have gone past the first date.

Mr Kalisch—But it is not that far into it.

Senator COLBECK—We are a third of the way through the second stage of the process. I asked and was given an indication that I could get some information and all I got was what I already had. I think it is reasonable that I ask and be given some indication of how the funding allocation was made. I do not think it is unreasonable.

Mr Kalisch—We can give you that sense right here and now. As was mentioned at the earlier hearing, states did put in bids for funding. Those bids for funding were based around undertaking particular sorts and numbers of procedures.

Senator COLBECK—Can you give me that information?

Mr Kalisch—What I am saying is that they put in particular bids. There was then a negotiation arrangement between the Commonwealth and the states, and then the Commonwealth announced what the outcome was, and the outcome was published in the communique in January.

Senator COLBECK—But it still does not tell me the basis for the funding. All it tells me is that you had a conversation and reached an agreement. I would like to know, and I think quite reasonably, how the funding is being allocated.

Mr Kalisch—But you know exactly how the funding is being allocated because you know that \$43.3 million was to New South Wales.

Senator COLBECK—Yes, but I do not know the formula by which it was done. Because you have the data, and it would be nice to know what that basis is. Effectively what you are telling me is, ‘We made a decision and you know what the answer is,’ but I do not know what the basis of the calculations were, and it was indicated to me last time that I could have that information.

Mr Kalisch—What I am telling you is that the government made a decision about the funding that was going to be allocated to each of the states.

Senator COLBECK—I would like to know the basis of that calculation.

Mr Kalisch—There is no precise formula.

Senator COLBECK—No, I understand that—that states made bids on the basis of categories of surgery to be carried out.

Mr Kalisch—And their capacity to undertake surgery.

Senator COLBECK—I would like to know, and I think quite reasonably, what those priorities are so that that can inform me as to the way the funding was broken up.

Mr Kalisch—I think you are asking a separate question now.

Senator COLBECK—No, I am asking exactly the same question.

Mr Kalisch—No, there are two questions.

Senator COLBECK—I might be coming at it a different way, but I am asking the same question. Can I have the information that was indicated to me that I could have last time?

Mr Kalisch—I think we can give you information about the range and types of procedures that states are expecting to do with the funding.

Senator COLBECK—Can I have that on a state-by-state basis and the numbers of surgeries that they were projecting?

Mr Kalisch—We will see whether we can get that information and that detail from the states. We may be able to provide you with some very general information about the broad

range of areas where their surgery is going to take place. They have committed to do a certain number of procedures right across the range of elective surgery. We will see whether we can get you additional information on how that might vary from state to state.

Senator COLBECK—I feel as though I am on really shifting sands, Mr Kalisch. Last time we were here there was a piece of paper waved and it was indicated to me that it was too complicated to read out at the time but that I could be provided with it. Now the shutters are up and nobody wants to talk to me about it. Instead, it is, ‘We might give you something. We’ll modify it.’ Why can’t you provide to us what you indicated you could provide to us at the February hearings?

Mr Kalisch—I am trying to get a clear sense of what you are looking for.

Senator COLBECK—I do not think it is complicated.

Mr Kalisch—I might be a little bit confused then about what you are actually asking for but, if you are asking for a funding formula I cannot give you one because there is not one. If you are looking for an indication of the types of procedures that are funded through each state then, yes, we can provide some information.

Senator COLBECK—Types and numbers of procedures that are going to be funded through each state.

Mr Kalisch—Is that what you are looking for? We can take that on notice.

Senator COLBECK—That is how I was told in February that the funding was allocated.

Mr Kalisch—It was broadly based around that and then with some negotiations between governments. That is what I have said earlier, I thought.

Senator COLBECK—There is no ‘broadly based’ in the conversation that we had back in February. That is what I was told and so that is what I am asking for. Do we have a document that we can table or do I get an answer on notice that comes back at some point in time where the minister signs off and says, ‘Sorry, I am not going to give it to you’?

Mr Kalisch—I am going to see what information I can get.

Senator COLBECK—Quite frankly, that is a legitimate question. We were given an indication that we could get something back in February and all I got was something that was on the public record and had been for a period of time.

Mr Kalisch—In that case we may have misunderstood what you were seeking.

Senator COLBECK—I must have a real problem with my comprehension, because in reading the *Hansard* it was quite clear to me what I was looking for and it was quite clear to me what I expected to get, and when I received what I did I went back to the *Hansard* to check that I had got it right, and it was Ms Yapp that was holding the piece of paper telling me that, ‘It was too complex to read out now,’ and me asking, ‘Could I have it?’ and an indication was that it could be provided. I will not go on any further, but I think it is reasonable that we be provided with the information, because it does form the basis for the calculation of the funding.

Mr Kalisch—As I said, it is one of the components that contributed to the funding allocation.

Senator COLBECK—Again, that is not what I was told back in February. So forgive me for being a little bit sceptical, but that is not what I was told. I asked a question and I was given what I considered to be a pretty clear answer. If you are telling me that I was not told the whole story, there is nothing much I can do about that now, but the *Hansard* to me reads pretty clearly. So if it is possible to put that information on the table I would certainly appreciate it. With regard to the Commonwealth Dental Health Program, can you tell me where we are at with that, please?

Ms Flanagan—Yes. As you know, there has been \$290 million committed over three years in the budget.

Senator COLBECK—That is one figure we can agree on, Ms Flanagan, thank you.

Ms Flanagan—We have had a number of meetings now between officials at the state and territory level to sort out how we take this program forward. We would be looking to have, again, an agreement in place with each state and territory by which we can pay the money. The government has made clear what it sees as priorities for this money. It has nominated a number of priority groups, including Indigenous, those with chronic disease and also young people zero to five. It wants to see a reduction in the backlog of those waiting for public dental treatment and it is looking to establish a range of performance indicators by which it can measure that those particular objectives that it has specified have been achieved. The other thing that the government expects is that states and territories will maintain current effort into the future in terms of what they do on public dental. So this is not a replacement or a substitution; rather, it is an addition to current state and territory effort in this area.

Senator COLBECK—Have you done any work on how you will ensure that they do that?

Ms Flanagan—We have talked at official level, and this still needs to be agreed, of course, through a contractual arrangement and discussed with ministers, but we would be expecting them to provide us with baseline reports of current expenditure and also the number of procedures or treatments that they are currently doing. What we will be looking at into the future is that that sort of level of expenditure and the procedures that are done for that level of expenditure are maintained. We might have some sort of indexation factor out into the future, but that is what we are intending to do there.

Senator COLBECK—So that baseline will be public procedures that are completed within the states?

Ms Flanagan—Yes.

Senator COLBECK—But this program also talks of purchasing private dental services?

Ms Flanagan—There is the capacity for states to do that if they choose to do so but the Commonwealth will not be getting involved in nominating how much might go to private dentists. It will be up to the states and territories to achieve the indicators or targets that they set.

Senator COLBECK—So the funding will be provided to the states through the process of the agreements and then they will be able to purchase the services or provide the services based on a range of parameters: the capacity of their systems, capacity of the private systems or whatever else.

Ms Flanagan—Yes.

Mr Kalisch—We would expect that, if they did purchase in the private sector, they would also inform us through the performance monitoring of the number of procedures that were purchased through the private sector.

Senator COLBECK—The documents suggest up to one million consultations. Does the department's modelling support that figure, based on the funding that is available?

Ms Flanagan—I think the claim of being able to do up to one million consultations was in the election commitments. If you divide 290 by one million you get an average cost. Again, it is going to be a negotiation process with the states and territories in terms of what they might be able to do for the money. For example, we would expect states to set a priority group. If a state decides that they would like to tackle, first of all, those with chronic disease, one might expect that the average cost of that treatment might be higher than, for example, deciding that they would like to do preventative treatment. So, on an average cost, up to one million consultations might be appropriate, but it is only when we get into what the states and territories would expect to do for the money that we can work out how many procedures might be able to be done.

Senator COLBECK—Are you expecting the states to come back to you with bids based on the priorities that you have under the program for the allocation of the funds?

Ms Flanagan—That is what we have discussed at officials' levels with states and territories, but it has not yet been agreed by ministers as being the way to proceed. The question is whether we would give them some flexibility within the broad priorities that have been set by the Commonwealth government for them to achieve that, noting that a large part of the funding for public dental comes from the states and territories. So they would need to mesh their priorities, and how they intend to use the money that they contribute to this, with the Commonwealth priorities that have been set.

Senator COLBECK—Surely, they have their programs and their priorities and they are running with those. I have taken an interest in budgets that have been brought down at a state level recently, looking at what is going on or is not going on in dental care. But surely, if the Commonwealth has set itself a range of priorities, they should take some form of priority in the process of achieving the outcomes. We have had plenty of discussions here over the last fortnight about meeting election commitments. Surely, the government would be interested in doing that?

Ms Flanagan—Yes, and as I have said, there are three priority groups that the Commonwealth has set for the states—that is, those with chronic disease and those with chronic dental problems; the nought to five-year-olds in terms of preventative programs that might assist that group; and Indigenous people.

Senator COLBECK—I accept that some of the priorities of the states and the Commonwealth may cross over. So the focus on people with chronic illness—it appears that you are looking to try and deal with some, and I think we discussed this this morning—deals with some of the people who were being picked up in the program that has been discontinued under the Medicare item?

Ms Flanagan—For a long time, public dental has had, as one of its more important client groups, those with chronic disease and those with chronic dental problems. In the discussions we have had with the states and territories, it is a particular group that they focus on because often these people are in significant pain and their quality of life is affected. One of the things we have talked about at officials' level is whether we could have some sort of nationally consistent way of defining that group because different states and territories triage their waiting lists in slightly different ways. We think that we can get agreement to do that. It will then in effect be the performance indicator that we would look to, so we would like to work with the states and territories on this as an important priority group.

Senator COLBECK—Is there any scope for dentures as part of this program?

Ms Flanagan—I think that dentures are supplied by public dental services. We have not specified that we would expect states to put aside a particular amount of money or anything like that for dentures.

Senator COLBECK—Just going on the figures that I have here, the public waiting list for dentures varies from two years in the best state to 10 years in the worst. Is that something that might fit within the program? Is it something that might be eligible under the program?

Mr Kalisch—It is quite possible, and it is up to the states as to how they attribute the money.

Senator COLBECK—So it will depend on the negotiations with the states and how they bring those things forward?

Mr Kalisch—It is probably more the case that the additional funding will be provided to the states and, within the broad parameters that the Commonwealth is going to set, the states will have flexibility to use the money wisely.

Ms Halton—And we will count what they do.

Senator COLBECK—And we will wait for it to turn up on a website.

Mr Kalisch—One of the advantages that we expect to see from this program is that we will have some pretty good baseline data, about what takes place in a number of the state dental services, that we do not have now.

Senator COLBECK—How advanced are the negotiations with the states at this point in time? The program is due to begin 1 July.

Ms Flanagan—At officials' level we have had a number of meetings and agreed broad parameters. We have a shell of an agreement worked out, or the front end of it. The schedule that goes on the back of it will be the negotiation process we talk about in terms of what the states might commit to. We expect that the minister will write to her colleagues to try to get the agreements in place by 1 July.

Senator COLBECK—So it is not going to require a ministerial council meeting or anything like that to finalise it? It will be direct communication between the federal minister and her state counterparts to progress this so that the scheme can be up and running by 1 July?

Ms Halton—That is true, but there is a ministerial council meeting in June or July—fairly soon—so if there are any problems, which I do not anticipate there will be, we do have a ministerial council meeting planned.

Senator COLBECK—So there is the opportunity to get it sorted out?

Ms Halton—Absolutely.

Senator COLBECK—By or around ministerial council? Watch this space?

Ms Halton—Yes.

Ms Flanagan—The government has been fairly clear on the design features of this program, so we do not think that there needs to be a lot of negotiation on this one.

Ms Halton—We are not anticipating any problems.

Senator COLBECK—No-one else is looking at me in respect to that.

CHAIR—Just keep going.

Senator COLBECK—I shall. The next round of Australian health care agreements, as we know, has been deferred for a period. We support that. Has a dedicated group been set up in the department to negotiate the next round?

Ms Halton—The next round, in inverted commas of course, is technically part of the COAG process and COAG negotiations, which I think we covered earlier on this evening, in terms of there being a number of things going on in respect of a whole range of areas. The work that is being done on COAG is being driven by a small group in the department, a senior officer who has been taken out of her line job, working with a small group of people directly, but also then, obviously, with all of the people in the line areas.

Senator COLBECK—The Health and Hospitals Reform Commission has given us some indicators. Are there specific benchmarks that are being set around those?

Ms Halton—I think I said to you earlier, when Dr Bennett was here, that that report has been taken into the COAG work at the moment.

Mr Kalisch—And discussions are taking place between the Commonwealth and the states about various performance indicators.

Ms Halton—That is right.

Senator COLBECK—Going back to the topic of elective surgery, in my movements around the states I have found a whole range of different ways that states report on their hospital systems. Reporting is, I know, a really vexed issue and I know it is something that the Commonwealth is paying some attention to, but are we confident that we can get a reporting system out of this process that we can both believe and trust? It is really important.

Ms Halton—Yes, absolutely.

Senator COLBECK—There are waiting lists to get on waiting lists in some places.

Ms Halton—Yes.

Senator COLBECK—And if people have a procedure cancelled they are taken off the waiting list and start again. It is extraordinarily fraught.

Ms Halton—Yes. In fact, anyone who has watched anything about the UK system over the last however many years will have seen the art of statistics and how they are managed in a health system. We are one step back from that because we do not even have, in many cases, agreed definitions in some respects. One of the things that is happening in the COAG context is precisely the discussion about performance indicators, targets, the whole question of what it is you measure and then, essentially, how you measure it. We have not got, obviously, any agreements yet in that area, but the work that we are doing on some of the election commitments about setting some really clear measures which will be delivered nationally in a comparable way is, I think, a harbinger of what we are going to get out of the COAG process. So you are quite right: comparison at the moment is quite difficult. One of our absolutely core objectives is having some national core data that enables comparison.

Ms Flanagan—Just on elective surgery, we did have some very robust discussions around getting nationally consistent data, because, as you have said, different states and territories might report things in different ways. We had some interesting discussions.

Ms Halton—It was ‘robust’ in capital letters.

Ms Flanagan—Yes.

Senator COLBECK—It would appear to me that some of those that protested the loudest have some of the most creative systems that might exist.

Ms Halton—We could not possibly comment.

Senator COLBECK—No, but I can.

Ms Halton—You can.

Mr Kalisch—But certainly one of the outcomes from those robust discussions was an agreement to move to a nationally consistent method of reporting, and the performance indicators.

Ms Halton—Yes, and I might say that the minister is very committed to this. Parliamentary Secretary, you have heard her on the subject.

Senator McLucas—Yes, of course.

Senator COLBECK—I am aware of the public statements by the Commonwealth, and I think we are in heated agreement, for a change, in respect of that.

Ms Halton—Heated agreement indeed.

CHAIR—And in robust agreement.

Senator COLBECK—‘Robust’ in capital letters!

Ms Halton—That is right: we are having furious agreement.

Senator COLBECK—Mersey Hospital—

Ms Halton—We know it well.

Senator COLBECK—I know it very well.

Ms Halton—Actually, we have several people in the department who were born in it—seriously. I kid you not.

Senator COLBECK—They must be fairly young.

Ms Halton—Some of them are almost prepubescent—I tell a bit of a lie.

Senator COLBECK—My kids were all born in Devonport, and they were born in the maternity hospital in Steele Street which was still operating; so they must be in the graduate program, I would have thought.

Ms Halton—Actually, no, but we won't go any further, Senator.

Senator COLBECK—Can you tell me how much money has been paid to the Tasmanian government to date? I know they were pretty slippery with their first account.

Ms Flanagan—We would have to take that on notice.

Senator COLBECK—Okay. I asked a question on notice on 6 March about the Spencer Smith report, and we talked about one of the requirements in the tender documents being for consultation. Is there any reason why the federal member for Braddon was the only member of parliament consulted during that process?

Ms Flanagan—Sorry; this is the Spencer Smith—

Senator COLBECK—The Spencer Smith consultation process.

Ms Flanagan—The consultations. No. There were consultations with the community, with the mayors, and also—

Senator COLBECK—No. I know exactly who was consulted in that process. The only member of parliament that was consulted was the federal member for Braddon. Senator Nick Sherry, whose office is in Devonport, was not consulted. The Hon. Norma Jamieson and the Hon. Sue Smith, who are local MLCs, were not consulted. The two local state MPs, Mr Brett Whiteley, who is the shadow health minister, and Mr Jeremy Rockliff, who is the Deputy Leader of the Opposition, and three local members—one of whom I think at the time was Deputy Premier—Messrs Best, Green and Kons, were not consulted.

Ms Flanagan—What we asked Spencer Smith to do for us was a technical report about whether an ICU was clinically seen as appropriate to—

Senator COLBECK—I understand exactly what they were doing.

Ms Flanagan—So we asked them actually to consult with technical experts.

Senator COLBECK—Then why did they consult with the member for Braddon? I know him quite well, and I do not think I am being too disparaging of him by saying that I do not think he has got too much technical expertise with respect to health.

Ms Flanagan—My understanding is that they had one consultation in the local community and that was it. Otherwise, all of the stakeholders or the consultations occurred with technical experts.

Senator COLBECK—There was one mayor, I think, and two deputy mayors that were consulted, and I think perhaps one general manager, and Mr Sidebottom, as part of the community consultation.

Ms Flanagan—As I say, they were not asked to undertake community consultation. I think that when they were down in Devonport, they thought it would just be good to meet with and

explain the process, because I think one of the mayors had asked if they could have the process explained to them.

Senator COLBECK—I think I could understand why, given the continued interest in the facility over a period of time and the angst, particularly at a local government level. But all of the MPs that I have mentioned there, and one I have not—Senator Parry, who is also from the region—did not get a look-in. I find it interesting that the local federal member organises a consultation with a couple of people from local government, but not everyone else who obviously has an interest in what is going on. I understand the basis for the consultations and what the report was about. In fact, we talked about the process here at estimates last time and I asked you whether you were going to meet your deadlines. We all know the answer to that now. Was there any instruction from the minister's office as to who should or should not be consulted?

Ms Flanagan—No, there was not.

Senator COLBECK—Effectively, the only thing that Spencer Smith had to go by was the tender documentation that they tendered on?

Ms Flanagan—Yes.

Senator COLBECK—There was \$1 million that was announced prior to the election on 10 October for some funding for equipment to be replaced at the Mersey. There was a fairly extensive list of equipment that was to be provided. What is the status of the purchase of that equipment?

Ms Flanagan—Again, we would need to take it on notice, but certainly there was a list of priorities and we have been working through the list and purchasing all of that equipment. Much of it has been delivered; for example, there is laparoscopic imaging equipment—

Senator COLBECK—Yes, we have had some publicity about that.

Ms Flanagan—Indeed, because it is turning up, but some of it needs to be ordered from overseas. There is an operating microscope for eye, ear, nose and throat surgery; an ophthalmic operating microscope; electro-surgical generators—

Ms Halton—I had better give this list to Professor Horvath.

Senator COLBECK—He is taking notes. My contacts can see that far.

Ms Halton—And maybe to Senator Humphries, who is practising—medical pronunciation.

Ms Flanagan—I would like to go to the next one on the list, which is an Atherton Tangent Gorilla series steriliser.

Ms Halton—The 'Gorilla' was in inverted commas.

Senator COLBECK—We might get to the gorilla in the room shortly.

Ms Halton—Isn't that an elephant, Senator?

Senator COLBECK—I think it depends on the time of night.

Ms Flanagan—Anyway, of the \$1.1 million, certainly we have ordered all of the equipment on that list, and it has either been received and is in place or, as I say, is coming.

Senator COLBECK—Going back to the consultations by Spencer Smith, my understanding is that the tender required the department to tell them who to consult with. So who were Spencer Smith instructed to consult with?

Ms Flanagan—As I say, there was a list of technical experts. We expected them, for example, to go and speak to the clinical staff at Burnie, they of course consulted at Mersey, and I think there were some other groups that we asked them, in effect, to benchmark against.

Senator COLBECK—Some consultation in Launceston and in Hobart, I understand.

Ms Flanagan—I would need to take on notice the actual people that they consulted.

Senator COLBECK—If you could do that.

Ms Flanagan—But the idea was that we wanted them to understand how the Mersey operated within the Tasmanian health and hospital system, but also to consult with experts in terms of comparator hospitals around Australia where they perhaps had a similar sort of population base and what was actually done there.

Senator COLBECK—So it is effectively just a glorious accident of fate that the only politician they spoke to was the local member, who really played a very small role in advancing the process to where it was.

Ms Flanagan—We have been over this. There was a local community information session organised by Spencer Smith.

Senator COLBECK—You could not call it an information session. It was by invitation and almost anyone who had any interest, except for three councils and the local member, was excluded. So you could not call it a community information session. No-one knew about it until afterwards.

Ms Flanagan—Again, I would not characterise it as people being excluded.

Senator COLBECK—If no-one knows about it, it has to be pretty close. As you are aware, having been down there, there is enormous interest in this, and I would not be talking about it if there was not, and obviously I have some interest in it. I find it a little galling that the government lets a tender and, by fate or accident, the only person that is consulted is the local member who, as I said, had been conspicuous by his absence in respect of the issue prior to the intervention.

Ms Flanagan—I have made clear they were not consulted; it was an information session. As I say, the local mayors were—

Senator COLBECK—No-one else was given the benefit of the information. Could you table a list of people that Spencer Smith were asked to consult with, given that the tender documents required you to indicate to Spencer Smith who you wanted them to consult?

Ms Flanagan—We will take that on notice and we will get that list to you.

Ms Halton—But it will not be the list of names; it will be the types of people they were asked—the criteria.

Ms Flanagan—Yes, we wanted them to consult with technical experts—

Ms Halton—Yes, clinicians.

Ms Flanagan—in the clinical community in Tasmania.

Ms Halton—The community et cetera.

Senator COLBECK—You continue to provoke my concern. Thank you. The government has obviously made a decision to ask a private operator to take over the hospital. When will the tender document for that process be issued?

Ms Flanagan—The tender document for the process?

Senator COLBECK—How are you going to determine who the operator is? You have called for expressions of interest, and I understand that there are at least two that have provided expressions of interest but my understanding is that they have been given no definitive information upon which they can prepare their bids to operate the hospital.

Ms Flanagan—This is a commercial-in-confidence process.

Senator COLBECK—I am not asking for a copy of the tender documents; I want to understand the process and the time frames.

Ms Halton—The tender process has been concluded and the government is considering its position.

Senator COLBECK—My understanding is that there had not been, as late as last week, any tender documents issued to tenderers.

Mr Kalisch—That is not correct.

Senator COLBECK—So am I to believe that not all of the entities that expressed interest were invited to tender?

Mr Kalisch—That is correct.

Ms Halton—That is correct.

Senator COLBECK—How many expressions of interest did you get?

Ms Halton—We cannot provide any information about this at this point. As Ms Flanagan has said, this is a commercial-in-confidence process.

Senator COLBECK—I do not want names. I do not want any information.

Ms Halton—No, but the process has been concluded and the government is considering that process.

Senator COLBECK—Can you tell me which of the state governments' models you will be applying to the operation of the hospital?

Ms Halton—No, I cannot. It is with the government.

Senator COLBECK—You cannot tell me when the process will be formalised, except to note that the contracts with the staff have been extended to the end of August, which is public information.

Ms Halton—That is a matter of fact. Correct.

Senator COLBECK—So why can't you tell me how many expressions of interest you received?

Ms Flanagan—It is not appropriate to do so. With any of the processes that we conduct at the Commonwealth level, we do not disclose how many organisations might have put in expressions of interest. We have discussed this with probity advisers and that is the advice that they offer.

Senator COLBECK—How many tenders did you seek?

Ms Halton—Again, we cannot give you that information. What I can tell you—and I have cleared this—is that the process is concluded and the government is considering it.

Senator COLBECK—Why can't you tell me how many tenderers you invited?

Ms Halton—Because—I am permitted to tell you the process has concluded and the government is considering the position.

Senator COLBECK—'Because' does not satisfy me. I have been in public tender processes hundreds of times over 25 years, and while not always did we know who the tenderers were—but quite often we did—the number of tenderers was not something that was necessarily kept secret.

Ms Halton—No. I understand that this is not, from your perspective, satisfactory, but I can tell you that this is what I am permitted to tell you. There will be an announcement when the government has considered its position.

Senator COLBECK—After estimates are done, I presume, so that I do not have the opportunity to question the department about it.

Ms Halton—That is what I can tell you.

Senator COLBECK—I have to say I feel much less than satisfied at being shut down on this. I find it quite unreasonable that I cannot be given any information, particularly with respect to how many tenderers there were. I would very much like to know, and I think it is reasonable that the community have some understanding of what services they are going to be provided. This is effectively the only process that I know of to actually interrogate this.

Ms Halton—Yes. Can I just tell you a couple of things which I hope will provide you with some assurance. The government and the minister have said very clearly that they are committed to the continued operation of the Mersey. The service mix is not something which is under debate in any way, shape or form. The commitment to the staff—

Senator COLBECK—Ms Halton, it is under debate because the state government, a week or so ago, released two models.

Ms Halton—Yes. We are aware of that.

Senator COLBECK—And the community would like to know what services they are going to receive.

Ms Halton—Yes. I understand that.

Senator COLBECK—That is very much less than clear. I think it is reasonable that they understand what services they are going to be receiving. As we have discussed, this was a major component of the last federal campaign. It had not only local but also national implications. For, effectively, things to be shut down so that we do not get the opportunity to

scrutinise it until it is all too late, I find quite galling, to be frank. I really do find it difficult. Did the government consider any options for the operation or for provision of services in the region other than the two that the Tasmanian government has put on the table recently?

Ms Halton—Again, you are asking me to tell you about what government is considering or has considered—

Senator COLBECK—No, I am not.

Ms Halton—and I cannot give you any information about that.

Senator COLBECK—You had advice from the community consultative group that there was a longer term option that might be considered for the operation of health services in the region. Was that something that the government considered?

Ms Halton—Which one are you referring to?

Senator COLBECK—I think the final recommendation that they had was for the provision of a new facility—

Ms Halton—Yes. I have that one, yes.

Senator COLBECK—between the two warring factions, and one of the reasons—

Ms Halton—The Canberra solution: stick it in the middle. Is that one? The oldest and being in the middle.

Senator COLBECK—Yes, the Canberra solution. It is not just that particular group that was saying that. In fact, I think it is even referred to in the Tasmanian government's latest report—and a number of others—which indicates that one of the reasons for not going down that track was lack of resource. That circumstance is different to what it is now because there is a \$10 billion log that none of us can get our arm in because it is in a different agency. So the circumstances are different and it may be a way for the Commonwealth to look at this process from a different perspective and, potentially, provide a better outcome for the community and, in the longer term, integrate some of the other things that we have been talking about during the day. And all you can do is sit there and nod at me because you cannot tell me anything further.

Ms Halton—That is correct. I am sorry about that, Senator.

Senator COLBECK—You are not as sorry as I am, Ms Halton. I was really looking forward to the opportunity to have some genuine dialogue about what is a significant issue for the local community, and I find it really difficult that we cannot actually interrogate this. Hopefully it is not too late once we get to the estimates later in the year, but we will see how we go. I think that is going to have to do me on this. I was going to ask some questions on VTE, which the minister made a comment about earlier in the week, on 28 May.

Ms Halton—VTE? What does it stand for? Give me a hint.

Prof. Horvath—Venous thromboembolism.

Ms Halton—Right. I was thinking it was some employment thing; it is a medical term; sorry.

Senator COLBECK—He is a very handy person to have around.

Mr Kalisch—It is the same acronym as in Vocational Training and Education.

Ms Halton—Exactly. That was what I was thinking.

Senator COLBECK—I would not possibly use that acronym here in that context because I do know that is in a different portfolio.

Mr Kalisch—But we are interested in nurse training.

Ms Halton—Did she say something about venous thromboembolism?

Senator COLBECK—Sorry? Yes.

Ms Halton—Did she?

Senator COLBECK—Yes. She opened the conference.

Ms Halton—Okay, right.

Senator COLBECK—And she put out a media release on 28 May.

Ms Halton—I will get my head out of education and get back into the clinical.

Ms Flanagan—I will be interested to hear where this question is going.

Ms Halton—We will.

Senator COLBECK—I am interested to see whether it is going to be taken up as part of the next round of health care agreements as a performance indicator in public hospitals.

Ms Halton—Too early to say, actually, in all seriousness. We are working on the high-level data in terms of the indicators but we have not got down to that level of data, in terms of the clinical indicators. There has been a conversation about safety and a number of other things, but we have not got down to that level.

Senator COLBECK—Perhaps I can lay it on the table as a flag at this stage in proceedings and hope that I—

Ms Halton—Yes, that is fine. Certainly I would hope by next estimates that we will have a clear idea around some of those things.

Senator COLBECK—That has gone past that one, outcome 13. I do not think I have anything.

CHAIR—Does anyone else have anything on outcome 13?

Senator COLBECK—I think it is back to me, though.

CHAIR—Outcome 12. Could we start with Senator Adams?

Senator COLBECK—Yes, go for your life. I can recompose myself after bitter disappointment with the last outcome!

CHAIR—There, there! Outcome 12.

Senator COLBECK—My office says, ‘Bad department, naughty department.’ They are not happy either.

Ms Halton—Tell them we feel their pain. They heard that.

Senator COLBECK—They know!

Mr Kalisch—It is the rules of procedures.

Ms Halton—That is right, the rules of procedure, yes. Here we have some very enthusiastic campers.

Senator COLBECK—They have been waiting for their moment in the sun, or the moon, for a long time.

Ms Halton—No, they have not. You can ask Professor Calder. She will tell you no lies. She will say she has not been waiting for this moment.

Senator COLBECK—We are not that bad.

CHAIR—Welcome, and welcome to the other officers. I apologise to the people who work on outcome 12 that you have the last spot but we will try to make sure you do not have it next time. Senator Adams, you are going to start the questioning, aren't you?

Senator ADAMS—I am, thank you. I would like to talk about the government rural health workforce audit, which showed that the rural doctor shortage is much worse than was expected, and we would like to know how much money has been put into addressing the workforce shortages.

Prof. Calder—We said in the audit, in essence, that the distribution was poor to very poor in many rural and regional areas, but that was not unexpected.

Senator ADAMS—How much is going to be put into addressing the workforce shortage—as in, funding?

Prof. Calder—We have had a number of measures announced, and the minister has identified that a number of reviews will be undertaken. There are over 60 programs that, in various ways, provide workforce or support workforce in rural and remote Australia. They are all to be reviewed over the next 12 months.

Senator ADAMS—They are all to be reviewed—the whole lot?

Prof. Calder—Yes, they are.

Senator ADAMS—Will they keep going?

Prof. Calder—Yes, they will.

Senator ADAMS—They are all funded programs and they will just be reviewed about whether they are working or whether they are not?

Prof. Calder—That is correct.

Senator ADAMS—All right. How many doctor, nurse or specialist training places are currently available and will be available? Have you got that? Is that not you?

Prof. Calder—Yes, it is me, but there are so many programs. I would have to take that on notice to give you a compiled figure.

Senator ADAMS—If you take that on notice that would be very good. I will go to my next question. This \$10 billion Health and Hospital Fund keeps arising, and I have someone who has asked: as the training of Australian doctors is an investment in human capital and infrastructure for health, how much of the \$10 billion will be spent on medical training?

Ms Halton—And the answer is I do not know. I am not sure that training will be a major focus, just on the words that we have seen. We really do not have a lot more information, actually, than members of the community. Obviously we will be working with our friends in Finance on this.

Senator ADAMS—All right. The reason for asking how much money will be spent on training doctors is that I believe we currently have only 1,776 intern places across the country. How will we be able to find high-quality clinical placements in hospitals and in general practice for the increased numbers of medical students predicted for 2009 after the increase in medical school places expanded by the government?

Ms Halton—Can I make a comment about that before I ask Professor Calder to hop in. The thing to remember is that, when the additional medical places were provided—and you will recall those discussions—one of the deals that was done at COAG was that that clinical training would be provided, and that is a state obligation, so this was an even-handed bargain, basically. We the Commonwealth were going to provide the money to universities to train people, but then the states were to provide the training places.

Senator ADAMS—The clinical training places.

Ms Halton—Yes, for those kids. The bottom line is that it is in everyone's interest to ensure that the kids coming out of medical school then get that training so that they can go on and practise. And, yes, absolutely: it is an issue to find them quality placements. But, increasingly, we are seeing people placed in a variety of settings, public and private, to deliver that training. I happened to be down in accident and emergency in Canberra Hospital a weekend and a half ago with my 14-year-old and the place was crawling with them, which I thought was fantastic, and he was remarkably compliant. I have already told Professor Horvath about how compliant he was as he got prodded and poked by 10—we counted. So you are right, it is an issue, but I think everyone is very conscious of that, aren't they?

Mr Kalisch—In terms of the intern places themselves, they were a specific element of the states' commitment. It was prepared in the COAG communique that they would provide sufficient intern places and clinical training for the new medical places.

Senator ADAMS—All right. We will have to 'watch this space'.

Mr Kalisch—I think it is fair to say that this is a complex issue. As Ms Halton mentioned, there are some questions around what activity public hospitals are now undertaking and the extent to which people can have a clinical experience in rural and remote areas as well as in the urban areas.

Senator ADAMS—There are lots of places for them there.

Mr Kalisch—There are.

Senator ADAMS—But they need to be, of course, mentored. That is the problem.

Mr Kalisch—We mentioned the Rural Clinical Schools program earlier today.

Ms Halton—And, as Professor Horvath keeps reminding us, not everything these days is done in hospitals.

Senator ADAMS—That is right.

Ms Halton—If you spend all your time in hospitals, you are not going to get a full range of clinical experience, so one of the things we have been doing is working on expanding that range of opportunities.

Prof. Horvath—If I may comment—

Mr Kalisch—Give him the prompt!

Prof. Horvath—Give me the prompt. On the agreement to put registrars out in the community and the private sector, one of the logical reasons to do that is that they are then there to mentor and supervise the interns. So, with the program that is already funded and ongoing of having registrars outside of the teaching hospital for vocational training, it is a very logical on-flow that we will have interns and students out there. The second issue is that PGY1—that is the intern year—and PGY2 even now are to some extent interchangeable in hospital staffing structures, and hospitals today change numbers around, depending on availability of interns versus second-year residents, so there is further elasticity in that system as well.

Senator ADAMS—It is great that flexibility is finally coming into the system in that respect. I suppose I should know the answer to this question, but I will ask you anyway: what were the key findings of the audit of the rural and remote health workforce and how are they to be implemented?

Ms Halton—Have you got a copy of it, by the way?

Senator ADAMS—No, I have not. That is the problem.

Ms Halton—We will furnish you with one—not tonight, but we will furnish you with one.

Senator ADAMS—For my reading as I am travelling backwards and forwards to Canberra.

Ms Halton—Would the rest of the committee be deeply offended if we do not formally table it, if we just give it to Senator Adams?

Senator ADAMS—Thank you very much.

Prof. Calder—The overall findings are summarised on page 3 of the report that you now have.

Senator ADAMS—Right. I will be right now.

Prof. Calder—It says, as follows:

- Supply of the medical workforce ... is low to very poor in many rural and regional areas of Australia.

In contrast:

- The nursing workforce, considered as a ratio of nurses to area population, is relatively evenly available throughout ... Australia.

Senator ADAMS—Except I did note from somewhere that Western Australia is not quite as good as everywhere else.

Prof. Calder—That is correct.

Senator ADAMS—This is more or less the same: how does the government intend to battle the workforce shortage and locum shortage all across the professions? I will just add to that with this comment I made before about this town in the Great Southern area of Western Australia. I had a letter, which I will table, from the Great Southern GP Network dated 27 May, so it is very recent. It is about something really quite typical of small towns. You may be aware that GP numbers have gradually eroded in Narrogin over recent years, to a point where the town is currently facing a medical workforce crisis. The worst part is that the GPs do not have any locums available to come and relieve them, so they are working seven days a week and all day on call and really having a problem. They are very worried about the crisis situation, of course.

Also, today we have an article in the *West Australian*, which I will also table, ‘Wheatbelt town hit by Nyoongar suicides’; those are the four suicides of young Nyoongar men in the last three months. There are lots of issues there of people not being able to approach health services and of mental health problems, drug abuse—all those nasty things which do cause antisocial behaviour—physical abuse and some unemployment. In the whole area, the GPs are obviously feeling it very badly. This place is not even 2½ hours from Perth, so it is not like it is out in the middle of nowhere. It is a very good town. It has a very good hospital. They are still doing obstetrics. They are doing a lot of surgery. Quite a number of specialists use Narrogin as a base, too. So it is just very sad to see. I know it very well; it is only an hour from where I used to live. I do not know what we can do, but the locum side of it seems to be the problem, that they just cannot get anyone to give them some respite. I do not know; it is difficult.

Prof. Calder—You would be aware of the budget commitment to increase the Specialist Obstetrician Locum Scheme.

Senator ADAMS—Yes, I am aware of it all, but it is about actually physically getting the bodies. That is, I think, the problem.

Prof. Calder—We have now got the capacity to grow that particular program and it is now to include GP proceduralists, as well, to provide the sort of relief you are talking about.

Senator ADAMS—Good.

Prof. Calder—Obviously it is only a starting point, and that was the point of and the outcome of the audit: identifying the extent to which those shortages are impacting across the country.

Senator ADAMS—This letter is from the chairman of the division of general practice, so they are very concerned about their members there, of course, and are doing their best to help them, but it is just getting to the stage where all the other towns are having the same problem. Some of them have not got doctors at all visiting, say, three days a week.

Ms Halton—One of the other things to say—and it is cold comfort to people who are out there at the moment in these circumstances—is that we are just about to see that increased number of doctors coming through the training system, hence your last question in relation to the clinical training of those doctors. Obviously, one of the reasons we increased that number so significantly was precisely to get more doctors into the system to, hopefully, give some of

that relief. In the short term, we are not going to have those people rolling out in the next five minutes, but it is getting much closer than it was.

Senator ADAMS—That is great. The other problem—although I suppose it is not a problem for GPs—is that they must have a family life. This is probably what a lot of the rural communities find very hard. They used to have a GP who was available anywhere—they could get off the golf course or the bowling green or the tennis court—but those days have gone. As you are saying, the numbers have gone up, so at least that might help. It is fine to say, ‘Right, we have got X number of GPs,’ but they are not working full-time; they may only be working part-time. And there are a lot of female GPs having their families and being involved in that area. I am fully aware of the problem, but people want answers. What can we do? How can we fix the problem? That was the reason I asked the question. The question was: how does the government intend to battle workforce shortages and locum shortages across all the professions? This is the actual health workforce, so I will be reading that audit very carefully.

I have another question about workforces, about the allied health staff. There is a workforce provision on reflecting the distances staff are having to travel, and their not having enough money to pay the allied health contractor for their time and fuel. So it is really in reference, once again, to that More Allied Health Services program, but it is a workforce issue.

Prof. Calder—That is correct, and we have recognised that as well. You will note in the audit, when you have the opportunity to read it, that we have very little information about the allied health workforce in rural Australia, but we do know that it is fairly thin on the ground. We have got the new measure, ‘Support for allied health in rural areas’, which is to provide a range of scholarships to advance the development of the allied health professions in parts of rural Australia. That will start to take effect, obviously, over the next year to two years.

Senator ADAMS—Professor Calder, I am sure you would have heard of the acronym SARRAH?

Prof. Calder—They will be administering the scholarships program.

Senator ADAMS—That is good, because they have been a very dedicated body and they certainly keep their membership very well informed, so that would be a way to encourage that. The other problem, of course, is that the general practice networks are having problems trying to keep their allied health staff because of the shortage within their confines and their practices and because the Western Australian health service, of course, pays much higher salaries. So once again we have got that shift. They are available, but some of them have decided to go back into the health system.

This was a question from one of our federal members in a rural constituency: in the budget, is there provision for the additional healthcare professionals that will be needed in the public health system once the Medicare levy threshold is raised? Is there any provision anywhere to look at that?

Ms Halton—I think we have already covered that under acute care.

Senator ADAMS—Under the surcharge?

Ms Halton—Yes.

Senator ADAMS—As to how the public hospitals are going to deal with getting more—

Senator McLucas—Get him to ask it in question time in the House.

Senator ADAMS—Sorry?

Senator McLucas—It is not the sort of question we would have at estimates, Senator Adams. It is a question time question.

Senator ADAMS—Okay. I know we are not in question time, but I was asked to ask the question so I thought, seeing it fitted into this, perhaps I would. You will be pleased to hear that I have run out of questions, so I will now hand over to my colleague.

Senator COLBECK—I would like to go back to our previous conversation and take you to procedural orders and resolutions of the Senate of continuing effect with respect to accountability:

Senate and Senate committees—claims of commercial confidentiality

The Senate and Senate committees shall not entertain any claim to withhold information from the Senate or a committee on the grounds that it is commercial-in-confidence, unless the claim is made by a minister and is accompanied by a statement setting out the basis for the claim, including—

Ms Halton—I was not claiming commercial-in-confidence.

Senator COLBECK—I was told that I could not have answers to questions.

Ms Halton—I will just get the document.

Senator COLBECK—We are going to have duelling.

Ms Halton—Absolutely! The bottom line here is that I am not in a position to advise you in relation to the matter, and the relevant officers are not here. In relation to the guidelines for witnesses, I cannot advise you if, in advising you, it would identify considerations which are germane to government decisions. In fact, the guideline says:

(c) should not identify considerations leading to government decisions or possible decisions, in areas of any sensitivity, unless those considerations have already been made public or the Minister authorises the department to identify them ...

The minister has not authorised me to identify these. I have confirmed that the minister has not authorised me to identify these, and therefore I am not in a position to answer your question. I did take the time to determine that I was not authorised, and I am not authorised.

Senator COLBECK—Obviously you anticipated I would be interested in the issue.

Ms Halton—I did.

Senator COLBECK—I think that was probably a fair assumption.

Ms Halton—So I apologise to your staff, but I did anticipate.

Senator COLBECK—I congratulate them on their diligence.

Ms Halton—Yes, they have been extremely diligent.

CHAIR—Senator Colbeck, the issue will be if there is dispute with the minister in terms of the information that the minister is prepared to release. If you have an ongoing issue about

whether you should have access to that information or not, the dispute is then with the minister.

Senator COLBECK—No, I did not quite get to the bottom line before I was successfully—

CHAIR—Okay. Keep reading.

Senator COLBECK—The issue that Ms Halton has with what I am saying is that she is not claiming commercial-in-confidence.

Ms Halton—No, I am not.

Senator COLBECK—But Mr Kalisch was when he said—

Ms Halton—No, it was Ms Flanagan who mentioned commercial-in-confidence. That was the point at which I intervened. I did not say explicitly, ‘I’m not claiming that.’ I apologise; maybe I should have been clearer. But I am quite clear: I am not claiming commercial-in-confidence. I am claiming that particular issue. As I said, I did clarify this before I came, because I knew you were going to ask me the question.

Senator COLBECK—I will just finish, just for the sake of completeness:

... unless the claim is made by a minister and is accompanied by a statement setting out the basis for the claim, including a statement of any commercial harm that may result from the disclosure of the information.

That is the clause that we were talking about.

CHAIR—Yes.

Senator COLBECK—I am now being told, despite my perception which I am also being told is not correct, that it is not about commercial-in-confidence.

Ms Halton—No.

Senator COLBECK—I did believe that Mr Kalisch was talking about commercial-in-confidence when he was talking about the number of tenderers, too. I think you did say that, Mr Kalisch.

Mr Kalisch—No.

Senator COLBECK—I am happy to be proved wrong once we get to the stage of rafting back through the *Hansard*, which I am sure we will all do diligently when it becomes available.

Ms Halton—I have no intention of doing that.

Senator COLBECK—I am not sure that asking for the number of tenderers is necessarily causing grief, but I perhaps do understand some issues that lie behind it.

Ms Halton—It does go to a matter of policy, and that is why; I am sorry.

Senator COLBECK—I am not sure that it actually does go to a matter of policy.

Ms Halton—If you knew what I knew, it does go to a matter of policy.

Senator COLBECK—I suspect I might have a hunch what you know; therefore, I can draw my own conclusions or make some assumptions and be proved right or wrong. Let us move on to the next item.

CHAIR—You have the call, Senator Colbeck.

Senator COLBECK—Thank you. How are we going with negotiations between the Commonwealth, states and territories in respect of administration and management of the Supporting Nurses Back into the Workforce program?

Prof. Calder—We are moving through signing funding agreements for states and territories at the moment. Several have been signed. We are waiting for others to come back to us, for them to be signed.

Senator COLBECK—Any funds flowing?

Prof. Calder—They will now start to flow as funding agreements have been signed.

Senator COLBECK—What about negotiations with the private sector?

Prof. Calder—Similarly, we have been able to sign some contracts, and others are due back in.

Senator COLBECK—Are we allowed to know who those contracts are with?

Prof. Calder—Yes, I can tell you that, if I can just read my list for a moment. We have signed agreements with St Andrew's Toowoomba and Catholic Health Australia. They are two of the private sector contracts that are signed.

Senator COLBECK—And we are negotiating with a number of others?

Prof. Calder—Yes, they are in train.

Senator COLBECK—A train?

Prof. Calder—In train. They have all been provided with final—

Senator COLBECK—I thought you meant that there are a lot of them! But there are a number of others?

Prof. Calder—There are quite a few.

Senator COLBECK—What about other levels of consultation with organisations such as the Australian College of Nursing?

Prof. Calder—We have been consulting. I will ask my colleague to answer some of the detail.

Dr El-Adhami—We have been consulting extensively with many of the nursing peak bodies and organisations—the College of Nursing, the Australian Nursing Federation; the Congress for Aboriginal and Torres Strait Islander Nurses and a whole range of others; I am sorry, the names escape me of all the organisations—throughout the whole process since the announcement was made, around the table, to inform the information dissemination and the implementation objectives of this measure.

Senator COLBECK—Could you take on notice to advise us who you have consulted with?

Dr El-Adhami—Sure.

Senator COLBECK—In February, you indicated to me that there had been 280 to 300 expressions of interest. Are we getting now a better sense of the potential uptake of the program?

Prof. Calder—They were individual expressions to us. The process has been that we have provided information to about 345 inquiries, 282 by email and 63 by phone, as at the middle of May. As the program will run through the private sector providers and state and territory public hospital systems, we are encouraging people to contact the place at which they wish to be employed.

Senator COLBECK—Does the level of interest that has been expressed give you any level of confidence or indication of how you might go in reaching the targets?

Prof. Calder—I think it is not reasonable to base it on the level of interest to date because we were actively directing people to state and territory and private hospital providers, so we have not been trying to gauge the possible uptake through that means. We are working with the providers. They are keen to get it started and are hoping that they will fill their targets. That is the purpose of it.

Senator COLBECK—Once we complete the signing of agreements and that sort of thing, is there going to be an awareness program or some sort of program to start ramping up potential demand?

Dr El-Adhami—Yes, there will be. We have started some of the activities on promoting the measure through the health expos and the nursing expos that have been held. There have been a number of these already, at which we have disseminated information and had brochures. But we also intend—in concert; working with the various nursing organisations—to promote the measure. The states and territories have also committed, through their funding agreements, to promote that through their own recruitment processes, and so have the private sector organisations.

Senator COLBECK—That would account for some or all of the \$700,000 that has been expended on the program so far in 2007-08?

Dr El-Adhami—No. The funding that is identified is for the cash bonuses and also the payments to hospitals. That is the information. We have worked on an approach that is cooperative with the states and territories and the private sector organisations and the nursing peak bodies to promote this with limited to no costs.

Senator COLBECK—My recollection is that nurses had to be signed on for a period to get the funding.

Dr El-Adhami—That is right. The first milestone payment for them is at six months, which is \$3,000, and then subsequently at the 18-month period. However, in the funding agreements with the states and territories and the private sector we agreed to have an early initiative first payment and then, subsequent to that, a number of milestone payments concurrently. The budgeted figure for 2007-08 is to take account of the target that we want to achieve towards the end of the calendar year, which is up to 1,000 nurses back into the workforce.

Senator COLBECK—So there is no funding or money flowing to nurses yet because we obviously have not got to those initial benchmarks.

Dr El-Adhami—That is correct, but hospitals, both in the public sector and the private sector, may have already employed nurses on or after 15 January who may be eligible for this particular measure, and so that will allow them to utilise those funds. So, in relation to the first six-month period, someone employed on or after 15 January would be eligible at about 15 July or after.

Senator COLBECK—So potentially there are some people who are coming up to the first milestone under the program?

Dr El-Adhami—That is correct.

Senator COLBECK—I look forward to getting a further update later. There was a commitment to increase the number of general practice training places from 600 to 900. Where are we at with that particular program?

Prof. Calder—There are 600 places in the Australian General Practice Training Program.

Senator COLBECK—My understanding is that the coalition made an announcement to increase that number to 900 and that was also taken up by the then opposition. Is that program moving forward?

Prof. Calder—I cannot comment on the commitment. The program is funded for 600 places.

Senator COLBECK—That might be one we have to have a look at for the list, Ms Halton. Either I have got bad information or—Senator McLucas, can you help me with that?

Ms Halton—No, I am not aware of anything that said 900.

Prof. Calder—No, nothing at all.

Senator COLBECK—Senator McLucas, the information that I have here is that we made a commitment during the election campaign, which my information says that you also took up, to increase the number of GP training places from 600 to 900.

Senator McLucas—That does not ring any bells, but we can very quickly do what research we can to find out. It was 600 to 900 GP training places?

Senator COLBECK—Yes.

Ms Halton—It is ringing no bells with me either.

Senator McLucas—We will see what we can do. The advice is that we did not match the GP training places commitment.

Senator COLBECK—Okay.

Senator McLucas—‘We’ being the Australian Labor Party.

Senator COLBECK—I understand who you mean by that. All right. I will just go home disappointed.

CHAIR—I am so sorry.

Senator COLBECK—At least someone is having sympathy for me. I have no further questions.

CHAIR—Any further questions? Before we rise this evening—and we have got a bit of time—I really want to put on record that we are losing a number of very strong members of our committee. Yesterday we did acknowledge the contribution of Senator Stott Despoja, and this evening Gary and I are very keen to have on record—and I am sure that you wish to share this—an acknowledgement of Senator Lyn Allison and Senator Kay Patterson.

Ms Halton—And Senator Webber.

CHAIR—And Senator Ruth Webber, of course, yes. She would not like that said.

Ms Halton—No.

CHAIR—Certainly with Senators Allison and Patterson, their contribution to this committee over most of their parliamentary careers—and I have checked this evening—is that they have served on this committee or the variation of this committee for significant periods of time. Both have been very active and have developed good social policy, and I think that is what this committee is all about. I am sorry Senator Allison is not here this evening because she has been so active in many of the current policy positions, and in particular I think she would like to mention the issues around health and also mental health.

Senator Kay Patterson is an ex-minister. I first saw Kay in this job when I was a public servant, and I watched her perform as a vicious opposition senator who kept public servants here for extremely long periods, much longer than we keep you now. Now we have an 11 o'clock cut-off. We did not have that in the old days. Senator Patterson, Senator McLucas, Ms Halton and I remember the night that Senator McLucas saw that all the senators in the room, all the people from the department and Hansard members were all women at one significant moment, and I have kept that picture as a memento for me. Now you can see the numbers are not the same anymore.

Ms Halton—And we have got the photograph and we gave everyone—

Senator McLucas—I have it on my wall in my office.

Ms Halton—Yes, and I have got it in mine.

CHAIR—And we actually had Christine in the room that evening. It was a marvellous moment. For all of us who want to acknowledge that, I am pretty sure that Senator Patterson is watching. She did not want to be in the room when we actually made these comments, but I think it is important we do so and I would like Gary to make some comments as well.

Senator HUMPHRIES—I want to endorse the comments of the chair and say that the quality that the senators you have mentioned have added to the process of working on this committee has been one of the factors which makes this such a unique committee within the Senate. I do not think we operate on quite this basis in any other committee that I have seen or observed or been a part of, and I have no doubt that Senators Allison, Patterson and Webber have all contributed to that very special environment here. It has been a real privilege to have them as colleagues and I will miss them all.

Ms Halton—I would also like to say something on behalf of the department, and I know Senator McLucas will say something. I was actually here when Senator Patterson was then the opposition spokesperson and we used to be here until three in the morning. I very clearly remember arriving at two in the morning because that is when I was told to be here, and then being here till all hours. It is all a bit of a fog.

Can I also acknowledge the contribution of all of those four senators. The thing that has marked all of them is a very significant interest and, indeed, passion around particular issues in health, and if I speak on behalf of the department I should acknowledge that that is the issue that the department has a real passion for. Sometimes we have our differences about what we can and cannot say, but I think everyone appreciates that, regardless of where people are—party, state, whatever—the thing that binds people in this committee is a real interest in the issue. I know I speak on behalf of all of the departmental officers when I say that it does not matter how passionate the debate gets; people actually understand that what has driven people is a particular interest in the issues.

I did make the comment yesterday that I am very conscious that the last time we had a significant farewell from this committee we made a fuss, and it included very silly photographs, as I recall. But I was debating what we could offer by way of something that was appropriate, and if I started to think about the particular interests of each of these senators it was a little hard to think of an appropriate acknowledgement, a gift with no commercial value that would mark their time with us. So what I did was plunder the departmental store cupboard.

When new staff arrive in the department, we actually give them a little pack which all goes to good health which, of course, they then promptly ignore, but I do think that senators, as they retire, hopefully will have more time for such matters. Perhaps the committee chair and the committee secretary could, on behalf of us, give out the little brown paper bags—there we go, yes—with open tops so you can look to see what is inside them. Perhaps you could, on our behalf, offer these small tokens to our departing senators and say how much we have appreciated their contribution and how much we will miss them.

CHAIR—Thank you, Ms Halton.

Senator McLucas—Very briefly, I would like to echo everyone else's comments. I think the thing that particularly is the theme among the contribution of the four senators that we are talking about today is their contribution particularly around women's health, particularly gynaecological cancer, and I suppose the broader question of mental health. The contribution of both Senator Patterson and Senator Stott Despoja around stem-cell research was a huge contribution to policy in this nation. They have made a great contribution. They know that, I hope, but the *Hansard* will reflect that for a very long time.

Can I concur, Senator Humphries, with your comments about the value of this committee in its various forms to policy development. As a former member of the committee, it is probably the most important committee that I have been associated with, and I think the most significant in terms of policy development.

Just on that can I also, in passing, thank Senator Nettle for her work. Whilst she had much more interest in a couple of other committees, she did progress issues around the pregnancy

helpline. There are two other senators—blokes, for a change: Senator Bartlett, who used to come to this estimates from time to time; and I do not think we can close this meeting without recognising the contribution of Senator Andrew Murray in community affairs. He instigated two major inquiries that we did when we were a references committee in the olden days: the forgotten Australians, children who lived in institutional care, and the inquiry into child migrants, which I think are also two significant inquiries that the committee did.

There is a big changeover at the end of this month, and there will be a new Senate. We pay tribute to those senators who have given so much to policy in this committee room.

CHAIR—This wonderful committee now stands adjourned, and we have finished before 11 o'clock. Thank you to the officers again for your patience, particularly the last group who had this. Thank you, Senator McLucas. Thank you to the secretary and thank you to Hansard again. Good evening.

Committee adjourned at 10.52 pm