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SENATE

COMMUNITY AFFAIRS LEGISLATION COMMITTEE

ESTIMATES

(Budget Estimates)

MONDAY, 1 JUNE 2009

CANBERRA

BY AUTHORITY OF THE SENATE

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SENATE COMMUNITY AFFAIRS**LEGISLATION COMMITTEE****Monday, 1 June 2009**

Members: Senator Moore (*Chair*), Senator Siewert (*Deputy Chair*), Senators Adams, Boyce, Carol Brown and Furner

Participating members: Senators Abetz, Back, Barnett, Bernardi, Bilyk, Birmingham, Boswell, Brandis, Bob Brown, Bushby, Cameron, Cash, Colbeck, Jacinta Collins, Coonan, Cormann, Crossin, Eggleston, Farrell, Feeney, Ferguson, Fielding, Fierravanti-Wells, Fifield, Fisher, Forshaw, Hanson-Young, Heffernan, Humphries, Hurley, Hutchins, Johnston, Joyce, Kroger, Ludlam, Ian Macdonald, McEwen, McGauran, McLucas, Marshall, Mason, Milne, Minchin, Nash, O'Brien, Parry, Payne, Polley, Pratt, Ronaldson, Ryan, Scullion, Sterle, Troeth, Trood, Williams, Wortley and Xenophon

Senators in attendance: Senators Adams, Bernardi, Bilyk, Boyce, Brandis, Carol Brown, Crossin, Fifield, Forshaw, Hanson-Young, Humphries, Ludlam, Marshall, Moore, O'Brien, Payne, Siewert, Sterle and Williams

Committee met at 8.59 am**FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS
PORTFOLIO****In Attendance**

Senator Wong, Minister for Climate Change and Water

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

**Department of Families, Housing, Community Services and Indigenous Affairs
Executive**

Dr Jeff Harmer, Secretary

Ms Glenys Beauchamp, Deputy Secretary

Ms Serena Wilson, Deputy Secretary

Mr Geoff Leeper, Deputy Secretary

Mr Bruce Hunter, Deputy Secretary, Chief Financial Officer and Chief Operating Officer

Mr Bernie Yates, Deputy Secretary

Group Managers

Ms Cate McKenzie, Group Manager, Children and Family Safety

Mr Evan Lewis, Group Manager, Community Engagement and Development

Mr Barry Sandison, Group Manager, Families

Mr Steve Jennaway, Acting Group Manager, Business and Financial Services

Mr Sean Innis, Group Manager, Social Policy

Mr Tony Kwan, Chief Information Officer/Group Manager, Information Management and Technology

Mr Anthony Field, Group Manager, Legal and Compliance

Ms Peta Winzar, Group Manager, Housing
Ms Frances Davies, Group Manager, Disability and Carers
Mr Robert Knapp, Group Manager, Corporate Support
Mr Andrew Jagers, Acting Group Manager, Social Housing Initiative
Mr Nicholas Hartland, Group Manager, Pension Review Taskforce
Ms Donna Moody, Group Manager, Program Performance
Ms Julia Burns, Executive Director, Office for Women

Cross Outcomes

Mr Stuart Long, Branch Manager, Public Law
Mr Phil Brown, Branch Manager, Compliance
Mr David Fintan, Branch Manager, Commercial and Indigenous Law
Ms Kim Vella, Acting Branch Manager, Budget Development
Dr Loucas Nicolaou, Chief Internal Auditor, Audit and Fraud
Mr John Shevlin, Procurement and Risk Management
Mr Kurt Munro, Financial Accounting
Mr Scott Dilley, Branch Manager, Financial Management and Governance
Mr Ben Wallace, Branch Manager, Social Security Policy
Ms Michalina Stawyskyj, Branch Manager, International
Mr David Agnew, Branch Manager, Property, Environment and Protective Security
Mr Andrew Lander, Branch Manager, Communication and Media
Ms Susan Black, Ministerial, Parliamentary and Secretariat Support
Ms Andrea Wallace-Green, Acting Branch Manager, Strategic Policy
Mrs Lynette MacLean, Branch Manager, People Branch
Ms Christine Williams, Manager, Long Term Strategies Unit
Mr Max Devereux, Branch Manager, ICT Applications Development
Ms Sonia Cornelly

Outcome 1—Families

Ms Tracy Mackey, Acting Branch Manager, Children's Policy
Ms Robyn Fleming, Branch Manager, Family Relationship Services
Ms Lee Emerson, Branch Manager, Family Policy and Research
Mr Peter Southwell, Acting Branch Manager, Family Payments
Mr Mark Warburton, Branch Manager, Paid Parental Leave Taskforce
Mr Ty Emerson, Branch Manager, Children and Parenting Support
Ms Allyson Essex, Branch Manager, Child Support Policy

Outcome 2—Housing

Ms Jill Mills, Acting Branch Manager, Affordable Housing
Ms Kate Gumley, Branch Manager, Homelessness
Ms Clare Wall, Acting Branch Manager and Senior Policy Adviser, Office of Housing

Outcome 3—Community Capability and the Vulnerable

Ms Elizabeth Stehr, Branch Manager, Money Management
Mr Gavin Matthews, Branch Manager, Welfare Payments Reform
Ms Jill Farrelly, Branch Manager, Community Investment Branch
Ms Beryl Janz, Branch Manager, Disaster Preparedness and Recovery

Outcome 4—Seniors

Mr Andrew Whitecross, Branch Manager, Pension Review Taskforce

Ms Alanna Foster, Branch Manager, Seniors and Means Test

Ms Carol Ey, Acting Branch Manager, Research and Analysis

Outcome 5—Disability and Carers

Ms Carol Brain, Branch Manager, Mental Health

Ms Vicki Brown, Branch Manager, Autism Spectrum Disorders

Ms Nicole Pearson, Branch Manager, Disability and Carers Payments

Ms Lee Emerson, Branch Manager, Carers

Ms Christine Bruce, Branch Manager, Disability Participation and Reform

Ms Helen Bedford, Branch Manager, Disability Policy and Coordination

Outcome 6—Women

Ms Sally Moyle, Branch Manager, Office for Women

Ms Janet Stodulka, Branch Manager, Safety Taskforce

Ms Linda Young, Deputy Branch Manager, Safety Taskforce

Equal Opportunity for Women in the Workplace Agency

Ms Mairi Steele, Acting Director

Ms Bharti Desai, Chief Financial Officer

CHAIR (Senator Moore)—I declare open this hearing of the Senate Community Affairs Legislation Committee. The Senate has referred to the committee the particulars of proposed expenditure for 2009-10 and related documents for the Families, Housing, Community Services and Indigenous Affairs portfolio and the Health and Ageing portfolio. The committee must report to the Senate on 23 June, and we have set 30 July 2009 as the date by which answers to questions on notice are to be returned. Under standing order 26, the committee must take all evidence in public session. This includes answers to questions on notice. Officers and senators are familiar with the rules of the Senate governing estimates hearings. If you need assistance, the secretariat has copies of the rules. I particularly draw the attention of witnesses to an order of the Senate of 13 May 2009 specifying the process by which a claim of public interest immunity should be raised and which I now incorporate in *Hansard*.

The document read as follows—

Order of the Senate—Public interest immunity claims

That the Senate—

- (a) notes that ministers and officers have continued to refuse to provide information to Senate committees without properly raising claims of public interest immunity as required by past resolutions of the Senate;
- (b) reaffirms the principles of past resolutions of the Senate by this order, to provide ministers and officers with guidance as to the proper process for raising public interest immunity claims and to consolidate those past resolutions of the Senate;
- (c) orders that the following operate as an order of continuing effect:
 - (1) If:
 - (a) a Senate committee, or a senator in the course of proceedings of a committee, requests information or a document from a Commonwealth department or agency; and

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- (b) an officer of the department or agency to whom the request is directed believes that it may not be in the public interest to disclose the information or document to the committee, the officer shall state to the committee the ground on which the officer believes that it may not be in the public interest to disclose the information or document to the committee, and specify the harm to the public interest that could result from the disclosure of the information or document.
- (2) If, after receiving the officer's statement under paragraph (1), the committee or the senator requests the officer to refer the question of the disclosure of the information or document to a responsible minister, the officer shall refer that question to the minister.
- (3) If a minister, on a reference by an officer under paragraph (2), concludes that it would not be in the public interest to disclose the information or document to the committee, the minister shall provide to the committee a statement of the ground for that conclusion, specifying the harm to the public interest that could result from the disclosure of the information or document.
- (4) A minister, in a statement under paragraph (3), shall indicate whether the harm to the public interest that could result from the disclosure of the information or document to the committee could result only from the publication of the information or document by the committee, or could result, equally or in part, from the disclosure of the information or document to the committee as in camera evidence.
- (5) If, after considering a statement by a minister provided under paragraph (3), the committee concludes that the statement does not sufficiently justify the withholding of the information or document from the committee, the committee shall report the matter to the Senate.
- (6) A decision by a committee not to report a matter to the Senate under paragraph (5) does not prevent a senator from raising the matter in the Senate in accordance with other procedures of the Senate.
- (7) A statement that information or a document is not published, or is confidential, or consists of advice to, or internal deliberations of, government, in the absence of specification of the harm to the public interest that could result from the disclosure of the information or document, is not a statement that meets the requirements of paragraph (1) or (4).
- (8) If a minister concludes that a statement under paragraph (3) should more appropriately be made by the head of an agency, by reason of the independence of that agency from ministerial direction or control, the minister shall inform the committee of that conclusion and the reason for that conclusion, and shall refer the matter to the head of the agency, who shall then be required to provide a statement in accordance with paragraph (3).
- (d) requires the Procedure Committee to review the operation of this order and report to the Senate by 20 August 2009.

(Agreed to 13 May 2009.)

(Extract, *Journals of the Senate*, 13 May 2009, p.1941-42)

The committee will begin today's proceedings with cross-outcome corporate matters and will then follow the order as set out in the circulated program. My understanding is that we are being joined by Senator Penny Wong because Senator Chris Evans cannot be with us. Senator Mark Furner is unwell and will not be joining us, and so for most of the week we will have Senator Kerry O'Brien with us. Welcome, Dr Harmer, officers of the department. This morning we have Minister Wong with us, and then we are going to be joined by Senator Jan McLucas, who will be coming for outcome 2, Housing, and outcome 6, Women. Minister or Dr Harmer, would you like to meet an opening statement?

Senator Wong—No, thank you.

Dr Harmer—I would like to make a few brief comments. First of all, as members of the committee would be aware, the portfolio outcomes for 2009-10 are different from previous years. Therefore, the department provided to the committee ahead of today's hearings a document reconciling the outcomes used in the 2009-10 portfolio budget statements with portfolio outcomes used in previous years. It is a significant change, as you know, so we thought it would be useful for you to have a reconciliation.

I also take this opportunity to note that the committee has worked closely with the department in settling the program for Friday's hearing on Indigenous matters. In particular, we will cover all matters relating to outcome 7 on Friday, 5 June. For the information of senators, I will not have anyone for the Indigenous programs here today and tomorrow. They will be available for Friday.

Lastly, in order for me to make sure that I have the appropriate officers present and so that I do not have officers here longer than they need to be, I seek the committee's cooperation in providing notice of any schedule changes to the course of the hearings. I have people here according to the current program; if there is a significant change I would appreciate some warning so that I can get the right people here and let the others go.

CHAIR—We will do our best, as we always try to.

Senator BOYCE—Have you tabled the reconciliation you mentioned?

Dr Harmer—We have provided it to the committee secretariat, as I understand.

Senator BOYCE—This is the transitional information?

Dr Harmer—This is mapping the 2008-09 outcomes to 2009-10.

Senator BOYCE—Sorry, I thought you were talking about a financial reconciliation of program to program.

Dr Harmer—No, just the programs. It is a substantial change.

Senator BOYCE—It is also the subject of some questions I have. Could we start off by talking about the number of staff that FaHCSIA currently has?

Mr Knapp—The number of staff as at 25 May 2009 is 3,339.

Senator BOYCE—And the number of ongoing, non-ongoing, part time, contract?

Mr Knapp—The number of ongoing staff is 3,112. Non-ongoing is 227. That is for the same time period.

Senator BOYCE—And part time?

Mr Knapp—Total part-time out of that is 388.

Senator BOYCE—So we are looking at a small increase in staff compared to May last year. Is that correct? It is about another 100 or so?

Dr Harmer—I think that is right.

Mr Knapp—Yes.

Senator BOYCE—How does that work with the efficiency dividend?

Dr Harmer—We have managed the efficiency dividend within the department quite well. We are very confident that we will be able to manage this year's staffing numbers within our budget without any need to resort to compulsory redundancies. In fact, we have a slight increase in staffing for 2009-10 over 2008-09.

Senator BOYCE—As you pointed out, there are a lot of changes going on in the department.

Dr Harmer—Yes.

Senator BOYCE—I must admit that, in terms of the work that FaHCSIA will be doing, I am unable to assess whether we are looking at an overall increase in the amount of work or at generally different work that is done at the same level.

Dr Harmer—I think it is fair to say that, given that the government has given us roughly 102 additional ASLs for 2009-10 over 2008-09, it reflects the fact that we will be having additional work in 2009-10.

Senator BOYCE—SES positions?

Dr Harmer—We have 121.

Senator BOYCE—So an increase of five on last year.

Dr Harmer—And down one from February estimates, yes.

Senator BOYCE—FaHCSIA pays superannuation on behalf of its staff. Is that correct?

Dr Harmer—That is correct:

Senator BOYCE—At what level is that paid at?

Mr Knapp—The amount of superannuation that is paid depends on the scheme under which individuals are paid. As you would be aware, there are different schemes—the old Commonwealth superannuation scheme and the PSS. So it is varied. The percentage paid depends on which of those schemes an individual is under.

Senator BOYCE—Can we talk about the two most common schemes? How much do employees under those two schemes receive?

Dr Harmer—We will try and get you that information. We pay precisely what we are required to pay under both of those schemes for each staff member.

Senator BOYCE—It is the percentage figure that I am interested in.

CHAIR—Dr Harmer, can we get a breakdown of how many are in each scheme? That is a figure that I have not seen.

Dr Harmer—We can give you a breakdown between PSS and CSS. We will be able to give you that during the day, I suspect.

Mr Knapp—We will give you that information as soon as we can.

Dr Harmer—It should not take long to get it, but we just have not got it with us.

Senator BOYCE—FaHCSIA has in common with the rest of the government departments a paid partial leave scheme. Could you tell me how many staff used the scheme in 2008-09?

Mr Knapp—I will have to take that on notice. We will get back to you as quickly as we can on that as well.

Senator BOYCE—If the 2008-09 figure is too difficult, it could be the figure for a time period—perhaps to the last quarter.

Dr Harmer—We may be able to give you that information during the morning or at least during the day.

Senator BOYCE—Does the FaHCSIA paid partial leave scheme include the payment of superannuation whilst the person is on leave?

Mr Knapp—Yes, it does.

Senator BOYCE—I have some other questions around people taking paid partial leave. How long on average do people take paid parental leave for?

Dr Harmer—We will need to take that one on notice.

Senator BOYCE—Also, what percentage of people return to part-time work and what percentage return to full-time work?

Dr Harmer—We will do our best to get you that information during the day. It should not be too difficult.

Senator BOYCE—You mentioned your transition table and also that Operation Sunlight will require an investment in the department's information systems. Could you explain what you mean by that, please.

Mr Innis—What we mean by that is that, as part of Operation Sunlight, we are reviewing all of our performance indicators and performance framework and slowly adjusting them to become more outcome orientated. As part of that process, we may well need to invest in identifying new data sources to provide that information. We have made a range of adjustments this year, and we are continuing to work on the framework over the next year or so.

Senator BOYCE—What has been the cost of those adjustments to date?

Mr Innis—We have absorbed the cost within our normal operations. I do not have a precise cost for you. I would have to take that on notice.

Senator BOYCE—If you could, please. Could you just give me some sense of the scale of those changes that have been made to date?

Mr Innis—In very broad terms, we have moved from a four-outcome structure to a seven-outcome structure. We have done that to reflect the client base that we serve.

Senator BOYCE—But what have you actually done?

Mr Innis—We have adjusted the program structure underneath that and we have reviewed the performance indicators underneath that. In some cases, we have shifted the performance indicators from merely reporting on outputs—so, widgets—to looking at outcomes or the effect of the program, and that is the work that we are continuing. We have made steps in almost every area towards that more outcome focused work, but in some areas we have got further than in others.

Senator BOYCE—In terms of the information systems, what has that meant?

Mr Innis—What it means is that new material gets fed through the portfolio budget statement and will flow into our annual report. Have we changed the fundamental IT systems of the department to deliver this? Have we changed our agreements with Centrelink? No, we have not done any of that at this stage.

Senator BOYCE—But you are anticipating doing that?

Mr Innis—I am not sure whether IT systems or fundamental changes to our interaction with Centrelink will be needed. That is something that we are working through.

Dr Harmer—I think it is quite unlikely that there will be significant changes to the IT system arising out of the change to our outcome structure, but we are not confident enough to say definitively that there will not be any.

Senator BOYCE—So you are anticipating ending up with measures of different things but not necessarily measures of more things.

Mr Innis—That is broadly right. I can indicate that FaHCSIA received \$306,000 at portfolio additional estimates to fund implementation activities across 2008-09.

Senator BOYCE—That was based on your estimates of how much you would need to do it. Is that what you asked for?

Mr Innis—That would have been a negotiated figure with Finance.

Dr Harmer—It will be a figure that arises out of negotiation with the department of finance, as basically all our funding does for various initiatives.

Senator BOYCE—When do you anticipate that you will have bedded down the new system?

Mr Innis—I would expect that at the end of next year's reporting cycle we will have bedded down Operation Sunlight. As you know, it is a program that is led by Finance. It is worth noting that we are always reviewing, updating and improving our performance framework in the department. Do we expect to get to a point where we close the books and not look at it again? The answer is no. We are continually seeking ways of improving the performance management systems of the department. In saying that, I would expect things to settle next year, and there will be an ongoing program of work.

Senator BOYCE—There would be a continuous improvement program.

Mr Innis—That is right.

Senator BOYCE—This is actually quite a changed program, isn't it?

Mr Innis—That is right.

Senator BOYCE—You have said that these reports we have here this year are an interim step, with more changes to come next year under Operation Sunlight. I have actually heard people refer to Operation Sunlight as 'Operation Whiteout' because there has been some concern about the comparability being maintained. We have here in this report five pages of transition tables, which very clearly set out what is going where, but it is a complex system. What happens with comparability?

Mr Innis—In terms of the translator, I hope it was useful for the committee. In many cases the outcomes previously and the program-level material previously map fairly quickly onto the new one. There are some areas where outcomes were split across new outcomes, so in moving from a four-outcome structure to a seven-outcome structure there have obviously been areas that have been split. We have not radically shifted the next level down in the department—the program or, previously, the output structure; that is more stable. What we have done, though, is make sure that the top-level outcomes—the seven that we now operate under—are much more closely linked with the way we engage clients across the country. At that program and outcome level, most of the change occurred because of the move from four to seven.

Senator BOYCE—Nevertheless, if I am trying to compare activities and expenditure in an output from last year to next year, how am I going to do this?

Dr Harmer—Senator, I cannot comment on other portfolios. I frankly think that the seven-outcome structure is easier to manage and has more transparency about numbers than the four we had before.

Senator BOYCE—Going forward it has, Dr Harmer.

Dr Harmer—Yes, going forward, which is why we put so much effort into trying to make sure that the committee knew exactly where various items that were under our four-outcome structure are mapped into the seven. Going forward, I am quite confident that it will actually be more useful and more transparent than the four.

Mr Jennaway—I absolutely agree with what the secretary is saying. By program level in the document you will find current year expenditure and expenditure in the next year. So in going through the estimates hearing by outcome you are able to compare in the document, at the program level, expenditure between the two years.

Senator BOYCE—But what about comparison with 07-08?

Mr Jennaway—That necessarily changes. It is better to work in this current document and ask the questions directly of people that manage their programs.

Senator BOYCE—Being in opposition, my natural concern is to see what has happened over the history, whether things are disappearing and not being able to be compared because of the changes.

Dr Harmer—We will do our very best to give you comparisons back to 07-08. In most cases we will be able to do that. We will not be looking to use this as an excuse for why we cannot do it.

Senator BOYCE—Okay. Thank you; that assists a lot. In an answer to Senator Humphries in budget estimates last year the department said that they were expecting an operating loss for 07-08 of between \$5 million and \$10 million. You came in with a loss, in the income statements in your annual report, of \$9.8 million, but then the portfolio budget statement showed an estimated loss of \$49,000. Can you explain where the differences are between your actual operating loss and what you are budgeting for?

Dr Harmer—I will get Mr Hunter or Mr Jennaway to take that question.

Mr Jennaway—Senator, can you give me any indication of the page where the \$49,000 is?

Senator BOYCE—The \$9,763,000 came out of your annual report. Unfortunately, I have not noted the page numbers.

Dr Harmer—We did have an end of year result virtually on what we predicted, which was between five and 10. It was closer to 10.

Senator BOYCE—\$9,763,000 is the figure I got from your annual report.

Dr Harmer—Yes, that is right.

Senator BOYCE—Yes.

Mr Hunter—Part of that was driven by, if you remember, under the Northern Territory emergency response, the no win, no loss funding basis. We actually handed back about \$6 million more than we needed to, and that contributed to that loss. It was one of the major drivers of the \$9.7 million loss for 2007-08. Under the no win, no loss regime we have actually being reimbursed for those funds in 2008-09.

Senator BOYCE—So you are carrying that forward, then?

Mr Hunter—Yes.

Senator BOYCE—Okay. Sorry; how much of it was attributable to that—\$6 million?

Mr Hunter—From memory, it was \$6.172 million.

Senator BOYCE—What do you expect your operating loss or surplus for 2008-09 to be?

Mr Hunter—At this stage we expect that we are aiming for a break-even budget; however—

Senator BOYCE—For 2008-09?

Mr Hunter—For 2008-09. But there is one factor which is part of the global financial crisis downturn, and it is the discount rate on long-service leave provisions, which could push us into a deficit in the order of between \$4 million and \$5 million. We have been working with the department of finance on that, but we will not know for sure until 30 June, because we need to take actuarial assessments as at that point in time. So it is likely we could have a loss of between \$4 million and \$5 million because of the impact on the discount rate. However, the department is operating for a balanced budget over and above that factor.

Senator BOYCE—Is that roughly a 10 per cent drop on the superannuation?

Mr Hunter—No, it is not to do with superannuation. It is just the bond rate—

Senator BOYCE—No, no—on your earnings on superannuation.

Mr Hunter—No.

Senator BOYCE—Sorry. So what percentage does the \$4 million to \$5 million express, as the discount rate?

Mr Hunter—Typically, the discount factor has been around six per cent. At the moment we are expecting it to be around 4½ per cent as at 30 June, and then that basically brings it back to a present value. So that is the impact on our leave provisions.

Senator BOYCE—Yes.

Mr Hunter—Interest rates in the out years go down, the present value goes up—so on that basis we have got more of a provision hit this year, and that is where the \$4 million comes from.

Dr Harmer—It is basically a technical adjustment, Senator.

Senator BOYCE—Yes. I wanted to ask a couple of questions about ex gratia payments, because I did not quite understand what your budget statement was saying on the topic. You made \$27.3 million in ex gratia payments in 2008-09 but, going forward, you have only budgeted in 2009-10 for \$4 million or so in ex gratia payments. I had a look back and you made \$7.7 million in payments in 2007-08. Why the difference? Going from \$27 million to \$4 million obviously indicates—

Dr Harmer—It would be an estimate, Senator, of what we think we need. That is very, very difficult to predict.

Senator BOYCE—But, given that you have spent \$27 million this year, why do you estimate you will spend \$4 million next year?

Dr Harmer—Sure. I am giving my people who know the detail an opportunity to have a look, but I am just saying that it is an estimate. I expect it has something to do with the fact that, given 2007-08 was \$27.3 million, the 2008-09 year was an abnormal year. But we will get the information for you.

Senator BOYCE—Okay. I would like to know what was abnormal about it, please.

Dr Harmer—Yes.

Senator BOYCE—Does the department make any ex gratia payments at its own behest or are they all ministerially directed?

Dr Harmer—I would be pretty confident we do not, but I would like to just double-check that.

Mr Jennaway—Senator, there is a small quantity of funds that we provide under section 33 of the FMA Act as ex gratia payments. It is not in the numbers that you have been—

Senator BOYCE—Sorry, the what act?

Mr Jennaway—Section 33 of the FMA Act. They are not the numbers that you are talking about there, but the process associated with that would be that clients would come to Centrelink with a set of circumstances which are outside the provisions of any other payment that might be available. Centrelink would in those circumstances suggest that a small payment under that provision could be appropriate. We as a department—

Senator BOYCE—Are these the sorts of situations where a carer does not fit the criteria but clearly needs help? Is that what you are talking about?

Mr Jennaway—It may well be. It is any particular situation which deserves some assistance at the Centrelink level but cannot be specifically addressed under any of the legislation we have to assist people. We as the department would then be asked to comment on that, and the Minister for Finance and Deregulation signs off on those payments.

Senator BOYCE—So in fact they are signed off by the minister.

Dr Harmer—I am pretty confident that we within the department do not make decisions about ex gratia payments, but I will double-check that.

Mr Jennaway—And we will need to clarify that against the other ones that we have been asked about.

Dr Harmer—The finance minister ultimately signs it and, therefore, the finance department makes a recommendation based on advice provided by us.

Senator BOYCE—Those are all the questions I have until we get some more information.

Senator PAYNE—I thank the department for their response to question on notice No. 104 and will ask a couple of questions around that. Can you tell me if the department employs a media-monitoring service?

Mr Hunter—Yes, we do.

Senator PAYNE—Is that an in-house service or is it outsourced to a media-monitoring company?

Mr Knapp—It is outsourced.

Senator PAYNE—What is the name of the company?

Mr Knapp—I think it is called Media Monitors.

Senator PAYNE—Media Monitors, the well-recognised firm?

Mr Knapp—Yes.

Senator PAYNE—Thank you. Can you tell me the annual cost for that service?

Mr Lander—The total cost to date for this financial year has been \$248,738. That is to 30 April.

Senator PAYNE—Should I be directing questions for more detail to you?

Mr Lander—Certainly.

Senator PAYNE—Through the media-monitoring service that is provided to the department, do you receive a daily news clips service, whether that is a hard copy or an electronic copy?

Mr Lander—Yes, we do—electronic.

Senator PAYNE—Do you print and distribute it around the department or is it just circulated electronically?

Mr Lander—It is all electronic. Very green.

Senator PAYNE—How very environmentally sound of you. I am sure the minister approves. On notice, could you provide the committee with a copy of the clips that were produced for 2 February this year?

Mr Lander—Certainly.

Senator PAYNE—The answer to question on notice 104 concerned a story that appeared in the *Australian* on 2 February 2009 and I assume, given the department responded, ‘The

Department is not aware of a report appearing in the *Australian* on 11 February 2009—I am sorry. It is 11 February 2009, not the second.

Dr Harmer—To clarify: which date do you want our press clippings for?

Senator PAYNE—I will check that. I think I said the second and I meant the 11th. I will confirm that. Please provide me with a copy of those clips; I will come back to you with the date before the end. Would clips normally include front-page stories from national broadsheet newspapers pertaining to policy areas that concern the department?

Mr Lander—They normally would.

Senator PAYNE—Can you tell us how many staff in the department in total are responsible for media or public affairs?

Mr Lander—There are six staff for managing and monitoring the media, and they have a range of responsibilities associated with monitoring the media including writing media releases and the like.

Senator PAYNE—Would they normally be aware of front-page stories in national newspapers on issues concerning policy areas?

Mr Lander—Yes.

Senator PAYNE—Would they normally be able to provide their senior members of the executive of the department with briefings on those stories?

Mr Lander—Yes.

Senator PAYNE—Does that cover all of the policy areas that are the responsibility of the department?

Mr Lander—Yes.

Senator PAYNE—For the financial year to date to 30 April, was the total \$248,738?

Mr Lander—Yes.

Senator PAYNE—Thank you very much. I will just clarify those dates and come back before the end of the morning.

CHAIR—Senator Adams?

Senator ADAMS—What is the department's policy in regard to staff using frequent flyer points for business?

Mr Jennaway—On official travel frequent flyer points are not allocated to any of our staff, so they do not actually have them. Our broad policy is that nobody is entitled to use frequent flyer points that they would have earned on official travel for private purposes. However, as I say, they do not even receive them in relation to official travel.

Dr Harmer—Our contract with our carrier specifically excludes staff being given frequent flyer points. It was difficult to negotiate because the carrier was not keen on doing that, but we insisted and it has helped us get a lower price.

CHAIR—Is that a common practice across the departments?

Dr Harmer—It is a characteristic of our cluster, which is the second biggest cluster.

CHAIR—It is the same contract.

Dr Harmer—Yes. Senator Fifield?

Senator FIFIELD—Senator Payne's line of questioning prompted something in my memory about media monitoring.

Dr Harmer—If you ask your question, Senator, I am sure the officers will appear.

Senator FIFIELD—At the February estimates, Senator Scullion asked if it would be possible for the daily media clips, which the department procures, to be made available to shadow ministers. Dr Harmer, I think you said you would take that on board to see if that was possible. Has there been any progress?

Mr Lander—Yes, there has. We did respond to Senator Scullion's question.

Senator FIFIELD—Was it thumbs up or thumbs down?

Mr Lander—We provided an answer to his question, giving him an indication of what it would cost to provide electronic or paper clips.

Senator FIFIELD—I suppose it was hideously expensive.

Mr Lander—There was a price tag attached, yes.

Dr Harmer—While Mr Lander is looking, I suspect it had something to do with the fact that, because it is an electronic and on part of our system, Senator Scullion's system may not be suitable. We may have to do something other than an automatic transfer.

Mr Lander—There were two aspects to it. For the hard copy clips, it was going to cost us \$32,000 per annum because it would be the only hard copy clip service that we would have to provide. We do not do hard copy clips any more. It would be a total new service for us. That figure is based on an average annual expenditure on media clips.

Senator FIFIELD—I do not know why we all do not go into the media monitoring business. It sounds like a good lurk.

Mr Lander—An online delivery was going to cost \$84,000. That is based on our current commercial arrangement with Media Monitors.

Senator FIFIELD—Sorry, \$84,000 to provide an electronic version of the clips for Senator Scullion?

Mr Lander—That is right. That is the estimate provided to us based on the commercial arrangement we have with Media Monitors. I can explain it quickly.

Senator FIFIELD—Just before you do that, how much was the paper version again?

Mr Lander—\$32,000.

Senator FIFIELD—Okay. An electronic copy for \$84,000. My head is spinning, but I am sure you will endeavour to focus my mind.

Mr Lander—The rationale for the \$84,000 cost is that a complete new account would need to be set up for Senator Scullion or any other additional recipient.

Senator FIFIELD—Come on!

Mr Lander—That is the advice we were provided with by our commercial providers.

Senator FIFIELD—It would depend on what the question put was. Of course, if you ask Media Monitors, ‘How much would it cost for a brand new account?’ then I am sure it would be a figure of the order that you have quoted. But is there any technical, legal or contractual reason why you could not simply hit ‘forward’ and send it to Senator Scullion?

Mr Lander—There is, actually. We spoke to Copyright Agency Ltd, and they advised us that to provide an additional set of copies to, in this case, Senator Scullion, would be considered as a separate account and should be established as a separate account.

Senator Fifield—Okay. I am a little incredulous, I must say.

Dr Harmer—Senator, I would not be. The company, I would think, would jealously guard every contract, and at the logical extreme, we could take it and flash it to a lot of additional people. I guess that is what their thinking would be.

Senator FIFIELD—But you would not.

Dr Harmer—We would not, but they would want to protect—

Senator FIFIELD—Indeed. I do not want to take up too much of the committee’s time on this, but sometimes the simplest things are often the hardest. I am sure there must be some solution to this. I remember a quieter, simpler time when, in some portfolios, shadow ministers routinely had the morning clips dropped off at their door as a matter of courtesy by the executive of the time—

Senator Wong—Well, as a shadow minister in the previous parliament, Senator, that certainly was not my experience.

Senator FIFIELD—No, but in some portfolios, I think, such as foreign affairs and defence, it is pretty standard practice. We were trying to bring the spirit of Operation Sunlight across all portfolios—

Senator Wong—It sounds like the spirit of expenditure, Senator. Mr Landers has indicated his advice. You may disagree with what Media Monitors have advised him but I am not sure he can take it any further. That is the advice he has received from the company.

Senator FIFIELD—I appreciate that. Operation Sunlight is sounding more and more of a North Korean concept. Anyway, I have faith that perhaps FaHCSIA—

Senator Wong—He could just look at the clips himself, I suppose—

Senator FIFIELD—As could you, Minister.

Senator Wong—which is what I did in opposition.

Senator FIFIELD—It is just that I know that this government is extremely keen to be transparent and helpful and we are exploring the extent of that. Anyway, I live in hope that the department may find a way that costs less than \$84,000 or \$32,000. Thank you for providing that advice. I have a few questions in relation to the budget and budget publications. I want to check on the document *Secure and sustainable pensions*. Was this a product of FaHCSIA?

Mr Lander—No. That was actually produced by Treasury.

Senator FIFIELD—So that did not come out of your budget?

Mr Lander—No.

Senator FIFIELD—So that was purely one of their documents. You do not go in for such bright and colourful documents, I am sure. You go for much more of the informational variety.

Dr Harmer—We would rather not comment on that.

Senator FIFIELD—Yes, of course. I am just being cheeky, Dr Harmer. Were there any budget related documents produced by your portfolio?

Mr Lander—Yes. We produced it in a booklet form. We produced a booklet on paid parental leave.

Senator FIFIELD—Was that the only publication produced?

Mr Lander—In terms of?

Senator FIFIELD—Booklets for the budget.

Mr Lander—We also produced the Prime Minister's Indigenous budget statement as a booklet.

Senator FIFIELD—Were they the only two?

Mr Lander—There was also the women's budget statement.

Senator FIFIELD—So there was a total of three documents produced by the portfolio related to the budget?

Mr Lander—That is right—in addition to the budget kits, the material that, in essence, fills budget kits.

Senator FIFIELD—Budget kits being those kits provided to the budget lock-up?

Mr Lander—That is right—the yellow folders with pieces of photocopied paper in them.

Dr Harmer—As Mr Lander said, it basically has a cover like a folder and has press releases inserted, which are the comprehensive list of the press releases relating to FaHCSIA's budget measures.

Senator FIFIELD—Sure. Of those three documents which were produced, putting the budget kits to one side—and you may, I assume, have to take this on notice—could you please provide advice as to the numbers of each of those booklets which were produced, the cost of producing those booklets and also the distribution of those booklets. I appreciate that you will not be able to provide the name and address of each person or organisation that they were sent to, but could you provide the broad categories, including but not limited to members of parliament. Could you also break that down further to numbers of copies provided to government members of parliament and numbers of copies provided to the opposition and other parties. That would be helpful.

Dr Harmer—We will do our best, Senator. I am not sure that we have got sufficient knowledge of exactly where the documents went, but we will do our best.

Senator FIFIELD—I appreciate that, because there may well have been half a truckload dropped off at the Treasurer's office or something like that, and you would not necessarily be

aware where those ended up. Could you also advise how many media kits were prepared for the budget lock-ups.

Dr Harmer—We can certainly give you that.

Mr Lander—Sure.

Senator FIFIELD—Thank you. And, again, what the distribution of those was—if it was purely to the press or if copies were also provided to the opposition lock-up, the minor parties' lock-up and the interest groups' lock-ups. That would be useful as well.

Switching to government advertising, Have there been any new portfolio advertising campaigns initiated since the February estimates?

Mr Hunter—No, there have not been any initiated since February.

Senator FIFIELD—Nothing since February?

Mr Hunter—No.

Senator FIFIELD—So there was nothing to do with the stimulus package since February? I guess there has been a continuation of the stimulus package advertising.

Mr Lander—That is right. The first home owner boost campaign has continued, and that was in place and running during the course of February.

Senator FIFIELD—Since the budget itself, there has been no new advertising, no advertising to draw attention to or provide information in relation to particular budget measures within the portfolio?

Mr Lander—Not that I am aware of, no.

Senator FIFIELD—I appreciate that some of those would actually fall under the Department of Human Services and Centrelink advising of things which are policy decisions within your portfolio area but for which you do not have responsibility for execution, but there has been no advertising which you have initiated and have responsibility for?

Mr Lander—Not from our portfolio responsibilities, no.

Senator FIFIELD—Thank for you for that. Have there been any new consultancies entered into by the department since the February estimates?

Dr Harmer—We would probably need to take that one on notice. The full list of consultancies commissioned by the department will of course be in our annual report, as it has been for some years.

Mr Hunter—Senator, I cannot give you the information from February, but I can give you a total figure of many we have let for the year, if that is helpful.

Senator FIFIELD—Thank you.

Mr Hunter—We have let—

CHAIR—To what date?

Mr Hunter—As at 30 April we have let 206 this year, compared to 281 in 2007-08 and 312 in 2006-07.

Senator FIFIELD—Can you provide a figure for the value of those consultancies?

Mr Hunter—The 206 as a total figure is \$14.5 million year-to-date as at 30 April.

Senator FIFIELD—And the 281?

Mr Hunter—That was \$28.9 million.

Senator FIFIELD—And that is 281 individual consultancies.

Mr Hunter—Yes.

Senator FIFIELD—I appreciate that the full list of consultancies will be in the annual report, but is that something that you are able to take on notice and provide a list of?

Mr Hunter—It will be in the annual report as well as Austender.

Senator FIFIELD—So we can go to Austender for the full list of those?

Mr Hunter—Yes.

Senator FIFIELD—Thank you. Austender is a good thing—very handy. Moving to the efficiency dividend, and please correct me if I am wrong, I think in the current financial year it is two per cent and it drops back to 1.25 per cent for the next financial year?

Dr Harmer—Yes.

Senator FIFIELD—Are you able to identify for the coming financial year how you will meet that efficiency dividend? Are there particular identified ways that you will seek to meet that?

Mr Hunter—The two per cent for 2009-10 drops off—basically rebases our level of funding for the future years. The 1.25 per cent for 2009-10 equates to about \$5.1 million but as we set our budget process and our internal budgets we do not specifically allocate against an efficiency dividend to one particular area of the department. We take the level of funding by group and state, add on the wage cost index, less the efficiency dividend and then we have ups and downs for the new measures or adjustments in measures and we apportion it right across the department in that way. For 2009-10 we plan to set a balanced budget and we are basically well advanced in that space now. We conduct two internal budget reviews throughout the year and we are also doing monthly financial statements to make sure we remain on track.

Senator FIFIELD—So you share the pain rather than say to a particular section, ‘This is your year, sorry.’

Mr Hunter—Yes.

Dr Harmer—But, as you would expect, as we allocate the budgets for the various groups we take account of, as Mr Hunter said, work load, new policy, et cetera.

Senator FIFIELD—Dr Harmer, at the last estimates Minister Shorten had just been given responsibility for bushfire recovery and reconstruction from the Commonwealth’s point of view. At that time I think there was a meeting going to occur on that day which was going to more fully detail his specific responsibilities. If I want to examine those is it best to do that at this point, in cross portfolio, or is it better to do it later when we are covering the bushfire response in detail.

Dr Harmer—It would be better to do it under outcome three. Then we will have the right people here.

Senator FIFIELD—Just before I yield to my colleagues, what is the current total staffing establishment in the department?

Dr Harmer—We have answered that for Senator Boyce.

Senator FIFIELD—I arrived a little late; so that has been covered by Senator Boyce.

Senator BOYCE—What contribution did FaHCSIA make to presentations on the economicstimulusplan.gov.au website?

Mr Lander—We make a level of contribution primarily in the housing space. That is all we do; we provide information to go onto the website.

Senator BOYCE—Your minister has appeared on the website?

Mr Lander—Yes, Minister Plibersek has appeared on the website.

Senator BOYCE—And did you produce that video?

Mr Lander—I would have to check on that.

Senator BOYCE—Who would have paid for that video?

Mr Lander—I would have to check on that too.

Senator BOYCE—So you do not know what contribution FaHCSIA has made to the costs of the economicstimulusplan.gov.au website?

Mr Lander—Largely, all we do is contribute information to the website through the coordinators of the website.

Senator BOYCE—By contributing information to the website, you mean by providing information that someone else puts on the website?

Mr Lander—That is right. That is exactly right.

Senator BOYCE—Okay. What is involved in doing that?

Mr Lander—It is not a great deal of work. I think it is through PM&C at this point in time. So all we do is provide information on a regular basis.

Senator BOYCE—When you say ‘regular’, how often would you provide updates to them?

Mr Lander—It is fairly infrequent at this point in time. I would to check on what the regime is.

Senator BOYCE—What does that mean—once a week?

Mr Lander—Once a week, once a month—that sort of regularity.

Dr Harmer—It is probably almost as frequent as once a week at the moment. But when the Housing people are here, Senator—

Senator BOYCE—Perhaps ask the Housing people?

Dr Harmer—Yes, because it is primarily, as Mr Lander said, in relation to the expenditure on housing that we are providing updates.

Senator BOYCE—Yes. No other area—just so I am clear?

Mr Lander—I think it is only housing.

Dr Harmer—I am pretty confident. We will double-check that so we do not mislead you—

Mr Lander—We will double-check that for you.

Dr Harmer—but I think it is just housing.

Senator BOYCE—It is just so I know I have covered off on the whole thing. The other area I wanted to ask a few questions about was the change that is happening with your budget, with the money that you previously paid out to states and territories now being appropriated to Treasury.

Dr Harmer—That is right.

Senator BOYCE—Can you list for me the three national agreements and the six national partnerships that will be covered by this, please.

Dr Harmer—I am going to get the names wrong, I think, but we have got an agreement around disability, which replaced the Commonwealth State—

Senator BOYCE—This is the CSTDA?

Dr Harmer—Territory Disability Agreement, yes. We have got an agreement around housing, which is the National Affordable Housing Agreement. I will give Mr Innis an opportunity to sit down. He will give you the precise title of the third one and maybe describe more fully than I have the disability agreement.

Senator BOYCE—Oh, I like the look of that spreadsheet, Mr Innis!

CHAIR—Mr Innis, is that coloured document you have in front of you a public document?

Mr Innis—This one?

CHAIR—Yes.

Mr Innis—The colours were very carefully thought out on the document! It is an internal document, but I am happy to review the document to see whether it is something that could be tabled—

CHAIR—That would be very useful. Graphics put this kind of information—it would be a very useful document.

Mr Innis—and, if not this precise document, something of that ilk to explain the Commonwealth-state relations. I am very happy to look into that.

Senator BOYCE—So the three national agreements are?

Mr Innis—Yes, Senator, there are three national agreements in the portfolio: the National Affordable Housing Agreement, the National Disability Agreement and the National Indigenous Reform Agreement. Are you interested in the national partnerships?

Senator BOYCE—Yes; the six national partnerships, please.

Mr Innis—There is the National Partnership Agreement on Social Housing; the National Partnership Agreement on Homelessness; the National Partnership Agreement on Remote Indigenous Housing, the National Partnership Agreement on the Nation Building and Jobs Plan, subtitled ‘Building prosperity for the future and supporting new jobs now’; the National Partnership Agreement on Remote Service Delivery; the National Partnership Agreement on Indigenous Economic Participation; and a national partnership involving concessions for pensioners and seniors card holders. They are the six national partnerships.

Senator BOYCE—So these cover the bulk of the work that FaHCSIA does?

Dr Harmer—They cover the bulk of the work that we do that involves the states, yes.

Senator BOYCE—Okay.

Dr Harmer—And, as you know, Senator, the vast majority of our money is in income support payments which go through Centrelink—

Senator BOYCE—That is right.

Dr Harmer—There is a second amount that goes through the states, and of course we have got a third arm, which is the funds we give through grants to community organisations.

Senator BOYCE—But the states would be your largest or your second largest area?

Dr Harmer—Second largest—a lot less than Centrelink.

Senator BOYCE—Okay. Now, how will this change the way you handle these agreements, Dr Harmer?

Dr Harmer—The framework agreement was negotiated by first ministers—so, the Prime Minister, the state premiers and the territory chief ministers signed off on the agreements. The funds, as you noted earlier, will be managed by the Treasury. The national partnerships and the broader agreements will still be monitored and managed by us. We will still have a relationship with the state and territory governments on performance et cetera. A lot of the interaction that we have previously had through Commonwealth-state working groups will continue.

Mr Innis—The Indigenous Economic Participation National Partnership is led by our colleagues in DEEWR but we play a role through our Indigenous area. So that one is led by DEEWR but we are involved in it.

Senator BOYCE—Is that money that has been in your budget previously or not?

Mr Innis—No, this one is new.

Senator BOYCE—It has been in DEEWR before.

Mr Innis—My understanding is this one is new.

Senator BOYCE—Is the number of national partnership agreements six or five?

Mr Innis—I told you there are seven. Indigenous Economic Participation is the extra one.

Senator BOYCE—That will teach me to count them!

Mr Innis—And I will go back to school and learn my maths as well! Apologies. In terms of our Commonwealth-state business, as Dr Harmer said, the responsibility for paying the

states has shifted from us to the Treasury; hence the change in our portfolio budget statement. We still remain very involved and very active in the Commonwealth-state space throughout those areas that I have mentioned. In addition, we have a range of links with the states which are not part of a formal funding agreement. For example, we have been doing a lot of work recently on child protection issues with the states and there have been a range of announcements through COAG in that space. It is not a formal funding agreement but it is a matter of working cooperatively with the states. There are a range of other areas where that occurs as well. We interact with a number of ministerial councils, such as the Ministerial Council on Gambling, the Ministerial Conference on Ageing, the Community and Disability Services Ministers' Conference, the Housing Ministers' Conference and the Indigenous forum. So there is a range of activities that support our engagement with the states on top of—

Senator BOYCE—What I am interested in is how you will go about monitoring these funds, given that you no longer disburse them.

Dr Harmer—In a range of areas we will still continue to get information. Of course, there is also a new construct set up as part of the COAG agreement, the COAG Reform Council, which is responsible for monitoring across all of these agreements the performance against the outcomes.

Senator BOYCE—But the COAG Reform Council looks at all Commonwealth-state agreements, not department specific ones.

Dr Harmer—It looks at all, but it will look at each.

Senator BOYCE—What expertise would the COAG Reform Council have in the areas of, for instance, Indigenous and housing?

Dr Harmer—They will be relying on information we provide, information provided by the states and also data that comes from the Australian Institute of Health and Welfare, ABS and various other data sources.

Senator BOYCE—Will you see how much the states have expended and how they have expended it?

Dr Harmer—Yes, we will.

Mr Innis—We will not have detailed information on states' spending under the national agreements, but as a requirement of those agreements the states are to maintain their effort in those areas.

Senator BOYCE—So they just have to tell you every quarter that they have maintained their effort.

Dr Harmer—For example, we are getting monthly reports from the states about expenditure on the very big allocation to social housing.

Senator BOYCE—Does that include how much they have expended and how they have expended it?

Dr Harmer—Yes, whether they are expending it on new construction or maintenance, as well as the breakdown et cetera. We are getting quite detailed information.

Mr Innis—Social housing is one of the national partnerships, and where there are very specific activities it tends to be done through a national partnership. In those instances, there is a much more detailed reporting regime, as Dr Harmer says. For social housing, as Dr Harmer said, it is monthly. It varies a little across the national partnerships, but for those agreements we tend to have much more detailed information about what is happening where.

Senator BOYCE—For the national agreements?

Mr Innis—The national partnerships.

Senator BOYCE—The partnership agreements?

Mr Innis—That is right.

Senator BOYCE—What about the national agreements—is there less detail?

Mr Innis—For the national agreements there is a performance framework, which is monitored by the COAG Reform Council, which we certainly are actively interested in, but we do not receive directly as much detailed material as we do for the national partnerships.

Senator BOYCE—So you are receiving less material than you were?

Mr Innis—I am not able to comment across the board on that.

Dr Harmer—On housing, for example, Senator, we are receiving quite a lot more.

Senator BOYCE—But that is under one of the partnerships.

Dr Harmer—Well, that is the big one.

Senator BOYCE—All right. But let's talk about the actual national agreements, the three national agreements: are you receiving as much or more information than previously?

Mr Innis—I think those questions are best answered when we come to be specific outcomes and programs themselves.

Dr Harmer—We have the cross-program people here at the moment. The people who, for example, run the disability agreement, the housing agreement and the Indigenous agreement will be much better placed to give you detail of how much we receive now compared to in the past.

Senator BOYCE—But wouldn't you have a global view of the level of information that is being received around three of the more important things that the department—

Dr Harmer—I think it is unlikely we will be getting any less information than we were getting in the past.

Senator BOYCE—Okay. We will leave that there. The agreements themselves: are they publicly available documents?

Mr Innis—That is my understanding, yes.

Dr Harmer—Yes, they are.

Senator BOYCE—Where could I see those?

Dr Harmer—We can provide those to you.

Mr Innis—We can provide them. They should be part of the COAG website that is run by PM&C.

Dr Harmer—I think coag.gov.au would have all of the agreements.

Senator BOYCE—Okay. The changes to the disbursement of the funds: does that in any way affect the policy input that is going to come out of FaHCSIA regarding those agreements?

Mr Innis—That is not my expectation.

Dr Harmer—The general answer is no, but if you had specific questions about, for example, the disability agreement or the housing agreement or the Indigenous agreement, we would be best to deal with those when those people are here. Mr Innis and I are starting to get to the end of our detailed knowledge of exactly what information particularly that we will get now compared to previous years, but the people who run those agreements will know absolutely.

Senator BOYCE—I am getting the impression that they all function quite differently, that there is no format for agreements per se.

Dr Harmer—There is a broad format which is focused on outcomes rather than detailed measures of inputs. That is certainly the flavour or nature of the agreements. They are not as focused on inputs; they are focused on what is being achieved for the money rather than on how many Xs are being built. But, as I indicated to you earlier, because of the significance of the funding for housing and the significance of that funding being directed to jobs, we are very interested in how many are being built and what is the composition.

Senator BOYCE—So those questions should be asked in the housing area?

Dr Harmer—Yes.

Senator BOYCE—Fine. One more general question: what happens if, in the view of FaHCSIA, a state is not performing properly within their agreement?

Mr Innis—In broad terms, under national partnerships, payments are only made if authorised by our minister and the Treasurer. So we have an opportunity to advise the Treasurer on whether or not a payment should be made under national partnerships.

Senator BOYCE—And that would be based on their prior performance?

Mr Innis—That would be based on our assessment of whether or not they are meeting the terms of the agreement, yes.

Senator BOYCE—Has there been a time when a recommendation has been made that it not be paid?

Mr Innis—We are currently in negotiations with the states around the concessions partnership. I would be happy to provide more detail in the seniors outcome, which I understand is tomorrow morning. I am not aware broadly across the Commonwealth, but certainly there is a question in relation to the concessions partnership.

Dr Harmer—Senator, we are still in the first year of all of those agreements.

Senator BOYCE—Absolutely, but how they work now—

Dr Harmer—Sure.

Senator BOYCE—will established a pattern for how they work into the future.

Mr Innis—That is correct.

Senator BOYCE—The states have perhaps not always been as—

CHAIR—Lost for words there?

Senator BOYCE—I am trying to think of a polite one—rigorous, perhaps, as they could be in their use of Commonwealth funds. That is all the questions that I have.

CHAIR—There are no more general questions. Thank you for the responses on cross-outcomes. It might be sensible if we take the break now.

Proceedings suspended from 10.05 am to 10.23 am

CHAIR—I welcome officers from the department for outcome 2, Housing. Senator Payne, I believe you are starting in this area, and I know Senator Ludlam has questions as well.

Senator BOYCE—I have some questions.

CHAIR—Yes, of course.

Senator SIEWERT—And I have too.

CHAIR—It is going to be a long day.

Senator PAYNE—I want to start with the National Rental Affordability Scheme. As I understand it, round 2 of the NRAS closed at the end of March this year. I think that when we were last talking in estimates you indicated you had about 12 applications. Ten were being assessed, one was withdrawn and one was non-compliant. We then discussed the concept of the late rush with these things. I wonder if you could update the committee about whether that late rush eventuated in February.

Mr Leeper—Yes, it is fair to say there was a late rush. We have not finished assessing the applications, but in the second round of the National Rental Affordability Scheme we have received proposals covering almost 27,000 incentives. Not all of those will necessarily come through the assessment process. We received 540 applications covering around 27,000 incentives.

Senator PAYNE—What is their current status?

Mr Leeper—We are assessing them in accordance with the guidelines and procedures we have established for the scheme, including financial and risk assessments. That process is proceeding as we speak.

Senator PAYNE—When do you expect the assessment of those applications to be concluded?

Ms Mills—We expect them to be completed towards the end of July and are hoping to have announcements made in mid-August.

Mr Leeper—Sorry; I will correct my evidence. It is 140 applications, not 540 applications. I beg your pardon.

Senator PAYNE—I was about to say, that was a very big rush! The compliance applications that we were talking about in the previous discussion were for approximately 1,000 incentives, I think; is that right? Incentives or dwellings—I am not sure which noun we are using. Ms Winzar?

Ms Winzar—We are perhaps looking a little puzzled because we are straddling both round 1 and round 2. Your question is just in respect of round 2?

Senator PAYNE—Yes.

Ms Winzar—I think it would be a bit premature for us to be looking at the total number of non-compliant applications at this point.

Senator PAYNE—Even for the ones that were received earlier?

Ms Winzar—The complication is that round 2 had essentially two components. We asked for some early bids where houses could be actually delivered by 30 June and then the bulk of that round was for houses to be delivered over the next couple of years.

Senator PAYNE—So in relation to those early bids and the delivery by 30 June, what proportion do you expect will actually be delivered by that date; in fact, what number?

Ms Mills—I have that number here. We assessed 12 applications that were for early availability of dwellings by 30 June. Offers have been made to six providers for just under 600 dwellings. We still anticipate that they will be available by 30 June.

Senator PAYNE—In what locations? Can you tell the committee?

Ms Mills—I can give you general information, not actual street addresses. In terms of the state breakdown, in South Australia we have around 55—that is, in the metropolitan and rural areas.

Senator PAYNE—Just to clarify, when you say ‘rural’ do you mean very rural or regional?

Ms Mills—Outside of major regional centres.

Senator PAYNE—Thank you.

Mr Leeper—We have incentives offered across four states and four locations: inner metro, outer metro, provincial and rural. We can read those into the *Hansard* if that is useful.

Senator PAYNE—Yes. So SA is 55 metro and rural?

Mr Leeper—New South Wales: 112 inner metropolitan, 10 rural. Queensland: 20 inner metropolitan, 30 outer metropolitan, 46 provincial. South Australia: seven inner metro, eight outer metro, 43 rural. Victoria: five inner metro, 199 outer metropolitan, 41 provincial and 78 rural. That totals 499.

Senator PAYNE—That leaves out Western Australia?

Senator ADAMS—It does, yes.

Mr Leeper—These are our assessments of early bids that were made. They are not necessarily allocated on a geographic basis.

Senator PAYNE—I understand that. Were there any bids from Western Australia which were not deemed to be compliant?

Ms Winzar—I think we will have to take that one on notice. We will get back to you with it later on today.

Senator PAYNE—All right.

Ms Winzar—Sorry, correction: the answer apparently is no.

Senator PAYNE—No bids?

Mr Leeper—No bids.

Senator PAYNE—Thank you. The 30 June delivery: I think you said, Ms Mills, that there will be 599 or 600 dwellings, thereabouts.

Ms Mills—Yes.

Senator PAYNE—How long before the next group of dwellings comes online for tenancy?

Ms Mills—That will not be known until we have actually completed the assessment process for the main round 2 applications. We will have more detail about that as we go through that assessment process.

Senator PAYNE—Is that going more slowly than the department expected?

Ms Winzar—The second round is because, to be frank, we were not expecting 27,000 dwellings to be canvassed by those 140 projects. The process of assessing them and the state and territory governments doing their component of the assessment has taken longer than we expected.

Mr Leeper—The way the scheme was built up in the estimates was that we provided for 3½ thousand incentives in the first round and 7½ thousand in the second round. We certainly expected at least double the number of incentive applications. We were not expecting nearly four times as many. That has caused us a few logistical issues which we are responding to and managing, but we will get through the process.

Senator PAYNE—Do those logistical issues include adding further staff into the area that is dealing with the NRAS assessment process?

Ms Mills—Yes.

Senator PAYNE—How many and at what levels?

Mr Leeper—We would need to take the levels on notice, but we would have engaged non-ongoing staff to help us cope with the assessment load. It would be a two- to three-month activity. They would typically be at the APS5/6 and EO1 levels.

Senator PAYNE—Okay. Will you come back with more detail on that?

Mr Leeper—Happy to, Senator.

Senator PAYNE—Thank you. Given this aspect that you have explained about the status of the second round, what is the time frame for a third round?

Ms Winzar—We have not definitely resolved the timing for announcing the third round. Obviously, we will need to complete the second round assessments and provide feedback to the unsuccessful applicants before we move to the next round.

Senator PAYNE—Can applicants reapply in another round?

Ms Winzar—Yes, they can.

Senator PAYNE—If they have failed in the preceding one, I mean.

Ms Winzar—Yes, and we would certainly hope that they improve their subsequent applications and are successful in subsequent rounds.

Mr Leeper—All unsuccessful applicants are offered feedback from our process so that they understand why it was that we were unable to support their application.

Senator PAYNE—I am sure they are very grateful for that. I am not sure that you actually gave me a time frame then. Can we be a little more precise for round 3?

Ms Winzar—At this stage, we have not resolved when we will go to the third round announcement.

Senator PAYNE—It is a ‘when’, not an ‘if’? You are intending to do a third round?

Ms Winzar—Yes, we are.

Dr Harmer—There will be a third round but we have not determined yet when it will be.

Senator PAYNE—Where does this leave the initial NRAS timetable in terms of the total number of people we expect to be able to take up tenancies in dwellings under the scheme? If we are only at 676 or 599, or whatever it was, by 30 June, where does that leave the full timetable?

Ms Winzar—At this stage we are quite confident that we are going to meet our ultimate target of 50,000 affordable rental dwellings over the course of this initiative. We received so many applications in round 2—and of course we do not know yet how many of those are going to be successful—and, while our initial take-up in year 1 to have tenants in place by 30 June is perhaps a little bit below where we thought we would be, we are quite confident that we will make that up by 30 June 2010.

Senator PAYNE—That is a lot of making up to do.

Dr Harmer—That would be consistent with the number of applications we are getting.

Senator PAYNE—Do you have any reports from people involved in the industry about the capacity to find workforce—issues like that—particularly for the construction of new dwellings?

Ms Winzar—To my knowledge, we certainly have not had any feedback that any delays are due to problems in finding construction capacity, if that is where your question is going.

Senator PAYNE—Yes.

Ms Winzar—No.

Senator PAYNE—Given the size of the second round and what you have said about bringing people on to short-term positions in your team, are you also using additional consultancy services?

Ms Mills—No, not any additional. We have previously had some consultancy arrangements and we have continued that for round 2, with KPMG and WalterTurnbull to

assist us with the financial viability assessments. Those have obviously expanded because of the number of applications.

Senator PAYNE—Can you advise the committee of the costs for those two companies respectively for round 2?

Ms Mills—Yes. I have got that here somewhere. For KPMG the cost is \$224,334.54 and, for WalterTurnbull, \$129,220.91.

Senator PAYNE—Thank you. I want to ask a question about the annual statements of compliance. Are they already coming in?

Ms Mills—Yes, they are coming in for round 1 dwellings. They are being lodged electronically, so there has been a slight delay with some of those not being received by the due date, which was 13 May. But as of last week there are only 32 outstanding.

Senator PAYNE—How many does that mean you have received, Ms Mills?

Ms Mills—472 have been received to date.

Senator PAYNE—If they were overdue—that is, if they were overdue beyond 13 May—did the department have to chase up participants to get the certificates?

Ms Mills—Yes.

Senator PAYNE—Would you describe the level of returns as satisfactory?

Ms Mills—We are still working through the compliance and the quality of those returns. But, yes, we have been doing a lot of work, through the call centre and through the staff in our branch, to ensure that the information is at the level that is required for us to be able to issue those statements.

Senator PAYNE—Are there any consistent areas where perhaps participants have not understood the sort of information that they needed to provide? I do not mean that critically. I am interested in how they have been responded to.

Ms Mills—I probably do not have that level of information here with me but I think that, generally speaking, there has not been one stand-out area where there has been a consistent mistake or a consistent oversight. It is just getting used to the new system more than anything else.

Senator PAYNE—And you will continue with that process of electronic lodgement for round 2, when the time comes, obviously?

Ms Mills—Yes.

Senator PAYNE—In terms of the expenditure for this area, the forecasts for 2009-10 in the 2008-09 budgets looked at \$25.2 million for FaHCSIA, and then the PBS for you now is an allocation, I think, of \$23.505 million. That is a slight variation—relatively speaking, ‘slight’. Can you explain that?

Mr Leeper—Sorry. Are you saying that the previous figure was—

Senator PAYNE—It was \$25.2 million. In the current budget it is \$23.5 million or thereabouts.

Mr Leeper—There is a difference of about six per cent, so it is unlikely to be solely due to indexation. It may be that there is a slight delay in the build-up of the issuing of incentives.

Senator PAYNE—Right. Would it be helpful, Mr Leeper, to take that on notice and provide some further detail to the committee?

Mr Leeper—Yes.

Dr Harmer—We may well take it on notice, if we have not got anything here.

Senator PAYNE—When we were talking before about the location of the projects—and Ms Mills said, of course, that we do not have street addresses available, which we understand absolutely, and I appreciate the breakdown between the inner metro, outer metro, rural, provincial, regional, and so on—is that the level of breakdown that we can get? If you took it on notice, could you give us more specific information?

Ms Winzar—By suburb or town; something like that?

Senator PAYNE—Yes.

Ms Winzar—Yes, we could, I think.

Senator PAYNE—Thank you very much. Looking at the applications for round 2, can you give the committee an assessment of the level of institutional application versus the not-for-profits?

Ms Winzar—In terms of the split between the number of applications received—the 140 or so—my understanding is that it is about half and half for not-for-profit organisations and institutional investors. In terms of the number of NRAS incentives or dwellings that that applies to, the split is quite different. In relation to the applications for round 2, I think about two-thirds of the dwellings would be not-for-profit applications and the balance would be from institutional investors.

Senator PAYNE—That is a different proportion than I think we expected, or you had indicated was the expectation, when we discussed this scheme first-up at previous estimates. Is that going to change the funding around this significantly, given that that will be a high proportion of cash payments and tax offsets?

Ms Winzar—Yes, that is right. It is something that we are keeping under review. Of course, we will not have a totally clear picture until we have completed the round 2 assessments, but certainly in terms of applications I think it is fair to say that we expected more of a balance in the number of dwellings that would be canvassed by not-for-profits and by institutional investors than we have received.

Senator PAYNE—Will the figures need to be significantly reviewed, if that is the case?

Ms Winzar—Yes, we will keep it under review, and if there is a need to change the balance between cash payments and refundable tax offsets then we will seek to have that done. But bear in mind that the complexity around this is, of course, that applications in round 2 are not simply for the 2009-10 year but may go—

Senator PAYNE—Beyond.

Ms Winzar—forward for several years, yes. I have not got a profile of the dwellings applied for by not-for-profit organisations, but it may well be that they are for the most part in this next financial year, whereas the institutional investors' profile might be somewhat different.

Senator PAYNE—That will be an interesting review process, I am sure. So if we are looking at completion—and I assume, then, tenancies—for the ones that are due to be ready by 30 June, I guess we should be looking for the minister and the Prime Minister, in the way of things, to visit their first completed NRAS dwelling quite soon.

Ms Winzar—I believe that there may have already been a visit to an NRAS tenant.

Senator PAYNE—I must have missed that media opportunity, but I will get onto the Media Monitors people.

Senator BOYCE—And you had better go for a very large chequebook.

Senator PAYNE—I just thought I needed a hard hat, Senator Boyce!

Senator LUDLAM—Maybe to follow along in that vein, when you were taking us through the list before for that part of the second round that you have offered, there were none for Western Australia, so no bids were accepted. We did not hear anything from Tasmania, the Northern Territory or the ACT? Nothing there?

Ms Mills—No.

Senator LUDLAM—Do we need to be worried about not all the states and territories picking up or is it just that this is the very shallow end and soon there will be a flood?

Ms Mills—There certainly are applications in the main round 2 from each jurisdiction—and good numbers, at least in the applications and in the number of incentives that they are seeking.

Senator LUDLAM—Yes.

Ms Mills—As Ms Winzar said, we certainly have not completed the assessment yet, so it is too early for us to be able to indicate how many of those might be successful applications.

Mr Leeper—Out of the 27,000 round 2 main round applications, acknowledging as Ms Mills has that this does not guarantee success, 1,644 of those are from Western Australia, 1,677 are from Tasmania and 172 are from the Northern Territory.

Dr Harmer—There is nothing in the information we are getting so far in relatively early days to indicate that there would be a problem with any particular state or jurisdiction.

Senator LUDLAM—That is fine. I just wanted to make sure. Do you have quotas for the balance of inner metro, outer metro, provincial and rural? Do you have guidelines about trying to fund a certain proportion in each zone?

Ms Winzar—No.

Senator LUDLAM—So it is pretty much up to the housing providers and the developers. We went through this in some detail last time. Are you happy enough with the balance as it stands between the different regions?

Ms Winzar—I am quite happy in terms of applications in round 2. We are roughly looking at about a little over 10,000 in inner metropolitan areas, about 5,700 in outer metropolitan areas, 3,600 in provincial and about 6,500 in rural areas. That leaves about 1,000 where we actually have not finished the coding yet. So that is a pretty good split, I think.

Senator LUDLAM—Yes, certainly. I think last time you did table a sheet of postcodes, which I presume must have been from round 1, and they were overwhelmingly outer metro areas, which was a bit of a concern. But it sounds like it is rounding out quite a bit.

Ms Winzar—That is our view, yes.

Mr Leeper—In round 1, of the incentives by those four broad locations—inner and outer metro, provincial and rural—1,000 of the 3,800 incentives that have been offered are for rural properties or tenancies and 500 are for provincial. So that is more than 40 per cent. In the early offers of round 2, out of the 600, 131 are rural, which is about 22 per cent, and 87 are provincial. So, combined again, it is about 36 or 37 per cent of incentives going to non-metropolitan areas.

Senator LUDLAM—Do you maintain a list—and I do not know how you would do this—of the geographical breakdown of housing stress, whether it is broken down by postcode or much larger areas than that, and are you mapping the way in which incentives are being taken up against need?

Ms Winzar—We have quite a lot of information about various regions and housing stress. It does not actually help us very much in the NRAS assessment process, because there are so many parts of Australia where there are people with rental stress or rental availability is quite limited.

Senator LUDLAM—Okay. So you do have a map and it is desperate in so many places that it is not so helpful?

Dr Harmer—There is no commonly accepted benchmark of what represents stress but, generally, when you pay more than 30, 35 or 40 per cent of your income—certainly more than 50 per cent of your income—in rents then you would be regarded as being in some stress. What Ms Winzar is saying is that the people who are paying that would be distributed around rural, regional and urban.

Senator LUDLAM—Yes.

Dr Harmer—She is not commenting on the number of them. She is just saying that the distribution is wide.

Senator LUDLAM—That is okay. So the scheme was announced and the minister emphasised the quality of applications would be the major defining factor in NRAS funding being awarded. I wonder if you can tell us a bit more on how you define 'quality'. As I was last time, I am interested to know how the sustainability benchmarking is going, with particular regard to water and energy efficiency and access to public transport.

Ms Winzar—Perhaps I will lead off on that one and ask Ms Mills to help me. All of the NRAS applications are assessed around a number of sustainability and accessibility outcomes, including how close they are to transport, schools, services, employment opportunities and so on. The types of dwellings and the proposed household composition is also a factor, so that

we get a good social mix. We are also assessing them around their building and design features that might address the overall costs of maintaining or living in that building for tenants, and that would include energy and water efficiency.

Finally, the other dimension is looking at universal design principles or other low-cost measures that would make those properties more accessible for people who are older or have got disabilities. So in terms of the environmental sustainability dimension, we have developed with the Housing Industry Association a checklist that asks some questions of the applicants about the houses or the dwellings that they have got. In particular it asks whether or not they exceed what the current state building regulations are for energy efficiency, whether or not their living areas face north, whether or not they have got window designs and so on that catch prevailing breezes, whether they have got seals around doors and windows—all of those sorts of things. It is quite an extensive checklist.

Senator LUDLAM—Yes.

Ms Winzar—On the water side of things, we are certainly asking them what the rating is for their toilets; whether or not they have got shower heads that are water efficient; whether all hand basins, sinks and so on are fitted with water efficient taps; whether or not they have got rainwater tanks—we ask them that too—whether or not there is any other alternative water supply that is going to be connected to the house; and so on and so forth.

Senator LUDLAM—What can you tell us about how the applicants have performed against those standards for round 1 and the proportion of round 2 that has already been through your process?

Ms Winzar—I do not have that information with me, but that is a good question. We will take that one on notice and see what we can find. We can probably give you some information from round 1.

Senator LUDLAM—Yes, that would be great because that was still up in the air last time we went through this process. I figure by now you must have some reasonably accurate data. Is that something you might be able to provide a bit later today, or is that buried in the archives somewhere?

Ms Winzar—We are back with the committee tomorrow, so we will see what we can do by then.

Senator LUDLAM—If that is possible it would be excellent—and in as finely grained detail as you can, because there are a lot of very diverse benchmarks that you just ran through. That would be really helpful. I will leave NRAS stuff there and come back with some other material a bit later.

CHAIR—I know there are a few people with housing questions, but is there anything else on NRAS?

Senator PAYNE—Can I check a couple of things?

CHAIR—Sure.

Senator PAYNE—Going back to the question of the proportionality between the tax offsets and the cash payments, are you able to give us a clearer idea of what proportion you are expecting to be paid as direct cash payments rather than the offsets?

Ms Winzar—Yes. Our original estimate for 2008-09 was that the split between refundable tax offsets and claims would be pretty much fifty-fifty—51,750 dwellings apiece. For 2009-10 our projection was that around 5,600 would be refundable tax offsets and 1,875 would be grants.

Senator PAYNE—Do you still think that is going to be the case, based on the figures you quoted me before?

Ms Winzar—I think it probably will need to be adjusted, but we will need to see the outcome of round 2 applications and what their profile across the years is before we can make a definitive assessment.

Senator PAYNE—I understand that there are processes to be gone through. I understand that you are still doing these applications. But when do you think we can get a better idea of the numbers around that, from the committee's perspective?

Ms Winzar—I am not certain that we would be able to provide you with that information in advance of the mid-August announcement of the round 2 applications. But if not then, then I would hope soon after.

Senator PAYNE—Okay. If a tenant is in receipt of Commonwealth rent assistance and they end up one way or another in a dwelling that is an NRAS dwelling, can they still receive CRA as well?

Mr Leeper—Yes.

Dr Harmer—If they have a threshold amount for rent, yes.

Mr Leeper—The rent for which Commonwealth rent assistance will be calculated would reflect the discount that the tenant is effectively receiving. I think at the last hearing I said hypothetically a \$400-a-week house would, under NRAS, attract an \$80-a-week subsidy for the tenant. They would only pay \$320. Centrelink would calculate rent assistance on \$320 a week, even though the headline rate for the property would be \$400. So the landlord receives the NRAS payment in return for renting the property at a 20 per cent discount of the market rate. Centrelink would take account of that and would assess the rent at the rate the tenant actually paid.

Senator PAYNE—What about the question of equity around people in private rental who are probably facing reasonably high costs for the private rentals but do not end up in an NRAS? Don't they lose out in that deal?

Mr Leeper—I do not have the numbers in my head, but most people renting dwellings above \$200 a week have almost certainly already triggered their maximum rate of rent assistance. We could do the numbers if you need us to, but a rule of thumb would be that most people paying more than \$200 a week in rent for a property would be in receipt of maximum rent assistance if they are eligible to receive it.

Senator PAYNE—Madam Chair, that probably deals with the questions I have on the NRAS at the moment.

CHAIR—Do you have any other area you wish to move to? I am happy for someone to lead off and we will go into it.

Senator PAYNE—Yes, I am happy to go into the Housing Affordability Fund, for example.

Senator ADAMS—I have got one more on NRAS.

CHAIR—I am sorry. What is yours on NRAS?

Senator ADAMS—Last estimates there was a question on notice regarding the NRAS and realistic goals as to how many people were going to be housed under the plan. Do we have any better idea about how many people will be housed under this plan?

Mr Leeper—Could you give us a question number? Would that be possible?

Senator ADAMS—Yes. It was 383.

Mr Leeper—Thank you. We would stand by our answer. The scheme talks about supplying an additional 50,000 affordable dwellings. If those are tenanted at average tenancy rates we would expect to house more than 100,000 people, but we are not actually prescribing or seeking to deliver a particular tenancy profile. What we are in the market for is to stimulate the supply of 50,000 new dwellings.

Senator ADAMS—Right.

Mr Leeper—That is the objective of the program, rather than a particular number of people to be housed.

Senator ADAMS—Will the majority of those buildings be four bedroom or three bedroom? Where have you gone with that?

Mr Leeper—That would depend pretty much on the proposals that are put forward. I would expect they would range from everything from a bedsit studio apartment up to possibly including four-bedroom homes. We may even have something larger than that. I do not know.

Senator ADAMS—I will ask some more questions on public housing.

CHAIR—NRAS, Senator Williams?

Senator WILLIAMS—Thank you, Chair. I am concerned about a lot of regional areas—for example, in the census that came out in 2006, 85 people are listed as homeless in Inverell shire. I know of two or three in the town and around the shire. Even our mayor has said, ‘Look, this is simply wrong.’ Have you got figures of how many are homeless in those types of regional areas, or do you just take the census report?

Ms Winzar—The census collection around homelessness remains our main data source. The other major piece of information that we have is from Centrelink records, which can give us a bit of a window, but it would not be any different from the census results, I would not think.

Senator WILLIAMS—The ABS estimates were 104,700 homeless persons in the census night of 2006, of whom 16,400 were ‘sleeping rough’.

Dr Harmer—We are getting into the homelessness part and I have not got the right people here. We would be better placed to answer your questions when we have got—

Senator WILLIAMS—Yes, that would be fine.

CHAIR—Senator Williams, we will let you know when that time comes.

Senator WILLIAMS—Thank you, Chair.

CHAIR—We will go on to the next area of housing. Senator Ludlam?

Senator LUDLAM—Sorry. I do have one or two more on NRAS, if that is possible.

CHAIR—I will have to punish you!

Senator LUDLAM—I cannot believe I let this go: the tax issue.

Dr Harmer—Yes.

Senator LUDLAM—It is still ongoing. It was unresolved as of the last estimates in February. Can you tell us what progress has been made in resolving the charitable tax status issue for community housing providers?

Mr Leeper—It is under consideration.

Senator LUDLAM—That is where we were in February. Surely things must have moved a little bit since then.

Mr Leeper—These are matters for government to consider, and if it takes more than three months, it takes more than three months. We know of the matter.

Dr Harmer—I do not think we can answer that.

Mr Leeper—We know we need to deal with it. We are working on it.

Senator LUDLAM—I gather there has been quite a bit of work done. There is a new community housing industry development section—CHID. Can you tell us a little bit about what that unit or section is doing?

Ms Winzar—I will lead off a little on that and Ms Mills can help me. That section has got a couple of major tasks. The greatest priority one is simply to look at what the future might hold for the community housing part of the social housing sector and to assess what extra might be required to lift the scale of that part of the sector from some 35,000 to, conceivably, something over 100,000 dwellings under management, which is a fairly big lift in its operational capacity. The sorts of issues that come up include things like the financial management and governance capacity of those organisations to increase in scale and to examine some of the roles that they play at the moment. There are a few community housing organisations which, for example, as well as doing tenancy and property management, have started doing some property development. But there are only a couple of those.

We are also having a look at the regulatory frameworks that are currently in place to see whether or not they would be really what we need going forward if we are going to significantly increase the scale of operation of the community housing sector.

Senator LUDLAM—How many people work in that section?

Ms Winzar—I think there are five or six.

Senator LUDLAM—Is the charitable tax issue on the radar of that section?

Ms Winzar—Yes. I should have mentioned that, shouldn't I? Yes, they are involved in that, too.

Senator LUDLAM—Okay. Five to six people. So it is sector development, more or less. I know this is my third go at banging on about the charitable tax status stuff but, given that the proposals for round 2 of NRAS have closed, this is really starting to loom large now. Are the community housing organisations that you are dealing with starting to fall back? Is it starting to have a measurable impact, do you think, on the applications that they are putting up?

Ms Winzar—It did not for round 2, and we would not have expected it to because the current protection mechanism is in place with rounds 1 and 2. Clearly we will need to resolve it as soon as we can before we go forward to round 3.

Senator LUDLAM—But there is nothing you can tell us about the timing or any progress whatsoever in negotiations on that matter?

Ms Winzar—I do not think I can add anything to Mr Leeper's answer before.

Senator SIEWERT—Nice try!

Senator LUDLAM—I cannot ask that question in any other way.

CHAIR—There is no other wording.

Senator LUDLAM—I want to ask you briefly about the states' contributions. We will not talk about the territories yet, if there is nothing on the table. Have the states stepped up with matching or in-kind support for the incentives that the Commonwealth is offering? What can you tell us about that?

Ms Winzar—Yes, they certainly have. You will see in our portfolio budget statement that there is a line that talks about a special account under the NRAS heading, and that is the projection of the state and territory co-contributions to the NRAS.

Senator LUDLAM—I do not have that line in front of me, so can you just describe it within orders of magnitude. Are they stepping up to the \$2,000 minimum or—

Ms Winzar—Yes, indeed, at least the minimum.

Senator LUDLAM—Yes, I guess they have to. What I am asking is: to what degree have they gone the extra mile with additional or in-kind support?

Ms Winzar—We would have to take that on notice. I am sorry; I do not have that with me today.

Senator LUDLAM—Can you tell me what page that item is on?

Mr Leeper—Page 61.

Senator LUDLAM—Thank you. So a special account has been established for that. I do not know whether this sort of information is going to be in the public domain or not, but it would be good if you could tell us whether that is actually bearing up or not, because I know the sector was hoping that the states and territories would come up with much more than the \$2,000 cash or in-kind support.

Mr Leeper—There are certainly no requirements on the states to put forward extra. The requirement is that they match, as it were, the Commonwealth's \$6,000 with \$2,000 of their own, both of those indexed. As far as we are aware, they are doing that in all cases.

Senator LUDLAM—Yes.

Mr Leeper—It would be a major issue for us if they were not, but we are not aware of any problem.

Senator LUDLAM—You are not getting incentives out unless that matching contribution is there.

Mr Leeper—Absolutely; that is right.

Senator LUDLAM—Does anybody else want to ask about charitable tax status?

Senator PAYNE—I wanted to know if there is any progress as well, but the answer will be the same as it was for you.

Senator LUDLAM—I will leave it there, thank you.

Senator PAYNE—Can we go to the Housing Affordability Fund, please. When we were talking about the HAF in February, I think we were told that the successful HAF proposals had submitted business cases, they were in the process of being assessed and offers were due to be made in the months of March and April. Can you advise us whether offers have been made.

Ms Mills—Yes, offers have been made.

Senator PAYNE—Ms Mills, can you outline for the committee the assessment process—the scrutiny that the business cases are given—and can you tell us whether any proposals were rejected on the basis of a poor business case and what happened to those, if there were any.

Ms Mills—We did have a rigorous assessment process. There were guidelines that the department used to assess those applications. We also engaged KPMG to assist us with the financial viability assessments. The assessments were undertaken by staff from within the department. We did rule out two of the applications as a result of the additional information we got from the business cases. So 30 offers were actually made.

Senator PAYNE—The two that were ruled out on the basis of their business cases—

Ms Mills—One of those was because the project had already been completed, so we were not in a position to provide any kind of—

Senator PAYNE—They were after retrospective funding, were they?

Ms Mills—That is right.

Senator PAYNE—Interesting!

Mr Leeper—With the other one, most of its funding was sought for the 2010-11 financial year and our guidelines required that at least 30 per cent of the funding was scheduled to have work commencing in the 2008-09 financial year, so it just did not meet a profiling issue.

Senator PAYNE—Is there an appeal process built into the assessment process—that is, if you have been ruled out, you can complain or have your decision reviewed?

Ms Winzar—In short, no.

Senator PAYNE—Okay.

Dr Harmer—As for NRAS, we give the applicant the reasons and—

Senator PAYNE—And they can apply again?

Dr Harmer—once they have completed the construction, they can resubmit.

Senator PAYNE—So somebody who, to use the example Mr Leeper used, had applied for funding that was going to address work to take place in the next financial year, not adequately in the current financial year, can reapply, I assume?

Dr Harmer—Yes.

Ms Mills—In the next round.

Senator PAYNE—Thank you. Can you tell us how many funding agreements have been signed to date?

Ms Mills—Two.

Senator PAYNE—Out of 30 offers?

Ms Mills—Yes.

Senator PAYNE—Can you tell us what amount of actual Commonwealth funding has been delivered as payments to successful proposals, therefore?

Ms Winzar—Even though we have two signed agreements, I do not think we have actually made any payments in respect of those at this stage.

Senator PAYNE—So no expenditure yet?

Ms Winzar—Not at this stage, no.

Senator PAYNE—When would you expect to make payments for those agreements?

Ms Winzar—The advice I have received is that we are just waiting on the first milestone reports from the developers, from the applicants, and we will make those payments.

Senator PAYNE—When are they due?

Ms Winzar—They are due in June, so we are hoping to get the money out the door before the end of the financial year.

Senator PAYNE—When did the first round close?

Ms Winzar—October last year.

Senator PAYNE—October last year, and hopefully we will get payments for two out the door before 30 June?

Ms Winzar—That is correct.

Senator PAYNE—For the other 28 patient souls or organisations, when do we expect them to be progressed?

Ms Mills—We are in quite detailed negotiations with all of those other applicants and we are certainly hopeful that we will have more signed and funding against those out before the end of June.

Senator PAYNE—And funding out for those before the end of June?

Ms Mills—Yes.

Senator PAYNE—What proportion of the 28 would you hope that to be the case for?

Ms Winzar—We hope it to be the case for most, if not all. If they have their contract offers, that was done in early April. Since then, we have been having detailed discussions with them about some of the contract conditions and about any reprofiling that they may have done with their development projects between when applications closed last October and when they finalised their business cases in January-February.

Senator PAYNE—In this time frame, when do you expect we can start measuring savings and the success of the program in terms of its lowering of regulatory and infrastructure costs which are built into the purchase price of a new home, to quote the budget papers? When can we measure the success of that?

Mr Leeper—That will be on a project-by-project basis, depending on the nature of the infrastructure work that is being funded. In some cases it is land-lot servicing; in other cases it is forms of infrastructure. Those will vary from project to project. So to roll all that up across 30 offers would be quite a complicated piece of work. It is work we will do. We do not have it here at the moment.

Senator PAYNE—Can you provide me with further assistance on notice, do you think, Mr Leeper?

Mr Leeper—We are happy to consider the matter on notice if we may, yes.

Senator PAYNE—Thank you. In fact, you have taken me to a question about a specific development which is of interest to my constituents in Western Sydney in particular. At the last estimates you took on notice a question in relation to the Landcom development at Edmondson Park and, in the answer to question 392, indicated that that funding would be used to rebate infrastructure charges such as sewer trunk mains, water mains and stormwater, with savings from these rebates being passed on to the end purchaser. Landcom is a New South Wales government entity, isn't it, effectively?

Mr Leeper—I understand it is, yes.

Senator PAYNE—My reading of that opportunity, if I might put it like that, for Landcom under the Housing Affordability Fund gives it a significant competitive advantage over other developers that need to pay charges and levies to Sydney Water or to Liverpool Council. Is there any proposal to address the disparity between what is being given to a government entity in the state of New South Wales and the requirements placed on private developers?

Mr Leeper—The projects which are proposed to be funded under the Housing Affordability Fund reflect a range of backing and promotional arrangements from private development companies through government development agencies, councils and departments of governments to organisations representing things such as the Council of

Mayors. There is quite a wide variation between government departments themselves, government land development corporations, private development arrangements and councils.

Senator PAYNE—I understand that, Mr Leeper. I watch developers in Western Sydney particularly, which is an area of significant growth and simultaneous challenge, as you know, in terms of infrastructure support and the capacity of developers—councils themselves—to get land into the market to address the supply issues which the Housing Affordability Fund was meant to deal with, and when I see a government entity having an opportunity under the Housing Affordability Fund that puts it on a slightly higher plane than private developers trying to meet the same challenges, I am intrigued by that—not that you are probably interested in what intrigues me and what does not, but it does make it an interesting competitive environment. It is certainly not a level playing field.

Mr Leeper—The outcome that we are seeking is to deliver reform in housing development and land approval processes and to deliver end price benefits to home purchasers. I think we have made it clear; and the minister made it clear that she was interested in that competitive process and any developer could have put forward a proposal. As I have indicated, they come from public and private sources, from public corporations and from councils. We were not directive about the source of the proposals. We assessed them on their competitive merits according to a list of criteria that we developed and these are the ones that have come through that process.

Senator PAYNE—I appreciate that and I appreciate the information, but if you are looking at trying to encourage developers, in this case, to bring on the available developments that they have and to put them in a position where they are better able to take advantage of the opportunities, then providing government with this level of support seems to me to be a peculiar way to go about it.

Dr Harmer—As Mr Leeper has said, the objective is to reduce the overall costs in development and make systemic changes. That is the key objective. We have not tried to have a secondary objective about the particular mix of developers or whatever.

Senator PAYNE—I understand that, Dr Harmer. I do not expect anyone to comment on this, but I think it speaks volumes about the state of the New South Wales government. Let me go on to what is next in terms of the HAF. Is there a second round envisaged and what would be a possible start date for that if that is the case?

Ms Mills—Yes, a second round is planned. We had previously indicated that would be around the middle of the year and we are still hoping that, as soon as we are able to complete all the negotiations with this current round, we will be in a position to advertise the next round and do a series of information sessions to alert people to that new round being available.

Senator PAYNE—Is that this month, Ms Mills, or next month?

Ms Mills—Probably it would be into July.

Senator PAYNE—So advertising for expressions of interest in July?

Ms Mills—Yes.

Senator PAYNE—Can I take you to the budget statement which says that the Housing Affordability Fund, which is a component of the housing assistance and homelessness

prevention program within outcome 2, is currently under review. What exactly is under review?

Ms Winzar—What is under review is where it sits in the portfolio budget statement.

Senator PAYNE—Where are you planning to move it to?

Ms Winzar—If that were certain, we might have moved it already. It is a question about whether or not something of the nature of the Housing Affordability Fund sits naturally with our other activities around homelessness per se or whether perhaps it belongs elsewhere in the outcome set of activity.

Dr Harmer—This is about where we deal with it in the statements.

Senator PAYNE—Whether it is in 2.1 or 2.2?

Dr Harmer—Yes.

Senator PAYNE—But you were not in a position to finalise that review process before the publication of the budget documents, I assume?

Ms Winzar—That is correct.

Senator PAYNE—Madam Chair, does anyone else have questions for the Housing Affordability Fund? I would like to go over some of the strategies I have here.

Senator ADAMS—I would like to ask some questions about the public housing, specifically in WA. Have I got the right person for that?

Mr Leeper—The Commonwealth does not deliver public housing. We are happy to hear the question.

Senator ADAMS—These would be under the same program. What is the amount provided from the 2008-09 and 2009-10 budgets to Western Australian construction of affordable housing?

Mr Leeper—Those would be covered under the National Building and Jobs program. Could we cover those there? The officers here at the present time can assist the committee on the Housing Affordability Fund and NRAS. I am happy to discuss that, but I need to swap people over, that is all. I thought we were still on the Housing Affordability Fund.

CHAIR—Senator Adams, do you have any questions for the Housing Affordability Fund?

Senator ADAMS—No, my questions are specifically on Western Australia.

Mr Leeper—We have those figures, but the officers are not at the table at the present time.

Senator PAYNE—I want to go to some of the homelessness questions.

Senator ADAMS—Could I just get clarification. The issue that I am following on Western Australia is the guidelines and the types and quality of houses and also the fact that the tenders do not appear to be the same—apples for apples. There has been a problem over there with companies that did not actually make the grade. I want to see if there have been any recent additions to the guidelines. Where does that come?

Mr Leeper—That would be under the Nation Building and Jobs program, which would be somewhere here. It is really a question of where it suits the committee to do that, Chair.

CHAIR—Senator Adams, it might well be easier to get your bunch of WA questions done. Mr Leeper, can we get the appropriate officer for that range of questions? Good morning, Mr Jagers. This is your area.

Mr Jagers—Yes.

CHAIR—Thank you. Senator Adams, do you want to go through your questions now?

Senator ADAMS—Thank you. Firstly, I was after the amount from the 2008-09 and 2009-10 budgets to Western Australia for construction of these houses.

Mr Jagers—For Western Australia, there are two stages in the construction part of the program: \$70,044,000 has been allocated to Western Australia for the first stage of construction. That is on the basis of proposals that were received by the Commonwealth. They were assessed and decisions made on houses to be built. In relation to the second stage of construction, decisions have not been made yet but the indicative allocation for Western Australia is \$538,072,000. I can give you the repairs and maintenance figure also, if you would like: \$40,488,000 has been allocated to Western Australia on the basis of the repair and maintenance work that they are doing, which gives you a total funding for Western Australia of \$648,604,000.

Senator ADAMS—Thank you very much. What guidelines are agreed as to the size and quality of the houses to be constructed with these funds?

Mr Jagers—We have issued guidelines, which are on the FaHCSIA website, which outline the types of proposals we are looking for. We have not specified an exact size of dwelling or an exact cost for each dwelling, so we are after proposals from each state and territory—as we were in stage 1; we are in stage 2 also—that meet the needs within that state, particularly focusing on the key outcome, which was to house homeless people. For instance, in the first stage I think the average size was just over two bedrooms—about 2.4 bedrooms. In Western Australia there were a range of houses approved, from one-bedroom units to four-bedroom houses. Those are targeted towards the particular needs in Western Australia, so the Western Australian government provided those proposals to us and we did the assessment.

Senator ADAMS—I refer to an article in the *West Australian* on Saturday, 23 May 2009, which I will table. The headline is ‘State houses cost more as list blows out’. Their criticism was of new state owned houses boasting home theatres, walk-in wardrobes, al fresco dining areas and en suite bathrooms and saying that some of these plans had been accepted against other tenderers that have had three bedrooms, one bathroom and a smaller house. Just as to value for money, and remembering we are looking at trying to house homeless people, the criticism is: how did these four-bedroom, two-bathroom, home theatre et cetera homes come to be approved to be built in comparison to another tender that was three bedrooms, one bathroom and obviously not nearly as lavish a home but certainly met the requirement to be able to house more families? That is the basis of my questions.

Mr Jagers—Obviously, we are not completely across every house that the Western Australian government is constructing, but certainly under the funding that the Commonwealth is providing I have not seen any that have a home theatre. There are dwellings of a larger size. Western Australia, for instance, had one house approved that had five bedrooms, on the basis that it was designed for a particularly large family in a particular

area. Most of the housing is of a smaller nature, around the two-bedroom mark, with quite a number of one-bedroom units, but there is a range, which reflects the diversity of the types of people we are seeking to house through the package.

Mr Leeper—The data we have for round 1 approved construction projects is that in Western Australia, with a total spend of \$70 million on construction, we are getting 286 dwellings at an average price of \$245,000 per dwelling with an average of 2.9 bedrooms. If the committee wishes us to, we can look at the list of things. I would be very surprised if we had approved anything with a home theatre in it. I might point out that at the same time the Western Australian government has been embarking on its own capital spending program. It may well be—I am speculating—that it has arisen out of that, if in fact the story is true. But there are 286 dwellings that we have approved under stage 1 and I am very happy to ask Mr Jagers' people to review that list. I am fairly confident there would not be a home theatre on it.

Senator ADAMS—I hope you are right. I am quoting from the newspaper article:

Housing and Works Minister Troy Buswell said yesterday the builders chosen for the first 90 homes in the public housing project would deliver better value for money.

So the argument once again is with the larger four-bedroom home versus the smaller three-bedroom home. This constituent is the person that tendered for the three-bedroom, one-bathroom homes and has missed out. That then comes to another question regarding any recent addition to the guidelines that have been made to the WA agreement in terms of the union status of the tenderers. So we do have a problem in Western Australia as to how these tenders were managed.

Mr Jagers—Applications or proposals that are received from all jurisdictions will be assessed. We are about to receive the second-stage construction proposals from all jurisdictions. They will be assessed against a number of criteria and one of those is about increasing the underlying social housing stock. Part of that assessment involves a value-for-money assessment of proposals that are received. We have engaged a building consultant who has been assisting us in developing an appropriate value-for-money assessment tool. We are also in discussions with a quantity surveyor who will come on board with us to help with the assessment of the second-stage proposals that come in. So value for money is one of the key considerations in the assessment of the proposals that come in.

Senator ADAMS—Under the agreement, does the state authority call for the tenders?

Mr Jagers—That is correct. The state and territory governments are responsible for calling for the tenders and managing those tender processes.

Senator ADAMS—Then they put recommendations through to you?

Mr Jagers—They are putting recommendations but we are requiring to see all proposals that were suitable or compliant with their process so that we will see not just what they are recommending but also the proposals that were compliant that they are not recommending. We have a basis to look across the board at what was received in Western Australia under the second stage and then assure ourselves that they are recommending the best proposals on a value-for-money basis as well as against the other criteria we have established.

Senator ADAMS—So the tenderers that missed out in the first stage can come back for the second stage?

Mr Jaggers—There are different procurement processes in every jurisdiction. In Western Australia they had, as I understand it, a single, open tender process that is still running. Proposals have been lodged with the Western Australian government. They have been assessing those and will be making a recommendation for stage 2, but they had a fairly open process that will continue even beyond 30 June. The difference in Western Australia is that they, as Mr Leeper said, have an existing program running at the same time, so they will keep that process running to secure stock for their own program.

Senator ADAMS—Would you just go through and make sure that in those four-bedroom, two-bathroom homes, we do not have a home theatre and all the issues that I discussed?

Mr Jaggers—Yes. It would be surprising to see that, but we will ensure that that is the case.

Dr Harmer—As Mr Jaggers has said, Western Australia are running their own program. It may be part of one of their separate programs, not part of ours.

Senator ADAMS—Really, I am trying to find out if the issues seem to be defeating the purpose of us trying to house as many homeless people as possible, and whether the smaller units are better than the larger ones, despite the fact that you are talking about specifics for certain families.

Dr Harmer—We are very focused in our analysis on value for money.

Senator ADAMS—Of course. Thank you. Thanks, Chair.

CHAIR—Mr Jaggers, are you the person for homelessness?

Mr Jaggers—No, I am not.

CHAIR—We will not move there yet.

Senator PAYNE—I would like to stay in social housing.

CHAIR—Apparently we are staying in social housing.

Senator PAYNE—It is probably easier. Are you all right with that, Scott?

CHAIR—Who wants to kick off?

Senator PAYNE—I will kick off and see how we go. Thanks very much, Mr Jaggers and Dr Harmer. I have some time frame questions, because there have been a few key dates go past since the last estimates. As I understand it, the states and territories were required to inform the Commonwealth of their proposals by 15 February this year. Did any state or territory government fail to provide the details within that time frame?

Mr Jaggers—There are a couple of key dates. The repairs and maintenance proposals were due with the Commonwealth by 15 February and all jurisdictions made their proposals before that date.

Senator PAYNE—For repairs and maintenance, yes.

Mr Jaggers—For repairs and maintenance.

Senator PAYNE—So they all did?

Mr Jagers—They all did—some on 12 February and some on 13 February.

Senator PAYNE—Yes.

Mr Jagers—For the first stage of construction, the deadline for proposals was 15 March, and all state and territories provided their proposals before 15 March.

Senator PAYNE—Thank you for pre-empting that question, Mr Jagers. The Commonwealth, I think, was in turn issuing its approvals in the repair and maintenance element by 1 March. Is that right?

Mr Jagers—That is correct.

Senator PAYNE—Can you advise the committee what date the Commonwealth issued approvals to each state and territory government?

Mr Jagers—Yes. The Minister for Housing approved all jurisdictions, with the exception of Queensland, on 24 February. In respect of Queensland, the approval was on 26 February.

Senator PAYNE—Why are they special, aside from the screamingly obvious—that is, that they are going to, with all respect, lose the State of Origin on Wednesday night! I have to say that.

CHAIR—There is a general point of order there, Senator Payne, because the chair is a Queenslander.

Senator PAYNE—Sorry. Ignore them and me.

CHAIR—Is there any issue about the change of date there?

Mr Jagers—With all of the jurisdictions, after we received the data, we had a number of questions and follow-up issues and with Queensland we had not quite settled those by the 24th. So the other decisions were made and we did get revised data before the date and had questions answered as needed, and the decisions were able to be made before the 1 March deadline.

Senator PAYNE—So that was done on the 26th?

Mr Jagers—That is correct.

Senator PAYNE—Flowing from that, on what dates was funding provided to each of the state and territory governments?

Mr Jagers—The funding was provided from Treasury to Treasury and the first payments were made, as I understand it, on 7 March. Sorry, I think it was 9 March. Generally, payments are to be made on the 7th, but in the first case it was 9 March.

Senator PAYNE—Is there a payment schedule for each of the state and territory governments in regard to the repair and maintenance part of the NPA?

Mr Jagers—There is a payment schedule.

Senator PAYNE—Can you tell us what the amount of funding was that was provided to each state and territory government?

Mr Jagers—Yes, I can.

Senator PAYNE—Do you need to break that down into new construction and repair and maintenance?

Mr Jaggers—Yes, I can do that if you would like.

Senator PAYNE—Thank you. Yes, please.

Mr Jaggers—Are you just interested in the March payments?

Senator PAYNE—Yes.

Mr Jaggers—Or all of them?

Senator PAYNE—At this stage, yes.

Mr Jaggers—Okay.

Senator PAYNE—Then we will go to the total.

Mr Jaggers—Certainly. No stage 1 funding was provided until the April payments, but for repairs and maintenance New South Wales received \$16.3 million; Queensland \$10,012,000; Western Australia \$5,061,000; Victoria \$12,400,000; Northern Territory \$515,000; South Australia \$3.8 million; Tasmania \$1,170,000; the ACT \$806,000. A total of \$50,064,000 was transferred to state and territories in that first month.

Senator PAYNE—That is repairs and maintenance?

Mr Jaggers—That is repairs and maintenance.

Senator PAYNE—How many more payments have been made since then?

Mr Jaggers—Payments were also made on 7 April and 7 May.

Senator PAYNE—When is the next payment due?

Mr Jaggers—It is due on 7 June.

Senator PAYNE—Can you provide us with the progressive payment amounts and the totals as at 7 June on notice.

Mr Jaggers—Yes, I can.

Senator PAYNE—Thank you.

Mr Jaggers—I can say that we do expect that the full \$260 million allocated for this year will have been transferred on 7 June, but we will provide you with the exact transfer once it happens on notice.

Senator PAYNE—So the full \$260 million by the 7th of this month?

Mr Jaggers—Correct.

Senator PAYNE—In terms of work completed under repairs and maintenance, looking at the information on the website, there is an indication of work being completed on more than 1,300 dwellings.

Mr Jaggers—That is right. That is the figure on the website.

Senator PAYNE—Yes.

Mr Jaggers—Since that date, as I think Mr Leeper mentioned before, we are receiving monthly reports from state and territories on progress and we have just received the end of April reports from state and territory governments, so those figures have substantially been updated. They have not made it to the website yet, but I can give you those if you would like.

Senator PAYNE—Yes, please.

Mr Jaggers—At 30 April there were 9,073 repair and maintenance projects or dwellings completed nationally. There was also repair work to the common areas of a further 3,605 units.

Senator PAYNE—Mr Jaggers, can you tell us what sort of work is being done? What is the nature of the repairs and maintenance, broadly speaking? I understand we are talking about 12,000 jobs there, but just in broad terms.

Mr Jaggers—Yes. There is quite an array of work being conducted at the moment from quite major repair works, where a house that is vacant would be having a full kitchen refurbishment, a full laundry refurbishment, all floorings replaced, as well as in many cases roofs and even asbestos being removed, to some smaller repairs which have been outstanding for some time that have been completed on dwellings—for instance, the house being painted on the inside and out or new appliances in a kitchen. There is quite a variety. When I mentioned 9,000 repairs being completed, some of those would have been at the smaller scale end and some at the larger scale, which are quite substantive.

Senator PAYNE—What was the prerequisite for funding to be allocated to repairs and maintenance? Wasn't it that the existing housing was unsuitable for occupation?

Mr Jaggers—The states and territories were to identify houses that were in need of repairs and the key target was homes that were vacant or would become vacant without the repair work being completed so that they might be lost to the social housing stock. Within this repair and maintenance schedule there are just over 10,000 homes that are being repaired that are in that category of either vacant or would become vacant without the repair work.

Senator PAYNE—Vacant because the kitchen had not been refurbished or because there was an asbestos issue or because it had not been painted, along the range of those issues that you cited before?

Mr Jaggers—They could have been vacant, yes, because they had a leaking roof and the repair work may not have been extensive to get that completed, or they could be vacant because they needed quite significant refurbishments or complete refurbishments.

Senator PAYNE—Of the 9,073 dwellings that you referred to as of 30 April, can you give us a state-by-state breakdown of where the repairs and maintenance had to be done?

Mr Jaggers—Yes, I can. This is completed work, but I will give you the figures. The ACT had 79. New South Wales had 6,676. The Northern Territory had 12, but I do not have an April figure for the Northern Territory. I have only got March here.

Senator PAYNE—That obviously does not include Indigenous housing, does it—or does it?

Mr Jagers—It can do. It can include housing that a state is managing in Indigenous communities or in remote locations.

Senator PAYNE—Of the 12 in the Northern Territory, can you come back to us on notice with a division between whether it was Indigenous housing or otherwise?

Mr Jagers—Yes, I can.

Mr Leeper—It is unlikely to be housing which is being addressed under the remote Indigenous housing program. It is more likely to be mainstream housing for this package.

Senator PAYNE—I would just like clarity around that—

Mr Leeper—We tried to keep that boundary pretty thin.

Senator PAYNE—because it is quite hard to follow where the houses in the Northern Territory actually fit, occasionally.

Mr Leeper—Yes.

Mr Jagers—There have been 1,936 dwellings completed in Queensland, and an additional 3,605 where there was work done to common areas of dwellings.

Senator PAYNE—Yes.

Mr Jagers—But we have not included that in the total for individual dwellings.

Senator PAYNE—Anything from Victoria? Are you not up to there yet?

Mr Jagers—No. I am not up to there yet.

Senator PAYNE—Sorry.

Mr Jagers—That is fine. In South Australia, no work had been finalised, but they do have 85 dwellings that, at the end of April, were under construction or under repair and maintenance work. South Australia, of course, is one of those jurisdictions where all the work is quite substantive, and the average cost in South Australia is higher than in some of the other jurisdictions. They have got quite substantive works being undertaken. Tasmania had completed seven dwellings. They, at the end of April, had 68 dwellings under repair work and, I am told, now have about 90. Obviously, where those figures have been low, we have been following up with jurisdictions to find out exactly what is happening and where they are up to. In Victoria they have completed 361 repair and maintenance dwellings. They did have another 931 which were in active repair work at the end of April. In Western Australia there were two repairs completed, but they also had 43 under active work.

Senator PAYNE—As at the end of April they had 43?

Mr Jagers—Yes.

Senator PAYNE—So New South Wales was 6,676?

Mr Jagers—Yes.

Senator PAYNE—Are you able to give the committee a dollar breakdown—not necessarily now; if you cannot, on notice is fine—for each of those as well?

Mr Jagers—Sorry, each of?

Senator PAYNE—The 79 in the ACT, the 12 in the Northern Territory, the 6,676 in New South Wales, the two in Western Australia, moving to 43: the dollar value of the total of those jobs.

Mr Jagers—We do have that, but it would be quite extensive to give the 9,000.

Senator PAYNE—On notice is fine. Thanks, Mr Jagers.

Mr Jagers—Yes.

Senator PAYNE—The money that the Commonwealth provides to the states and territories under the previous Commonwealth, state and territory agreements on housing—and now under the NAHA—in terms of public housing, what is that supposed to be spent on?

Mr Leeper—I am sorry, I missed the question.

Senator PAYNE—The money that the Commonwealth has provided, for as long as this process has been under way—so under the previous agreement and now under the NAHA—to the states and territories for public housing, what is it supposed to be spent on, from the Commonwealth's perspective?

Mr Leeper—Under the National Affordable Housing Agreement the states would need to determine how best to spend that money to produce the outcomes which are asked for in the agreement.

Senator PAYNE—So it is okay with us if they do not spend money on public housing to the extent that houses in New South Wales—6,676 of them—need repairs and maintenance to be habitable?

Mr Leeper—The repairs and maintenance part of the stimulus plan reflects that there has been a backlog in the states with repairs and maintenance activity which the Commonwealth chose to fund as part of a stimulus response.

Senator PAYNE—Outrageous.

Mr Leeper—The states would have already, as part of their own operating budgets—of which the National Affordable Housing Agreement is a contributory part—capital, management and repairs and maintenance elements. What the repairs and maintenance program does is supplement that effort, but is not intended to replace it.

Mr Jagers—If I might provide some further clarity around that New South Wales figure: there were 6,676 dwellings with repair work completed, but of those, 71 were either vacant or would have become vacant without that work.

Senator PAYNE—So how did the other 6,605 meet the prerequisites for funding under the program?

Mr Jagers—The repair work that was prioritised through the approval process was bringing back into the housing stock dwellings that were vacant or would become vacant, but certainly through this funding we were able to achieve repairs and maintenance to many more houses to improve the amenity for those public housing tenants.

Senator PAYNE—It is very good of you to help out the New South Wales government to such a significant extent; 6,605 buildings, as I understand your numbers, Mr Jagers.

Mr Leeper—The response in New South Wales has been better than we had expected. Nationally, we had hoped to keep within the housing stock, from memory, 2,600 dwellings as a result of the repairs and maintenance spend. As a result of the responses we have had from New South Wales in particular, the national figure of units of housing kept within the system that were either vacant or would have been lost to housing in the next two years, is actually now over 10,000. So for \$400 million we are keeping 10,000 units of public housing alive, and the majority of those are being provided by New South Wales.

Senator PAYNE—Provided by New South Wales because of the Commonwealth's contribution, not because of their own capacity to provide it, but I do not expect you to comment on that, Mr Leeper. While we are talking about repairs and maintenance, can we talk about demolition as well? As I understand it, as part of the process of the development of the new social housing units, there is the requirement to demolish a number of existing dwellings. Can you tell us how many will be demolished across Australia as part of the construction program?

Mr Jaggers—Those costs would not have been incurred under the repairs and maintenance element, but—

Senator PAYNE—You would hope not.

Mr Jaggers—may have been under the new construction element. When we are assessing proposals, we are ensuring that state and territories are increasing the social housing stock by the full amount that the Commonwealth is providing. For instance, in New South Wales they are knocking down a number of older houses—

Senator PAYNE—How many?

Mr Jaggers—I do not have a figure.

Senator PAYNE—Can you obtain that, please?

Mr Jaggers—It is not something that we have asked to date. I do not have that figure.

Senator PAYNE—Isn't it relevant to know, if you want to maintain the levels of social housing stock available, how many houses are being demolished for the purposes of reconstruction?

Dr Harmer—That is a matter really for the states. As Mr Leeper said, under the new agreement we are looking at outcomes and improving the affordability of housing et cetera. We do not require them to specify to us the particular composition—which houses they knock down. We are interested in the overall number and how many they construct.

Senator PAYNE—But you must, Dr Harmer. You are requiring them to account for money they want for repairs and maintenance versus money they want for new construction. You must be requiring them to account for how they are going to do that, and whether they are going to demolish existing units of public housing to construct new units of public housing, one assumes in the same location.

Dr Harmer—If they are planning to demolish to bid for this money, we would, certainly.

Senator PAYNE—Aren't we talking about the new construction money, as well, under this policy?

Mr Jagers—I guess there are a couple of issues with the question. In terms of maintaining the social housing stock, I guess the overarching framework that has been established here is that heads of Treasury will be reporting on state and territory governments' maintenance of effort—state and territories are required to maintain their effort.

Senator PAYNE—Or lack of.

Mr Jagers—In relation to social housing, state treasuries have to provide the forecast of their expenditure under the plan—so, forward expenditure. They also have to provide information on housing, including the movement of stock by numbers of social housing, broken down into sales and purchases on construction over the previous four years, as well as the target stock by number of social housing over the next four years, including any planned sales of stock of social housing, and they have to provide a narrative explaining the rationale behind the estimates of the planned expenditure.

Senator PAYNE—So in the construction narrative, as you put it, or rationale—I am not sure which word you just used there, Mr Jagers—

Mr Jagers—I used both.

Senator PAYNE—You used both. There we go. In the construction narrative, doesn't the narrative include the tiny detail that they are demolishing units of social housing to construct new units of social housing with the Commonwealth's money?

Mr Jagers—That is what we are expecting the narrative will describe. I guess where the projections of housing stock within a jurisdiction are mapped over the next four years, and proposed targets for stock are also outlined, and where there is a difference, there will be an explanation.

Senator PAYNE—So you will be able to tell me how many houses have been demolished to construct new ones. Is that right?

Mr Jagers—I just do not have those figures now, Senator.

Senator PAYNE—No, I understand that.

Mr Jagers—I think eventually that will be something we will have. As I mentioned, in New South Wales, where they are knocking down some social housing sites to build others under our plan, they are also using their own money to construct the social housing in other locations so that the net stock increases and they do not lose the numbers they are knocking down. We are adding the full number that we are funding under the package.

Senator PAYNE—It will not surprise you to know, Mr Jagers, that I am interested to know what state governments—all of them—and territory governments are knocking down because they have let them degenerate to such a point that they require demolition, one imagines. They are then using the Commonwealth's money to reconstruct buildings on those same sites, one imagines. I am interested to know how the Commonwealth's money is being spent in that regard, and I do not understand an agreement environment where the Commonwealth does not also require that information as a matter of course, to be frank.

Dr Harmer—One of the things about the new agreement, and one of the principles operating in public housing, is that many of the states have created, over many years, large

tracts of public housing dwellings—concentrations of public housing stock—and many of the states have looked at some of the social implications of having huge concentrations of public housing and are looking at ways to break down the concentrations and to partner with developers to redevelop sites where there is a mixture, in the same way that we are looking at NRAS to be a mixture of private and public housing as a way of breaking down some of the concentrations of social disadvantage.

Many of the states are doing this. They are not necessarily knocking them down and replacing them. In fact, we would not allow them to. We encourage them to redesign concentrations, to partner with private developers, to break down some of those big estates and to relocate the housing in areas where there is less concentration. It is quite a significant initiative and the Commonwealth supports that general breakdown of the big estates, because of the social consequences of it.

Senator PAYNE—Dr Harmer, I understand that and I appreciate the sentiment and the policy intention that you have just enunciated quite well. It will not be the first time I have told this committee that I work across Western Sydney. Western Sydney is a very good example of a part of Australia where very significant public housing developments were put in place that went very badly wrong. The New South Wales government has addressed those in a number of ways, and I am not here to comment on that. I am here, though, to ask questions about the expenditure of the Commonwealth's money.

It seems to me, from the explanations that I have received so far—and I am grateful for Mr Jagers' explanations—that it does not give me any confidence in what the states are delivering back to you in terms of detail. I would be interested to know, for example, whether the Commonwealth was already aware that the houses which were marked for destruction would have been lost before the stimulus package was announced and how we have come to a point where the dire state of public housing is such that it takes almost a global financial crisis to get the houses repaired.

Dr Harmer—One of the factors which has led to the situation where states have perhaps underinvested in maintenance is that the real funding for public housing over the last 10 or 15 years has declined very substantially and there has not been any injection of new money—certainly no real growth—in public housing for many years, until very recently. The states have been in a situation where they have been managing a decline in real terms in allocation from the Commonwealth and at the same time facing increasing numbers of people on their waiting lists and they have had to manage that. We could debate about where they have allocated their resources.

Senator PAYNE—We could.

Dr Harmer—Maintenance versus construction.

Senator PAYNE—Joe Tripodi might have an interesting view on the allocation of resources in New South Wales, but go on, Dr Harmer.

Senator FIFIELD—It is just not clear which infrastructure in New South Wales has had any money put to it.

Senator PAYNE—Anyway, sorry, Dr Harmer, you go on.

Dr Harmer—That was the point I was making. I was just explaining how we could have got to this situation.

Senator PAYNE—I had some more questions about repairs and maintenance.

Senator McLucas—Senator Payne, just to assist the committee, it might be useful to recognise that in 2006-07 the allocation from the Commonwealth was \$1.4 billion. In 2009-10 the allocation is \$6.6 billion.

Senator PAYNE—And it is very important to know where that is being spent, Senator.

Senator McLucas—I agree, absolutely.

Senator PAYNE—So I agree with your enunciation of the amount.

Senator McLucas—I think the point that Dr Harmer—

Senator PAYNE—I understand Dr Harmer's point.

Senator McLucas—It is relevant.

Senator PAYNE—I do understand Dr Harmer's point. Can I go back to those social housing units which are subject to demolition. Can you advise whether the tenants have to be relocated and, if they are relocated, whether there is any Commonwealth funding contributing to that.

Mr Jagers—We are not paying for the relocation of tenants through the package.

Senator PAYNE—Do you have any details in relation to the relocation programs that you can provide the committee with, Mr Jagers?

Mr Jagers—I understand in New South Wales, in the case in point, that where they are, for instance, demolishing two houses or units, they are at the same time purchasing two additional houses or units that they are relocating tenants to, on the basis that those sites will then be sites used for the economic stimulus plan social housing sites.

Senator PAYNE—So they are purchasing existing dwellings which will be converted to public housing stock as part of the program?

Mr Jagers—I am not sure whether they are existing or they are new dwellings, but certainly their housing coordinator has confirmed with us that they are purchasing stock to house the tenants that are being relocated.

Senator PAYNE—But you do not know whether it is existing or to be constructed?

Mr Jagers—I do not know whether it is existing stock or to be constructed.

Senator PAYNE—Is that information you can obtain for the committee?

Mr Jagers—I am sure the New South Wales officials would help.

Senator PAYNE—Thank you. Do you know who is managing the purchasing of existing dwellings for housing in New South Wales?

Mr Jagers—I do not, no.

Senator PAYNE—Mr Leeper?

Mr Leeper—That is a matter for the New South Wales government.

Senator PAYNE—If there were a property company engaged in that process and they were providing services to a state or territory government—it does not really matter where it is—to do that in relation to the purchase of existing dwellings for the state government under this package, would those services be paid for from funds that are provided to the state government under the stimulus package, possibly?

Mr Jagers—I would not expect so.

Senator PAYNE—Could you check for me?

Mr Jagers—Yes. We certainly have not been asked to meet those sorts of costs at all, so it definitely has not been approved.

Mr Leeper—We would be very unlikely to agree to that because the intent of the package is to stimulate construction activity.

Senator PAYNE—I am aware of that. Could we talk further about the new construction side of the package. I think you said to me that the state and territory governments all had their proposals for funding in on time.

Mr Leeper—Round 1 construction, yes.

Senator PAYNE—And then the requirement in turn was for the Commonwealth to go back to the states and territories with stage 1 approvals by 1 April. Can you tell us on what dates the Commonwealth did inform the state and territory governments of their approvals?

Mr Jagers—Yes. For New South Wales the decision date was 26 March; Victoria was 31 March; Western Australia and South Australia were 31 March, as was the Northern Territory; Tasmania and the ACT were 26 March. In respect of Queensland, there were two decision dates. One was 31 March and the other was 9 April.

Senator PAYNE—So they are still special?

CHAIR—Always, Senator.

Senator PAYNE—Just checking! No change there. Is the funding schedule similar to the funding schedule for the repairs and maintenance funding? What dates was funding provided?

Mr Jagers—Yes, those payments are made together.

Mr Leeper—So, back to those figures.

Senator PAYNE—So repairs and maintenance and new construction are made together?

Mr Leeper—Yes. And the \$260 million figure that Mr Jagers mentioned a little while ago is the combined maintenance and stage 1 figure.

Senator PAYNE—So just splitting that \$260 million total, Mr Leeper, how much of it is repairs and maintenance and how much of it is new construction?

Mr Leeper—It is \$200 million for repairs and maintenance in 2008-09 and another \$200 million in 2009-10. It is \$60 million in 2008-09 for construction stage 1 and \$632 million in 2009-10.

Senator PAYNE—Thank you. Can you tell us at this point, as at 1 June, how many new homes have commenced construction?

Mr Jagers—I can give you figures from 30 April, which was the monthly report that we have last received from states and territories. Construction has commenced on 260 homes. We are defining ‘construction commenced’ as having a site layout completed.

Senator PAYNE—Site layout?

Mr Jagers—Yes, which means work actually on the site to lay out, and usually the next milestone is to—

Senator PAYNE—That is pegs and string, you mean, basically?

Mr Jagers—It is indeed, yes.

Senator BOYCE—There are no footings and things like that.

Mr Jagers—That is correct, yes.

Senator PAYNE—So 260. When is the next update due?

Mr Jagers—The next update will be for the end of May figures, and that will be due on 23 June.

Mr Leeper—There is at least one completed, which was subject to some media activity last weekend. That is in Sydney.

Senator PAYNE—I think that involved hard hats, Mr Leeper.

Mr Leeper—I was not there. I cannot comment.

Senator PAYNE—You did not need to be there. We all got to see.

Mr Leeper—But the house is finished.

Senator PAYNE—That is a good thing.

Mr Leeper—I do not think hard hats would have been required.

Senator PAYNE—I hope it was finished. I would hate it to have been just a visit for the sake of it.

Senator BOYCE—It would not have just been a media stunt, Senator Payne.

Senator PAYNE—No, I am sure it was finished. I have got a copy here of a press release that the minister issued with her state colleague, the New South Wales Minister for Housing, on 5 May in which there was an announcement that 2,100 jobs had been secured as a consequence of ‘the massive new investment in housing’, and I understand that is a breakdown of—

Senator BOYCE—That is a lot of string.

Senator PAYNE—It is a lot of string, yes—418 jobs as part of stage 1 construction and 1,714 jobs from maintenance work. Then on 14 May the state minister said that, as a result of the state and federal investment—he said ‘maintenance investment’—there were 4,148 jobs secured. Does the Commonwealth have a grasp of the exact figures in this area?

Mr Jagers—Treasury are responsible for providing estimates around employment. The department does not make those estimates.

Senator PAYNE—How does it get into the housing minister's press release? You have nothing to do with it?

Mr Jagers—We have not provided any estimates of employment.

Senator PAYNE—Where do you think the minister got them?

Dr Harmer—From Treasury, presumably.

Senator PAYNE—She does not use you to do that, Dr Harmer.

Dr Harmer—I stand to be corrected, but ministers frequently ask us to provide them with information which requires us to deal with other departments. That would not be unusual.

Mr Leeper—I have got the 5 May media release in front of me and, from reading it, I would say that the information in that release has been sourced from the New South Wales housing department, because it is clearly attributed to the New South Wales housing minister and not to the federal housing minister.

Senator PAYNE—Yes, but the minister would be very careful to ensure that the minister's name was being put to accurate information, I am sure.

Dr Harmer—Indeed.

Senator PAYNE—So can you please, on notice, clarify for me whether the figure of 2,100 jobs referred to in the statement of 5 May is correct? I do not expect you to check whether Mr Borger's figure of 14 May of 4,148 jobs is correct, but if the 2,100 jobs line is, then I am sure the other one is not.

Dr Harmer—Given what has been said about his responsibility, we will check with Treasury and answer that question on notice.

Senator PAYNE—I am only asking the question, Dr Harmer, because it is under the letterhead of your minister.

Dr Harmer—Sure. Indeed.

Senator PAYNE—Have the proposals which were approved under the stage 1 new construction met the key requirements for funding? Is your department satisfied that they are going to increase the allocation of housing available to people with highest needs who are on the public housing waiting lists, which I think you referred to yourself in passing earlier? Will they support the transition of people who find themselves homeless or at risk of homelessness getting long-term accommodation? I know there is also a criteria around design principles that facilitate better access for people with disabilities and older people and, as Senator Ludlam has asked about before, there are also requirements around environmentally sustainable construction.

Mr Jagers—With the first stage—this was bringing forward planned construction within the states and territories—we assessed the proposals against the key requirements in the Nation Building and Jobs Plan national partnership agreement, and we are satisfied that the proposals did meet those key requirements.

Senator PAYNE—Can you tell me, in relation to better access for people with disabilities in particular, state by state, what proportion of the number of dwellings for new construction will be designated for people with disabilities and built appropriately?

Dr Harmer—The premises would be accessible in terms of the wider corridors—is that what you mean?

Senator PAYNE—The requirements for people with disabilities, yes.

Mr Leeper—We are just having that checked.

Senator PAYNE—What proportion in each state and territory of the houses that are marked ‘new construction’?

Mr Jagers—I might need to take that on notice. Certainly for the second stage of construction, the guidelines are quite specific on what meets the universal design principles and what does not. What we are trying to achieve there, for the bulk of the program—stage 2—is that, where possible, all properties will have six universal design features built into their design and construction, as well as 20 per cent of the dwellings that are built meeting a class C adaptability under the Australian standard. They are the targets for the broader program.

For the first stage, we did not have at that time a set of standards to assess proposals against, so states and territories advised us whether they were meeting their own universal design principles in these houses. We do have that figure, and I can take that on notice and get it for you.

Senator PAYNE—Does that mean for the expenditure of those funds that the Commonwealth is satisfied that the states’ and territories’ guidelines or principles, as you refer to them, in relation to social housing for people with disabilities are adequate?

Mr Jagers—We did not have a national benchmark.

Senator PAYNE—No, I heard you say that.

Mr Jagers—Yes.

Senator PAYNE—I was asking you whether you regard the states’ and territories’ benchmarks as adequate.

Mr Jagers—We thought they were. I guess that first stage was bringing forward what the states and territories already had in their development pipelines, so most of those properties had development approvals and I guess the design of the properties was fixed at that time, because it was meant to hit the ground running with a quick stimulus effect. We did not have, as I mentioned, that benchmark to assess the proposals against, which we do have for the second stage.

Senator PAYNE—So we cannot really say, in terms of the funding that the Commonwealth has provided to the states—and let’s take my state again as an example—what proportion of the houses funded under stage 1 in New South Wales are going to be suitable for tenants with disabilities.

Mr Jagers—We can give you that figure, but that assessment of whether they met certain benchmarks—

Senator PAYNE—Was not applied for that stage.

Mr Jagers—We can give you an indication of what New South Wales think met their universal design standards—the proportionate numbers.

Senator PAYNE—Any indication would be helpful.

Senator BOYCE—And for all states.

Senator PAYNE—And for other states. For all of the states, yes.

Mr Leeper—We will take that on notice.

Senator PAYNE—Was any of the repairs and maintenance expenditure directed towards making housing suitable for tenants with disabilities?

Mr Leeper—I do not think it was an explicit objective, no. We were quite flexible in the way that we allowed the states to design their approach to repairs and maintenance. As far as I am aware, it was not an explicit element of the guidance that we might have given them.

Dr Harmer—Therefore, it is unlikely we will be able to answer the question.

Senator PAYNE—The 260 homes—I do not think I can call them homes; they are more sites, aren't they?—which have their pegs and string laid out, and then those other sites that have met with approval under stage 1, can you provide the committee with a breakdown by locality of each of those?

Mr Jagers—Yes, I can. The ACT had zero sites laid out at the end of April—I guess construction completed. They may be at more advanced stages now than peg lay out.

Dr Harmer—This was at the end of April.

Senator PAYNE—Yes, I understand that.

Mr Jagers—New South Wales had 212, the Northern Territory, zero. Queensland had six, but as I understand it, they have 37 additional dwellings now contracted and with that work starting. South Australia had zero when it got to that stage, but as I understand it, they have 43 houses contracted and 16 apartments as well and, as I understand it, they have quite a bit more to report in this next report. Tasmania have zero starts, but they have six off-the-plan purchases that they have now finalised the contracts on and, as I understand it, another 48 starts will be happening fairly shortly. Victoria had zero commencements at the end of April, and they have now got five sites under construction. They will have more in their next report. Western Australia had 42 dwellings under construction.

Senator PAYNE—Can you break those down—not necessarily now, Mr Jagers, but on notice—within the states and territories as to more specific locality?

Mr Leeper—We can try that, but I would want to be careful about going too far to identify individual dwellings.

Senator PAYNE—I do not expect you to identify individual dwellings at all.

Mr Leeper—But if we said there was one building in a particular postcode, that might even be enough to give it away. Could we have a bit of latitude from the committee about just being careful with the numbers if they are relatively small in particular places?

Senator PAYNE—I understand that.

Mr Leeper—Yes.

Senator PAYNE—If you are dealing with six off-the-plan in Tasmania, I understand the point that you are making, but we are talking about 212 in New South Wales, so a little more detail would be helpful.

Mr Jagers—We can provide postcodes.

Senator PAYNE—All right. Dr Harmer, is your department responsible for any aspects of the promotion of the first home owner boost?

Dr Harmer—We did run the campaign which was part of, I think, the end of last year's decision. We ran that campaign which, as we discussed earlier today, is still going.

Senator PAYNE—The media campaign?

Dr Harmer—Yes. That was one of the first campaigns, I think, to go through the new Australian National Audit Office guidelines about the campaign. So, yes, we did, and we ran it through that process.

Senator PAYNE—Can you tell me three things about that campaign: what its total cost is to date, whether the—

Dr Harmer—I do not know if I have got the—

Senator PAYNE—No, I understand that.

Dr Harmer—That question really crosses programs, but I will take it on notice.

Senator PAYNE—Okay, if you can take it on notice: what the total cost is to date; whether any state or territory government has contributed to those costs; and what sum of money they may have committed, if they did.

Dr Harmer—Sure. I think we have got that information here.

Senator PAYNE—Thank you.

Dr Harmer—I would be pretty confident to say that the states and territories did not make a contribution to that campaign.

Senator PAYNE—Did not?

Mr Hunter—That is correct.

Senator PAYNE—No surprises.

Mr Hunter—Sorry, I will just find my brief.

Senator PAYNE—Thanks, Mr Hunter.

Mr Hunter—Can I just ask you to repeat the question?

Senator PAYNE—Total cost of the campaign to date? And you do not need to answer the next two because we know they did not make a contribution.

Mr Hunter—The total budget was \$6.4 million. I am trying to find the actual answer—

Senator PAYNE—Sorry?

Dr Harmer—It was \$6.43 million for the first home owners boost campaign.

Senator PAYNE—Okay.

Dr Harmer—I think we would probably need to take on notice how much we have spent to date. I do not think we would have that; Mr Hunter may.

Mr Hunter—No. Sorry, I do not.

Senator PAYNE—Thank you. I have some more questions around the national partnership agreement, but I imagine other senators have questions on the social housing.

Senator LUDLAM—Yes, I do.

CHAIR—We are having a break at 12.30 and, because of the interest in this particular area, we will come back to housing after lunch.

Dr Harmer—Can I just get a sense of how much more there is on housing, so that I can give the people for the next program a bit of guidance about when we might need them?

CHAIR—Another hour, Dr Harmer.

Dr Harmer—An hour past lunch, so 1.30 to 2.30?

CHAIR—Yes. So 1.30 to 2.30 will be housing.

Dr Harmer—Thank you.

CHAIR—Then we will move to women at that stage.

Senator SIEWERT—Can I just check whether we deal with rental assistance in housing?

Dr Harmer—Yes. So is that still an hour?

Senator PAYNE—There is still homelessness, yes.

CHAIR—At this stage, we will go to three o'clock on housing, and during that period we will reassess, because I do not think there is going to be a problem with time with the program. After three o'clock, we will go to women, and I do not think we will get to families until at least 4.30, 5.00.

Dr Harmer—Okay, fine, thank you. Mr Hunter does have that information.

Senator PAYNE—Mr Hunter.

Mr Hunter—Sorry, I could not see the forest for the trees.

Senator PAYNE—I know how you feel.

Mr Hunter—We have got the total. The total budget is \$6.4 million.

Senator PAYNE—Yes.

Mr Hunter—Year-to-date expenditure is \$4.5 million.

Senator PAYNE—Thank you.

Proceedings suspended from 12.21 pm to 12.32 pm

CHAIR—We are still looking at outcome 2, Housing.

Dr Harmer—I have a couple of answers to questions that I took from Senator Boyce this morning on superannuation and paid parental leave. Senator Boyce asked how many people in FaCHSIA are on ComSuper schemes, and the numbers are as follows: in the CSS, or Commonwealth Superannuation Scheme, there are 288; in the Public Sector Superannuation Scheme, or the PSS, there are 2,078; and in the Public Sector Superannuation Accumulation Plan, PSSAP, there are 1,016. In terms of what proportion of the super the department pays, under the CSS, the department pays 24 per cent; under the PSS, it pays 12.5 per cent; and under the PSSAP, it pays 15.4 per cent. How many employees have accessed paid parental leave during 2008-09? Paternity leave, 11; maternity leave, 103. What hours did the employee work on their return? Of the 11 returning from paternity leave, 100 per cent worked full time. Of those returning from maternity leave, 59 worked full time and 44 part time.

CHAIR—Thank you very much, Dr Harmer.

Senator SIEWERT—I have a series of questions. I hopefully will not jump around too much and I apologise if I do. You provided information to the yearbook previously around housing assistance—is that correct?

Ms Winzar—Whose particular yearbook are we talking about?

Senator SIEWERT—The 2008 one, which, as I understand it, used June 2007 figures.

Ms Winzar—Are you are talking about the Australian government yearbook?

Senator SIEWERT—Yes, *Year Book Australia 2008*. I understand that you provided quite a comprehensive dataset as of June 2007, which went into details around individuals and families, the number of people that were getting average rent assistance and rent paid et cetera. As I understand it, there is not going to be figures provided for 2009. Is that correct?

Ms Winzar—I cannot understand why that would not be the case. We have the datasets about rent assistance, outlays, family construction, rates and so on, so I am not sure that anybody has actually asked us for that information in respect of June 2008.

Senator SIEWERT—Could I have your most up-to-date figures for the type of information that is provided in the yearbook—that is, the average rent assistance, average rent paid per fortnight for individuals and families under the reporting groups that you traditionally report on, such as parenting payment single and disability support pension?

Dr Harmer—We can provide that.

Senator SIEWERT—As I understand it, the reporting that you do for the yearbook is different to the reporting that is done for the Henderson poverty line. Is that correct? There are two sets of figures that are provided. There is data that is provided for the Henderson poverty line, which is done on families with one child, two children, three children and four children. Yet the data that is provided in the yearbook is provided for couples and for singles with one or two children; it is not broken down to the same degree. As I understand it, that is causing some confusion when doing the calculations for the minimum wage et cetera.

Dr Harmer—I am not sure who provides the information to the people who prepare the yearbook in relation to the Henderson poverty line. The Henderson poverty line is just one of the measures used, which we do not regard, necessarily, as any better than some of the other poverty measures. We would not be providing any information for our rent assistance program

in relation to that particular measure. We would be simply providing it according to the data we receive, and the data we receive is presumably according to the numbers of one, two or three children.

Senator SIEWERT—I would have thought that you would have had data for one, two, three or four children, not one or two children.

Dr Harmer—Only if it makes a difference to the payment. We are not permitted to collect information beyond that which we need to make the payment. It may be that we do not need to differentiate between one and two children to make the payment—I do not know.

Senator SIEWERT—For family tax benefits A and B, you provide—

Dr Harmer—For that we do, but that is not rent assistance.

Senator SIEWERT—That does not necessarily affect rent assistance. Is that correct?

Ms Winzar—That is correct.

Senator SIEWERT—Are you also able to provide us with data on how many people get the maximum rent assistance, compared to the average rent assistance? Is that possible?

Ms Wall—Yes, we do have that, and I will find it in just a minute.

Senator SIEWERT—If you could give that to me now, that would be very much appreciated.

Ms Wall—Seventy-one per cent of rent assistance recipients get the maximum rate.

Senator SIEWERT—On what basis do those get the maximum amount?

Ms Wall—Rent assistance is calculated on the basis of individuals' income, family circumstances and the amount of rent that they pay. There is a maximum amount that you pay. If you pay more rent than that—if you have reached the maximum amount of rent assistance—your rent assistance does not increase.

Mr Leeper—The only people not getting the maximum rate who have a rent level which qualifies them for the maximum rate would be the ones whose family tax benefit was tapering away to the point where they are losing some rent assistance, which is the last payment that goes. The 71 per cent of people getting maximum RA is an absolute figure, but there will be some people who pay a rent which would get them the maximum rate of RA, except that it is being tapered away at the end. It is the last part of family tax benefit that tapers away.

Senator SIEWERT—So if you are on family tax benefit and you are at the last taper rate you then start—

Mr Leeper—The last thing you are losing is rent assistance.

Senator SIEWERT—I have a few hypotheticals which you may or may not be able to answer. If a state government set up a not-for-profit housing entity, would the tenants qualify for rent assistance?

Dr Harmer—It depends what your definition of 'set up' means.

Senator SIEWERT—If they established, under the auspices of their organisation, a so-called—

Dr Harmer—Is it still owned by the housing authority?

Senator SIEWERT—Let us do both scenarios: that it is still owned or comes under the auspices of the state but it is set up to be, technically, a not-for-profit organisation.

Ms Winzar—Yes. They would be entitled to rent assistance.

Senator SIEWERT—They would be entitled to rent assistance even if not called—

Dr Harmer—But the houses would need to be managed by an entity other than the housing authority.

Mr Leeper—Yes. The relevant issue here, Senator, is management, not ownership. If housing is managed by a community housing provider, the Commonwealth generally will pay rent assistance, even if it is owned by the state. But if it is owned and managed by the state housing corporation, we do not pay rent assistance, because assistance is provided through what is now the National Affordable Housing Agreement.

Senator SIEWERT—Thank you. Senator Payne, that conversation we were having just as we broke, did you want to follow that up again in terms of the NRAS and rent assistance, because I was about to go there?

Senator PAYNE—You go.

Senator SIEWERT—I know that you answered this question earlier in terms of the amount of money under the NRAS is then deducted from the rent assistance. Is that applicable in all cases?

Mr Leeper—Sorry, just let me restate it. If a property is let for rent under the National Rental Affordability Scheme, one of the conditions of the scheme is that the property be let at a 20 per cent discount to the prevailing market rent. So if the market rent for a particular property is \$400, and it becomes a NRAS property, it will be let for \$320 a week. So the person living in the housing has some effective subsidy and that is purchased through a payment to the landlord. If that person is in private rental, that \$320 a week can still be used to calculate access to rent assistance if they are eligible, but not \$400; it would be \$320.

Senator SIEWERT—So then if they are eligible, they could still get the maximum rate of rent assistance?

Mr Leeper—Yes, they could.

Dr Harmer—Yes. It is just that the rent level for the calculation of eligibility for rent assistance is the lower level, not the higher level.

Senator SIEWERT—Yes. I am absolutely crystal clear on that now, thank you very much. I think I am done for the time being on rent assistance.

CHAIR—We would prefer to go back and finish off social housing with Senator Ludlum before we go back to the next stream of questions so that we finish off that unit.

Senator PAYNE—Social housing. I have nothing.

CHAIR—Thank you, Ms Wall. You may well have further questions later, but on that issue, that is completed. Thank you, Senator Ludlum.

Senator LUDLAM—At the COAG meeting of 29 November last year, a communiqué came out on affordable housing that stated that the implementation plans for the social housing spend would be finalised by 1 April 2009. Does that sound familiar? I am just checking, essentially, have these plans been finalised, as promised, and can you describe in broad outlines what they are and what they do?

Ms Winzar—Senator, that COAG communiqué related to a couple of partnership agreements. The social housing partnership agreement to the NAHA, which was the \$400 million capital spend, and we had asked jurisdictions to provide us with their proposed spend of the first \$200 million in 2008-09. We had asked for their bids to be in no later than 2 March, and then we had undertaken to approve those, I think, by that first week in April. We certainly had received all of the proposals from jurisdictions no later than 10 March—that was the last one that came in. One jurisdiction actually got their bid in mid-December. And we had signed all of those off; they were all approved by 22 May.

There was a slight delay in approval of 2008-09 proposals from Western Australia, South Australia, Tasmania, the ACT and the Northern Territory, and that arose not through any difficulty with the proposed plans from jurisdictions but just a technical issue around the legislation that gives effect to the reform of the Commonwealth's financial arrangements with the states. That bill was going through parliament and we had to wait until that bill was assented before we could sort out the payment arrangements. Payments in respect of 2008-09 have now, I understand, all been made—no, they have not, quite. It must be this week, I think, the next payment date.

The second tranche of activity, which was the \$200 million spend in 2009-10, we asked jurisdictions to get their proposals in to us by 15 May, and we had, I think, again one that came in on 18 May and one on 21 May, otherwise, they are pretty much all resolved. They have not yet been assessed and approved by Minister Plibersek.

So that is on the social housing one. We have the same implementation deadline around the homelessness partnership agreement. That was slightly more complicated, because jurisdictions were required to match funding provided by the Commonwealth, whereas the first one was simply a matter of satisfying us about their implementation plans. Because of the matching funding component, each jurisdiction had to go to their own cabinet and get approval for not only the spend but also the strategy before they brought it to us and, thus, I think we got some of them well after that due date of 1 April.

Senator LUDLAM—The implementation plans just set out that timetable that you have described, or are they more complex than that?

Ms Winzar—For the implementation plans for the social housing one, we asked them to nominate how they proposed to spend the money and what the time frame was for delivering the houses. For the homelessness partnership agreement, it is effectively a four-year plan of activity against the outputs specified in the agreement.

Senator LUDLAM—You have received those from all of the states and territories?

Ms Winzar—Yes, we have. I am pretty sure we have received all of the homelessness partnership agreement ones now, but I will just check. We have still got three outstanding for those ones.

Senator LUDLAM—Who are they?

Ms Winzar—We are waiting on New South Wales, the Australian Capital Territory and the Northern Territory.

Senator LUDLAM—That is a long way after 1 April. What kind of follow-up does your department do to chivvy them along?

Ms Winzar—Quite enthusiastic. But, as I mentioned, because of the requirement to do matching funding, they had to go back to their cabinets, and that was only after they had done some, for the most part, consultation with the sector in their states and developed a bit of a strategy which they could then present to their cabinet to support how they were proposing to match the funding.

Senator LUDLAM—Is the absence of those plans in the two territories and New South Wales now holding up the granting of funding?

Ms Winzar—No. The issue with the homeless partnership agreement is a bit different, because the funding was not to flow until 1 July anyway.

Senator LUDLAM—But you would anticipate before 1 July that those three outstanding ones would be in?

Ms Winzar—Yes. And we will continue to enthusiastically follow them up.

Senator LUDLAM—What about the plans for the social housing spend?

Ms Winzar—We expect, again, that we will finalise the social housing plans fairly soon. We are in the process of assessing the proposals that we have received, and I think we should be able to despatch those within the next month.

Senator LUDLAM—Just staying with the social housing stuff for the moment, are the implementation plans public documents, or are they confidential for some reason?

Ms Winzar—They have not been published yet. I think we would have to seek some advice.

Dr Harmer—We would have to take it on notice, Senator, whether we could provide those to you.

Senator LUDLAM—If you could. And if not, then some rationale as to why not, because I presume there would be quite a bit of useful detail in there about how prepared the states and territories are.

Dr Harmer—Sure. If they are not normally a public document, the very least it would require would be for us to get the states' approval, because it is a document which is jointly owned.

Senator LUDLAM—I understand.

Senator PAYNE—Senator Ludlum, were you just asking in relation to the plans for social housing, or for homelessness as well?

Senator LUDLAM—We are doing both at the same time.

Senator PAYNE—So you have asked for both?

Senator LUDLAM—In that case, just to clarify, do you want to go—

Ms Winzar—I can tell you that it is the intention to publish the plans for the homelessness partnership agreement.

Senator PAYNE—Thank you. Sorry, Senator Ludlum.

Senator LUDLAM—With regard to some of the questions that I put to you about location when we were asking about NRAS, are you able to provide, first of all, what your guidelines are for inner metro and outer metro? I forget what the other two categories were.

Mr Leeper—Provincial and rural.

Senator LUDLAM—What are your targets, if such targets exist, and how does it look at the moment for the proposals that you are getting?

Mr Leeper—In relation to which agreement?

Senator LUDLAM—Let us start with the social housing.

Ms Winzar—We do not have any targets by way of geographic distribution for the social housing partnership agreement.

Mr Leeper—The national target was, I think, to achieve 2,300 additional dwellings from the \$400 million investment. In fact, we are getting 2,630. Beyond that, we have not sought to describe where they might be located. States will get their proportionate share of the funding on a population share basis. But beyond that we have not been prescriptive at all.

Dr Harmer—In the same way, in the past we did not prescribe in any way how the authorities would do public housing.

Senator LUDLAM—So the states and territories might have their own individual targets, but that is not something that you are prescribing.

Dr Harmer—In terms of location, yes.

Mr Jagers—I might just clarify a point. The social housing implementation plan has two distinct components. One is the social housing national partnership agreement funding that Ms Winzar is talking about. But, under that same implementation plan, there are also schedules for social housing initiative spending as well. Just so you understand the two parts. On the parts for the social housing initiative, there are schedules to that agreement, which we have also finalised. I also have some splits around the approvals for the social housing initiative spending around inner/outer metro.

Senator LUDLAM—Rather than reading those in, is that something you would be able to just table for us?

Mr Jagers—Yes, we can—

Senator LUDLAM—If you are able to provide that, it might be quite helpful. You would be aware that for the social housing there was a mandatory six-star sustainability criterion. The language was a little slippery—it was ‘where possible’—and it was a bit dependent on an agreement coming from COAG. Can you tell us, of the ones that you are aware of—that is, the one where the ribbon was cut, with or without a hard hat, in the last month or so—what kind of sustainability standard was reached?

Mr Jagers—The house that was completed in Yennora achieved a five-star energy rating. It did have some other energy efficiency features as well, such as a water tank, and the water tank had plumbing connections through to toilets and the laundry.

Senator LUDLAM—Great.

Mr Jagers—So there were some environmental features with that. That was one of the stage 1 construction houses where planned construction activity was brought forward. For stage 2 we have set out in our guidelines the requirements around energy ratings and energy efficiency measures for houses and all dwellings. So when proposals are received from states and territories, we are expecting a high level of compliance with those guidelines.

Senator LUDLAM—But that is not something that you are able to report on yet in aggregate?

Mr Jagers—I do have some indicative figures from stage 1. The data is not complete yet but we know, for instance, that of the 2,637 dwellings that were approved, 790 have solar hot water systems, 1,579 have water conservation features and 1,842 have insulation above standard.

Senator LUDLAM—So how is that stacking up in terms of a six-star rating? How close are we to the benchmark?

Mr Jagers—That was stage 1 when it was not a six-star requirement. For stage 2 we have received proposals from New South Wales, Victoria and Queensland. Those jurisdictions are looking for an early assessment of those proposals, and we are trying to do that so we can make some decisions before the 30 August deadline. We have made clear to states that those proposals will have to comply fairly highly for us to make an early decision on those applications. So we are expecting quite a high proportion of these early decisions to have a six-star energy rating.

Senator LUDLAM—So if a state or territory is not playing ball, they do not have any role in overriding the standards? They are putting proposals to which you can say, 'It's not up to scratch, so we'll knock you back'?

Mr Jagers—We are receiving proposals from them and we will assess them and make a recommendation to the housing minister for her to make a decision. But certainly she can knock back proposals if she does not think they are achieving what the scheme is designed to achieve.

Senator LUDLAM—I am aware that it is not one-size-fits-all, particularly for energy ratings across the country. What you build in the Kimberley is very different to what you would put together in Tasmania. In rural and remote areas, where there is not much of a precedent and there are not going to be a lot of sustainable building companies out there yet, what are you doing or what can you do to provide additional support to housing providers so that we are not getting a different standard in metro areas to what we would be in regional areas?

Mr Jagers—We are not doing anything specifically to support developers in those locations. We are applying a consistent standard to assessing the applications. The proposals need to identify what the energy efficiency rating on the property is. They have to use an

accredited NatHERS system and they have to use accredited assessors as well in developing that energy rating. So I think we have made it pretty clear, through our guidelines and the information sessions that we have held around the country, that this is an important part of the program for us.

Senator LUDLAM—Are those models of a standard sensitive to different requirements for different climate regimes?

Mr Jaggers—Yes, they are highly flexible and they will give a star rating for a particular location.

Senator LUDLAM—Are you able to table for us, to the degree to which you have managed to compile the data, what you have assessed so far as it relates to the sustainability criteria—that is, the numbers that you were just reading to me then? Is there a fuller document to quote from? Was that just a skim off the top or is that it?

Mr Jaggers—That is pretty much it for stage 1. With stage 2 proposals, when they come in and once decisions are made, we will have quite detailed data about the features of those dwellings and what energy efficiency rating they achieve.

Senator LUDLAM—Do you have an approximate idea when that material will be available?

Mr Jaggers—Decisions will need to be made by 30 August, so I would expect that the data would start to become available soon after that.

Senator LUDLAM—I do not know procedurally whether I can ask you to take on notice something that does not exist yet. Will you be reporting that material as a matter of course? Senator Siewert just said she has done it before, so it must be okay.

Mr Leeper—Perhaps if we could take that on notice. We understand what you want, but could we take the issue on notice—

Senator LUDLAM—If the material does not exist.

Mr Leeper—because, as Mr Jaggers pointed out, the decisions have not been made yet.

Senator LUDLAM—That is right. So I will not ask you to table something that does not yet exist but, when it does, that would be great. How are you gauging public transport accessibility, particularly in parts of the country where there may not be any? How are you benchmarking? It is easier with the star rating for energy and water, but how do you do transport issues?

Mr Jaggers—In the guidelines, one of the selection criteria goes specifically to this point. One of the seven selection criteria for proposals that are received is proximity to services. With the proposals that come in, states and territories need to provide details about proximity to central business districts and to public transport systems. They are being scored in two ways, against both of those criteria.

Dr Harmer—We require them to address that element in their application.

Senator LUDLAM—So in the material that you will report later, when we have substantial numbers of proposals and properties to assess, that will be filtered out separately; we will be able to get a sense of that?

Mr Jaggers—Yes. All the approved dwellings will be able to provide details about their proximity to central business districts and to public transport.

Senator LUDLAM—Great. I look forward to seeing those. The budget says that staff at a departmental level are to increase from 197 to 209 people. Are you able to tell us in which area of the department the new staff are employed?

Mr Jaggers—Specifically to Social Housing Initiative?

Senator LUDLAM—That is my question, I suppose, whether—

Mr Leeper—The department has a housing group, headed by Ms Winzar. For this exercise, for the stimulus plan we have also established an implementation group under Mr Jaggers, who is the acting coordinator for housing in the department, and there are 12 staff associated with that function at the present time.

Senator LUDLAM—I just wonder whether you are able to give us an idea—I mean, it is a relatively modest increase given that funding of this magnitude did not exist 12 months ago, and now you are filtering \$6 or \$7 billion through in a relatively short period of time. Is this modest increase in staffing sufficient to meet the workload or are you all doing 18-hour days?

Dr Harmer—We are working pretty hard, Senator. But as is the case in all matters of initiatives like this, we negotiate with the department of finance for the staffing level and ultimately agree a level. As you would appreciate, there will be peaks and troughs in the assessment of the workload on this initiative. But, at the moment, we are managing.

Senator LUDLAM—I figure this would be the busiest the department has been on social housing spending in, probably, 20 years.

Dr Harmer—Indeed.

Senator LUDLAM—And you are getting by.

Mr Leeper—I think Mr Jaggers and his team have already moved over a billion dollars out the door with the support of the states.

Senator LUDLAM—You make that sound so casual.

Mr Leeper—And they are doing an excellent job with just 12 people.

Senator LUDLAM—Thank you very much. That is all I have got on social housing. Thank you for your answers.

CHAIR—I take it that is the end of social housing. Not quite, you have got a couple more, Senator Payne.

Senator PAYNE—Just to go further on the points that Senator Ludlum was raising in relation to approvals and their matching of the requirements of being environmentally sustainable, close to transport et cetera, is it the case that all of those criterion will be clear out of the approvals process including the disability one which I raised earlier for stage 2?

Mr Jaggers—Yes, Senator.

Senator PAYNE—Okay. So all of that information can be—

Mr Jagers—We will certainly be doing that analysis and making recommendations to the housing minister. And so, yes, we will have that information.

Senator PAYNE—I had some further questions around the NPA on homelessness and then some on the NAHA as well. I am just not sure where you want those done and where Senator Ludlum is going with his timing as well.

CHAIR—We have been trying desperately to get to homelessness for a while. So I think if we go there and then we can do the homelessness questions from Senators Payne, Ludlum, and, also, Senator Williams.

Senator PAYNE—I think you asked some question already on homelessness, Senator Ludlum.

Senator LUDLAM—I think the department—

Senator PAYNE—Yes, in relation to the construction. If we go back to the question of funding for 2009-10, as provided in the NPA, I think you said that notwithstanding the fact that three sets of implementation plans have not been provided, you still hope to have this finalised and ready to roll by the July start date?

Ms Winzar—On the homeless NPA, Senator?

Senator PAYNE—Yes.

Ms Winzar—Yes, that is correct.

Senator PAYNE—And will the funding still be allocated between the states and territories in the manner that the NPA outlined—that is, the share of homeless population as measured in the 2006 census?

Ms Winzar—That is right.

Senator PAYNE—Is there any equivocation around that by the states and territories in terms of, perhaps, changed circumstances? I mean, economically and socially the impact of the global financial crisis is a broad one, and I wonder whether the states and territories were advancing any arguments around that.

Ms Winzar—No, Senator. I think they were all reassured that splitting their share of the homeless population as a proportion was a better way than just to split across populations per se. A couple of them have observed to us that their expectation is that homelessness might get worse in the short term as the economic crisis hits, but there is no reason to suggest that that would be more or less in any particular jurisdiction, I do not think.

Senator PAYNE—Really? So you think the pressures in New South Wales, broadly speaking, are the same as the pressures in Tasmania?

Dr Harmer—I think what Ms Winzar is saying, Senator, is—

Senator PAYNE—No, I was asking. I was not being critical. I was just interested in the analysis.

Dr Harmer—At the moment, states are not using their argument to argue for a greater share. They are accepting the original decision about the base for allocation.

Senator PAYNE—Yes, but Ms Winzar did advance then a further comment in relation to some conjecture amongst the states.

Ms Winzar—If we have a look at the concentration of homeless, say, per 10,000 of the population, then Western Australia, Northern Territory and Queensland are the three top-ranked states. They are well ahead of the others. That seems less a matter of economics than, perhaps, some other social dimensions.

Senator PAYNE—Yes, quite.

Ms Winzar—Including, perhaps, the service footprints across remote parts of those states. So I think there might be swings and roundabouts as to why some things might impact on some states but not on others. But, I think overall, if we look across the last couple of censuses, there is not too much that you can particularly point to by way of shift in the concentration of homelessness in any particular jurisdiction and say that you can explain that by way of the economic circumstances in that state.

Senator PAYNE—In view of the current economic circumstances that you have referred to, and I also raised, has there been any advancing by the states or territories of their concerns about not being able to meet their share of matching funding due to the impact of the crisis on their own budgets?

Ms Gumley—No. At this stage, all the states have provided us with information around matched funding and some of them are still going through their cabinet processes to do that.

Senator PAYNE—How many and which ones?

Ms Gumley—There are four which have not as yet submitted their plans to us in final form, and that is New South Wales, Tasmania, ACT and the Northern Territory.

Senator PAYNE—I thought it was only three before.

Ms Gumley—Yes, apologies; it is actually four—New South Wales, ACT, the NT and Tasmania. But we have seen early drafts of those and provided comments back to those jurisdictions. So it is just a matter of finalising them.

Senator PAYNE—Is there a time frame for the requirement of annual reports to be presented from the state and territory governments under the NPA?

Ms Gumley—It is annual reporting. I do not know that it is actually declared in the NP, but I would imagine it was within 12 weeks of the finalisation of the previous year.

Senator PAYNE—And does the delay in presenting implementation plans affect the timetable for the annual reporting process?

Mr Leeper—No.

Ms Gumley—No, Senator, because the funding flows from 1 July.

Senator PAYNE—Will it be 1 July next year when they are providing an annual report?

Ms Gumley—I expect there would be a couple of months after that to enable them to pull all of the information together from the end of the year. And, in fact, in the national partnership agreement it does say it is to be provided within 12 weeks of the end of the relevant period or as otherwise specified in the agreed implementation plan, Senator.

Dr Harmer—So, roughly, the end of October next year.

Senator PAYNE—Thanks, Dr Harmer. Now, in terms of actual construction of homelessness housing—if I can put it that way—can we identify specific new dwellings at this point?

Ms Gumley—Under the homelessness national partnership, states are able to put in either capital or recurrent funding for their contribution, and some states have got a portion of capital funding. But those agreements are still under consideration by Minister Plibersek and the implementation plans have not been agreed.

Mr Leeper—So we need to bear in mind, Senator, there are two threads there. One is the Commonwealth government's funding under the A Place to Call Home election initiative, which is \$150 million for additional stock. And then there is the money provided by the Commonwealth over five years, \$400 million, under the National Partnership Agreement on Homelessness to which, as Ms Gumley has pointed out, states are required to match, but that matching can be capital or recurrent in the nature of support services. So there are really three strands of funding here, potentially adding up to as much as \$950 million, a significant proportion of which will be capital.

Senator PAYNE—I do appreciate that we are dealing in a complex funding environment—three streams, as you say—and with large amount of dollars. But to bring it back to bite-size components for those of us trying to get across what your entire department is doing, when will we see a house built under this agreement?

Ms Gumley—There are already some houses built under this agreement. The A Place to Call Home measure was an election commitment and that commitment was rolled in to the national partnership on homelessness. So there was \$150 million provided by the Commonwealth and the states have agreed to match that. Under that measure, the states agreed to provide 600 houses but in fact will deliver 731, and there are 83 houses this financial year. We already have families in houses in Queensland and Victoria. New South Wales will open 25 this financial year.

Senator PAYNE—Before the end of this month?

Ms Gumley—Yes, as will WA and Northern Territory.

Senator PAYNE—Thank you for that. Let me leave homelessness there for a moment, Madam Chair, and go back to other Senators while—

CHAIR—Senator Williams, have you got your homelessness questions?

Senator WILLIAMS—I would like to go homelessness. In 2006, we have the statistics from the Australian Bureau of Statistics indicating that some 105,000 were classed as homeless and about 16½ thousand as living rough, if that is the way to put it. Do you think those statistics are accurate or do you just take it in good faith that they are accurate?

Dr Harmer—Senator, first of all, our period, again, is really irrelevant, but, generally, we would have a better basis for determining that. It is a particularly difficult figure to come up with.

Senator WILLIAMS—The reason I asked that opinion of yours, and I should not have asked it—I apologise—is that I live in a country town, Inverell, and the Inverell shire has been classed as having 85 homeless people in it which the mayor has said is quite laughable. I have been in touch with Captain Chris Millard, in charge of the Salvation Army in Inverell, and he says there would be six at the most.

The point I make is, if the ABS give you the figures that there are 85 in that one shire, and in the little country towns, of course, there is ample housing there—those towns are not booming with people moving in demanding houses every second day, if you know what I mean—to me, those figures would be flawed.

Mr Leeper—The ABS measures homelessness according to three dimensions, and it is a census, so on census night they would have done their best to enumerate everybody in the country. People counted as homeless in the 104,000 would come under one of three categories. There is primary homelessness, which are people with, literally, no roof over their heads at all. They are mainly the rough sleepers. Secondary homeless are people who are, say, couch surfing at friend's places. Have I got that in the right order?

Ms Gumley—Yes.

Mr Leeper—And, tertiary homeless are people living in established dwellings but do not have access to private facilities. For example, someone in a boarding house who has access to a shared bathroom will be counted technically as homeless because they are sharing facilities. It may be that that is why the number of 85 for Inverell seems unusually high. That is how the definition has been put together. If Ms Gumley wants to clarify that—

Senator WILLIAMS—So if people lived in a caravan park, for instance, and had community shower facilities there, would that be classed as homelessness? If they were in a caravan and they walked over to a central facility?

Ms Gumley—Could I just clarify? Tertiary homelessness is referring to people who live in boarding houses or without secure tenure. So if they have not got tenure of 13 weeks or longer, they would be determined as homeless on the night but, if you had long-term tenure with access to facilities, then you would be not counted.

Senator WILLIAMS—I find that quite confusing under the term of 'homelessness'. As I said, it is alarming statistics in the country communities. I know Walgett was classified as having 139 and, once again, the mayor there said that is outrageous to think that that is the number. Under your qualification, obviously, that grading is misleading. To an average person in the street, homelessness would mean someone who does not have somewhere to sleep at night with a roof over their head.

Mr Leeper—These definitions have been adopted by the ABS, and it is based on work conducted by Chamberlain and MacKenzie, who have a very long background in considering homelessness issues, so it is not without, perhaps, sensitivity and not without controversy, but we are using definitions which are widely accepted, certainly within Australian and, I think, also probably internationally in this area.

Senator WILLIAMS—I am going to move to another area, talking about homelessness. For example, I know of one person, male, who is seeking some accommodation, is literally

homeless, but they cannot find him any. For these country towns, do you think they need something like a male refuge centre, because we have a female refuge which is a place for accommodation in emergency situations? Do you think there is need for a male refuge centre in many of these country communities?

Ms Winzar—I think the issue is not even quite that straightforward, Senator. If we have a look at where a lot of those people are sleeping rough, who literally do not have a roof over their heads, if we look at where there are, then there are an awful lot of them outside the capital cities, and the services that are available to them are not necessarily consistent with their share of their population. So it is probably that rural areas of Australia do need more crisis response services, full stop, not just for men who are homeless, but also for women, and for families, particularly.

Dr Harmer—Senator, it is also the distribution. There are significant homeless men shelters in the big cities, but they are large centres run by Sydney City Mission and various other charities, and there are not very many of those sorts of facilities in the rural areas.

Senator WILLIAMS—Surely that would be something that the department, the minister, whoever, in the decision-making positions, would have to consider in the future, if the facilities are there in the urban communities but certainly lacking in the rural and regional communities?

Ms Winzar—Yes. That is right, Senator.

Senator WILLIAMS—I would appreciate if they could have a look at that because, as I said, we have a situation where we cannot find accommodation, the Salvation Army cannot find accommodation for the men, but, with the women, they do, fortunately, have the refuge centre.

The next problem I see and I hear about is that we actually have two or three people in our community, who, when placed in accommodation of whatever type simply will not stay there and insist on going back under the bridge, back of the shop or whatever. What can be done? Is there any cure for that sort of problem? They are taken down and they are put in accommodation, and they refuse to stay there. Some may have alcohol problems, various problems or whatever and they just refuse to stay there, and they go back and choose to live under the bridge.

Dr Harmer—There is not much either we or providers can do about a situation like that. You cannot lock them in.

Mr Leeper—The Queensland government had much the same experience. They basically took all of the people who were living rough under the Storey Bridge in Brisbane and found them all accommodation, but within six months the majority of them were back under the bridge, and when they asked, people basically said, 'Well, where you put me was not where I like to be.' It is not just about bricks and mortar. The response is really about support services.

Many people become homeless because they have a range of issues in their lives; other people become homeless for some random reason and then issues follow on from that. The bricks and mortar response will not be sufficient. That is why, in the white paper, in the A Place to Call Home implementation and in the national partnership agreement we are

stressing both additional accommodation and additional support services. Otherwise, we will put these people in houses and they will just drift away over time.

Dr Harmer—An improvement in services is likely to significantly improve the chances of them finding the accommodation acceptable, which is why there is significant emphasis on that part of the homelessness response.

Senator WILLIAMS—Could I just get back to that question about if people live in a caravan park and have the community facilities, are they regarded as homeless? They are under one of those categories? You have three categories, I believe.

Ms Winzar—I think the short answer is yes and no—and, no, I am not being clever. It is about the nature of their lease in the caravan park. If they are just there on a very short-term lease and they can be thrown out at any time, and they do not security, then, yes, they will be classed as homeless. If they have a long-term lease on their site, then they will be okay, they will not be counted as homeless.

Senator WILLIAMS—That is about all for me. Thank you, Chair.

CHAIR—Senator Adams, do you have things on homelessness?

Senator ADAMS—On that particular issue, because it is so confusing with the three categories, have you spoken to the media, because they will come out with this huge, great figure of homeless people and, yet, they are not really homeless because they do have a roof over their heads. I think, for the general public, it is highly confusing. I had no idea that those three categories existed—especially that someone living in a caravan park semi-permanently could be homeless; they have a roof over their head.

Dr Harmer—They would not be homeless, Senator, if they have, as Ms Winzar said, a long-term tenure of the site.

Senator ADAMS—I know, but I just said short-term, and people move from caravan park to caravan park chasing jobs and things. They might be somewhere for a month and then go on, but I really think that if we are confused then perhaps the general public will be confused and there could be some sort of communication with the media to explain what homelessness is all about.

Ms Gumley—Senator, the white paper includes quite a comprehensive chapter on background data and it does go through to explain the primary, secondary and tertiary homelessness and how they are categorised, and then also admits that there are some limitations in that and that we need to get better ways of defining and working with the ABS about counting homeless people.

Dr Harmer—I think the common understanding of homelessness is the 16,000 sleeping rough, which means no roof at all. They are under a bridge or under—but, genuinely, there are a lot of people that are in unsatisfactory housing where they have not got tenure, where they can be tossed out at any time or they are moving from one place to another. There are a lot of those as well and they make up the broad definition of homeless.

Mr Leeper—I would think if we were in the education committee, they would be saying to you that it is very hard to get a person to focus on education or training offers if the next thing they are worried about is where they are sleeping the next night, if they have to worry about

that every single morning when they wake up. So, yes, for primary homeless people who are identifiable and very visible because they sleep rough in the streets that is an identifiable number, but those two other categories of people, the secondary and tertiary, do not have security of housing tenure and so it is extremely hard for them to make any enduring plans on what to do with the other parts of their life. That is where the exclusion and the social disadvantage comes from. It is not from just sleeping rough on the streets, it is not having security of tenure over a property which you can use as a springboard to go and do other things. I think that is why we measure all three of them and why the number is referred to as being 100,000 rather than just the rough sleeping proportion.

Senator CAROL BROWN—On that point when you were talking about the shortage of accommodation in rural and regional areas, what I wanted to ask is, it was my understanding that under the social housing programs that there was an aspect of low income housing being built in rural and regional areas. Is that right?

Ms Winzar—That is correct, Senator.

Senator CAROL BROWN—And that states were rolling out those programs, putting low income housing into areas that normally would not have low income housing.

Dr Harmer—Senator, we would expect that the significant additional allocation to social housing will, together with the specific initiatives on homelessness, significantly reduce the number of homeless over time. Part of the issue of distribution—states with a higher proportion of public housing do not tend to have quite as much homelessness. By improving the proportion of social housing, together with the capital injection for more houses and more services, we anticipate there will be a significant reduction in homelessness.

Senator CAROL BROWN—And, obviously, services for those more problematic issues that homeless people carry with them is very important.

Mr Leeper—Out of the stage 1 construction effort from the stimulus package slightly over 1,100 of those houses out of 2,600 will be built in provincial or rural areas. Those will be constructed with the express purpose of assisting those who are homeless or at risk of homelessness in those particular parts of the country. They are not particular areas but it is a classification, so 1,100 out of the 2,600 will be outside the big cities.

Senator CAROL BROWN—That is good.

CHAIR—Senator Williams?

Senator WILLIAMS—Mine was actually the point that was made then by Senator Brown, the point about the establishments in the rural areas.

CHAIR—Is there anything else on homelessness? Senator Ludlam?

Senator LUDLAM—I would just like to ask about the supported accommodation assistance program, which I understand has been absorbed into the National Affordable Housing Agreement. Just to pick one opinion out of many that I suppose has been expressed about that arrangement, WACOS—WA Council of Social Services—said there should be a harmonisation across both budgets, which is a bit difficult to read where the funding has gone from one program to another, so can I ask for some help on that? Before we go to detail, could you just tell us what has happened to SAAP in broad terms?

Mr Leeper—In relation to the affordable housing agreement, Senator, it replaces a number of agreements: the Commonwealth-State Housing Agreement, supported accommodation agreement, the Crisis Accommodation Program, the Aboriginal Rental Housing Program. There might be another one, I am not sure. Over the five years from 2008-09 onwards, the funding available under the National Affordable Housing Agreement will rise by \$46 million across the five years compared to the base funding of those respective agreements, and that is independent of all the stimulus measures. That is given to the states in a lump and they need to work out where to put that money within the housing space to get the best possible outcomes under the agreement. They cannot take the money and go and spend it in health or education, nor can those funding agreements come into the housing space, so there is that bit of a boundary around it. But within that envelope of money what a state chooses to do relative to its previous effort around CSHA, CAP, SAAP and Aboriginal Rental Housing Program is a matter for them to think about and to balance having regard to the five broad outcomes of the agreements. In some respects we have taken our hands off some of the micro controls, but the states need to protect Commonwealth funding in the area in which it has been given to them and they need to work out how to apply it to get the best outcomes that they can inside the five outcomes from the agreement.

Senator LUDLAM—Is it going to be possible to tell in future years how funding has shifted around relative to the old system, or is everything going to be called something else? I will give you one example. Demand for SAAP assistance, for example. Some of those figures were collected and published state by state. How are we going to evaluate whether demand has gone up, down or sideways under the new scheme?

Ms Gumley—The white paper makes a commitment that the SAAP data collection system will be maintained for two years. That is now being managed by the Australian Institute of Health and Welfare and so we will still be able to keep information going and have an understanding about what is going on with the supported accommodation services. States may well, though, take decisions about running those programs and services differently but, given that they are part of a national data collection, we are at the table with them having discussions around how that data system is to be improved, and so we would be there having those discussions with them.

Senator LUDLAM—It sounds like that has not actually really been bedded down; it is not really possible to answer at this stage whether there is going to be consistent record keeping, for example, as the system is in transition.

Ms Winzar—There is a broad agreement by the Commonwealth and the states and territories to maintain the current effort that goes in around data and reporting and analysis in the homelessness agreement, so I do not think there is going to be any reduction. I hope we will be able to engineer some improvements in the way information is actually collected from services and, hopefully, we will be able to improve some of the reporting and analysis as well.

Senator LUDLAM—What would you hope to see, by way of example?

Ms Winzar—One of the things—I think I might have mentioned a little bit about this at the last estimates hearing—is that at the moment our data collection relies substantially on paper based forms being filled out by services who are pretty busy, so we do not quite get the

return rates that we would like and we do not necessarily get the quality of data that lends itself to good analysis and feeds into good policy. So trying to get to a system where we can drop out some of those data items from the day-to-day work that the services are actually doing as opposed to giving them an extra impost through data collection and form filling would be a really good improvement.

Senator LUDLAM—Okay.

Ms Gumley—Can I add that in the National Affordable Housing Agreement, which is where the old SAAP funds are, there are performance indicators that all the states and territories have committed to and they will also be part of the data collection that Ms Winzar was talking about. The two indicators that are relevant there are the proportion of Australians who are homeless and the proportion of people experiencing repeat periods of homelessness, so that is where we would get that similar information that we do now with SAAP about cycling in and out of crisis services.

Senator LUDLAM—Will it be possible in 10 years time to be able to compare what the picture was before and after this transition in policy and that we are not going to be losing some kind of comparable indicators, I suppose, is what I am getting at.

Ms Winzar—Hopefully, in 10 years time we will be collecting from a lot more agencies. At the moment our primary source of service data is those that are funded under the SAAP agreement. Now, they only see about 15 per cent of homeless people.

Senator LUDLAM—Fifteen or 50?

Ms Winzar—Yes, 15, and there are a whole lot of services for homeless people that are funded through a mental health system or even through the standard hospital system or through community services or disability services that do some stuff with homeless people, but it is not actually captured in any of our current reports.

Senator LUDLAM—All right.

Ms Winzar—So in 10 years time we would be hoping for much better information.

Senator LUDLAM—That is helpful. Can I just give you two budget line items that look, at the outset, as though they have been cut quite significantly. Maybe you can tell us where they have gone in the budget. The two that I refer to: one is evaluation; one is program support. So evaluation has apparently dropped from \$3.4 million to \$187,000. Program support has fallen from \$90.3 million to \$28.47 million over the next four years.

Dr Harmer—Which page are you on?

Senator LUDLAM—I am on a cut-and-paste; that is not going to help you very much. If that is going to be too difficult to nail down, I will get that for you.

Dr Harmer—It will be difficult for us to give you an answer on that unless we can identify where you are.

Senator LUDLAM—Yes, that is fair enough. Just give us a moment on that, and I will track that one down. We will come back to it.

The last issue that I wanted to raise was—this is something of an anecdote; what I am trying to get a sense of is if you would track this across the country. Shelter WA report on the

disappearance in Western Australia of boarding houses. So just in one inner-city area in Perth, boarding houses have traditionally been used to provide short and medium-term accommodation options for homeless people. These are the parts of the city, in Perth at least, that have been gentrified quite rapidly and so they are turning them into backpackers' at quite high rates, and other things. So just in the town of Vincent, Housing and Urban Research Institute of WA reported that of 22 properties that were licensed as lodging houses, only 15 of them are now, and the rest of them have been converted into backpackers'. Only seven lodging houses now exist in the town of Vincent, and I am just wondering whether this trend is occurring elsewhere and whether some other program is expanding to pick up that slack.

Ms Gumley—I think across Australia there are neighbourhoods changing in terms of the life cycle. Those in the inner-city areas and in the inner-middle ring, I suppose you would call it, are changing and becoming more valuable because of proximity. There are a couple of important developments, though, that were raised by Mr Jagers before, which was around making sure that the houses through the economic stimulus package and the social housing initiative are, where possible, placed in good proximity to locations. Also, some of those A Place to Call Home properties will also be taken in in those infill arrangements.

Senator LUDLAM—That is fine, and I think that is probably appropriate, but that sort of accommodation is very different to a boarding house, where, really, people are just looking for a room maybe just for a night or a couple of nights.

Ms Gumley—Yes.

Senator LUDLAM—Is that being provided separately somewhere, or are we really just looking at individual places for people?

Ms Gumley—The focus of the capital expenditure from the Commonwealth is on long-term permanent housing, so not on the boarding houses but on finding people permanent accommodation with secure tenure.

Senator LUDLAM—Is nothing specifically coming to mind, then, that is being used to pick up that absence as those boarding-type properties are being withdrawn?

Ms Gumley—There are probably a couple which might be useful. One to note is the Foyer model, which is accommodation for young people in education or training, and whilst they are in education, employment, or training, they are able to live in that communal arrangement. And some of those are actually being built under the A Place to Call Home model. The other one is the Common Ground model, which is being picked up in a few states and territories, and that is where chronic rough sleepers are being housed in an accommodation complex that is mixed in with affordable housing developments as well, and it also has concierge on-site 24/7 support, and really people who are homeless have a need for many other different sorts of support services. And so, through the Common Ground model, the concierge is able to bring in the necessary support or arrange that brokerage, and sometimes there are also on-site training support facilities provided there.

Senator LUDLAM—Great. That is not something that you have a particular target or a mandate for; that is just that some states and territories are using that model?

Ms Gumley—Some states and territories are. Minister Plibersek has been quite keen to see that development, and so many of the states have picked that up in their A Place to Call Home funding that has come through.

Mr Leeper—Senator Ludlam, you had a question about program support dollars?

Senator LUDLAM—I did.

Mr Leeper—In 2008-09, the department continued to make payments to Centrelink for the administration of payments to its clients. From 2009-10, that money will be paid direct to Centrelink from the budget. So in programs where we have got a significant amount of support for Centrelink through their administrative payments, that is, payments for staff and phones and desks and things, where that has come out, that support payment has dropped substantially. I could also take you to page 91 of the portfolio budget statement and show you the same thing, where income support for seniors apparently drops from \$346 million in 2008-09 to \$19.2 million in 2009-10. It is about how our accounting models attribute that expenditure. So in programs where there was a significant Centrelink presence, and there is one in rent assistance as there is in aged pension, the program support dollars have come down substantially. But it is fundamentally about that.

Senator LUDLAM—Is the same thing happening in the evaluation item? So it is not disappearing, it is just going sideways and it is not coming through this portfolio anymore?

Dr Harmer—That is certainly the case with program support.

Ms Gumley—For the special account—I think it is noted, that one—is that the item that you are talking about, under SAAP data and program evaluation? That is the funds that previously would have come in from states and territories as part of the SAAP agreement. It was a special account that was managed by the Commonwealth on behalf of the Commonwealth and states and territories, and that is the funds that we would have provided AHW for the SAAP data collection and reporting requirements, as well as some other research activities.

Senator LUDLAM—And that is all elsewhere now. Okay, thank you for that. I have got no other questions on that.

CHAIR—Is that the last questioning on homelessness?

Senator PAYNE—I wish to ask some questions around the National Affordable Housing Agreement, broadly speaking. Dr Harmer, before I go into these particular questions, I wonder, given the significant volume of programs and new work—implementation plans, approvals, processes, assessments and so on—that the department is undertaking, which really, as these estimates discussions have progressed over recent months, is becoming manifestly obvious, I think, to members of the committee sitting around here trying to understand the full gamut of what the department is doing; does the department, or do you, Dr Harmer, have a map, if you like, or a schematic which might show us in a physical sense where money is going to and from, where the state-Commonwealth relationships are, across the range of these which might assist the committee? And if it does not, is that a matter you could put in contemplation for us?

Dr Harmer—We can probably produce that. The diagram that the Chair liked this morning, from Mr Innis, will go part-way there. I think all we would need to do would be to put some numbers against each of them. That would probably go a long way to where you want to get to. We can probably do that, and then, if you have more questions, we can follow up for you.

Senator PAYNE—If that is something you could make a public document for us, I think that would be very helpful for the committee. And I do not want to put the department to unnecessary—

Dr Harmer—I do not think that would be very difficult.

Senator PAYNE—Thank you. I appreciate that. I wanted to ask some questions around the reporting outputs under the National Affordable Housing Agreement, which I understand are, broadly speaking, the responsibility of the COAG Reform Council. Is my understanding correct?

Dr Harmer—That is correct.

Senator PAYNE—Can you indicate to the committee how the Commonwealth and state governments go about providing information to the COAG Reform Council to enable it to make its reports in the first instance? Is it empirical data? Is it analysis of the programs? How does it actually operate?

Ms Winzar—The full technical glory of the COAG Reform Council—the questions are probably best directed to our colleagues in Treasury. The little I can tell you is that the COAG Reform Council has been charged with independently assessing the performance against the benchmarks and performance indicators that are set out on each of the SPPs and the partnership agreements, and they will presumably form their view using both quantitative and qualitative data. It will not necessarily be sourced from our portfolio.

Senator PAYNE—Okay.

Ms Winzar—They will draw their information from the state governments, in some cases the Bureau of Statistics information will be used to measure progress, or the Institute of Health and Welfare will also have a role.

Dr Harmer—Senator, there will be a range of sources, as Ms Winzar has said. If we just to take you through the performance indicators, you will be able to see from that the sorts of data that the COAG Reform Council will need to get and the variety of places they will need to get it from, much of which will be, as Ms Winzar said, survey or census information from ABS, information from Australian Institute of Health and Welfare surveys et cetera.

Mr Leeper—There are five main outcomes and an underpinning outcome against which the agreement is structured. Largely, it is around outcomes around homelessness, rental housing, affordable housing, efficient and responsive housing markets, reducing overcrowding in Indigenous communities—which is a particular objective—and, also, an underpinning one, which is that Indigenous people have the same housing opportunities as other Australians.

In support of those, the Council of Australian Governments will receive reports based on eight performance indicators and those go to what will be happening inside those five

overarching outcomes and the underpinning one—that is, the proportion of low-income households in rental stress; the proportion of homes sold or built that are affordable by low- and moderate-income households; the proportion of Australians who are homeless; the proportion of people experiencing repeat periods of homelessness; the proportion of Australian households owning or purchasing a home; the proportion of Indigenous households owning or purchasing a home; the proportion of Indigenous households living in overcrowded conditions; and the proportion of Indigenous households living in houses of an acceptable standard.

The reports to COAG will be based around those high-level indicators and there will be quite a bit of work done between ourselves and the states through various data working groups and, as Ms Winzar has indicated, through the Institute of Health and Welfare and the Bureau of Statistics. Our understanding is that will be coordinated by the COAG Reform Council and brought together for reports to COAG periodically—I think it might be annually at worst.

Senator PAYNE—Annually at worst.

Mr Leeper—As in, it could be more frequently than that. Annually at least, I should say, not at worst. I beg your pardon.

Senator PAYNE—Yes, I thought you would be keen to do more of them, Mr Leeper. On the eight indicators that you have just described there, does the department have base indicators for those? Do you have starting points? How do you make your assessments against the numbers?

Dr Harmer—In most cases we will have base information.

Mr Leeper—I would be confident we would have base information for all of them, at least—

Senator PAYNE—Is that information you can provide to the committee?

Mr Leeper—We would need to take that on notice, Senator, only because this is a broader COAG framework than just our department.

Senator PAYNE—I understand that.

Mr Leeper—But what I am saying is, from my quick read of these ones, the only one I would be thinking about is (h), which is the proportion of Indigenous households living in houses of an acceptable standard. I think we have got some survey data on that. We certainly would have baseline data on all of the others.

Senator PAYNE—Thank you; that would be helpful. As you have said, the NAHA has a number of specific responsibilities for the Commonwealth and the fourth of those, (d), is in relation to the financial sector regulations and Commonwealth taxation settings that influence housing affordability. Is it possible to indicate to the committee whether or not FaHCSIA provided input to the tax review that is currently being undertaken by the Secretary to the Treasury?

Dr Harmer—Is your question about our input into the tax review?

Senator PAYNE—Whether you provided input into the tax review.

Dr Harmer—We are quite heavily involved in the tax review. I am actually one of the five members of the review panel and I am supported by a team within my department, in large part because the review is actually a tax transfer review and a lot of the transfers are part of FaHCSIA's responsibility.

Senator PAYNE—Are you able to give the committee any further idea of the nature of the input, Dr Harmer?

Dr Harmer—No, Senator. Until the review comes out, we will not be able to do that.

Senator PAYNE—Thank you. In relation to the national partnership agreements—and I am really hoping they are part of the coloured diagrams so I can look carefully at where that all fits in—we have got the three that we have talked about today across a range of issues. Can you advise the committee whether there are any plans to develop any additional national partnership agreements that might assist in attaining the objectives of the NAHA in particular?

Mr Leeper—I am not aware of any others, Senator. There is social housing, homelessness, remote Indigenous housing and the first home owners boost as well.

Senator PAYNE—Is that a partnership agreement, the first home owners boost?

Mr Leeper—I think it is, yes. But I am not aware of any other agreements being considered. That would be a matter for government, though.

Senator PAYNE—In addition to the National Affordable Housing Agreement itself, can you advise the committee whether there are any separate bilateral agreements signed between the Commonwealth and any state or territory governments under the NPAs, particularly the one for social housing?

Mr Leeper—Nothing at this stage called a bilateral agreement, but the implementation plans are effectively bilateral agreements.

Senator PAYNE—If my terminology is incorrect, please do not hold me up on that.

Mr Leeper—No, I am not being pedantic. The Commonwealth-state space has been littered with bilateral agreements.

Senator PAYNE—Yes.

Mr Leeper—We have got an overarching National Affordable Housing Agreement. Under that we have got a number of national partnership agreements, and each of those has an implementation plan between the Commonwealth and the relevant state or territory, so those would be in the nature of bilateral agreements, yes.

Dr Harmer—So it is the implementation plans that would be bilateral under the broad agreement.

Senator PAYNE—And on my plan with the arrows that goes in a reasonably straight line, I would have thought. Are there any separate agreements other than those than you can advise the committee of?

Ms Winzar—The other suite of agreements that we have with the states and territories is around the eDA component of the housing affordability fund, the electronic development

application process, where we have got a series of bilateral agreements in place there. And the other subtlety around the homelessness partnership agreement is, of course, that we had already signed up a couple of jurisdictions with bilateral agreements under A Place to Call Home.

Senator PAYNE—Yes.

Ms Winzar—Those agreements will be terminated and rolled into—

Senator PAYNE—Because you have rolled in those?

Ms Winzar—Yes.

Senator PAYNE—Madam Chair, in view of the time, I will leave my questions on the NAHA there because I suspect Senator Ludlam may have some as well.

CHAIR—Do you have some, Senator Ludlam?

Senator LUDLAM—I have just got one. Are we going to get time to go to Commonwealth Rent Assistance—is that still planned?

CHAIR—We will make time, Senator Ludlam.

Senator LUDLAM—I know you said you were hoping we would finish at about three.

CHAIR—That was my goal.

Senator LUDLAM—The only general NAHA question that I have relates to the COAG Reform Council. If you are able, can you provide us some very high level overview detail of who is on that council.

Dr Harmer—We could get that for you, but the COAG Reform Council is a construct from Treasury.

Senator LUDLAM—Yes.

Dr Harmer—Mr Leeper has just corrected me. It is actually Prime Minister and Cabinet, so it would be appropriate to ask them. But I do not think it would be very difficult for us to get you that membership, so we will take that on notice.

Mr Leeper—I would appreciate that, and whether their reports are made public.

Dr Harmer—I am pretty confident that their reports will be made public. I will just check that, but I am pretty that is the case.

Senator LUDLAM—All right. That is fine. I will leave that there.

CHAIR—Anyone else with questions on the affordable housing scheme? No. On another topic, Senator Ludlum, you can lead off on this one.

Senator LUDLAM—I will lead off straight into the CRA. I have just got a couple of questions on this, and I think Senator Siewert has one or two as well on this.

CHAIR—On the same topic?

Senator LUDLAM—Yes, on the CRA. On my reading of the figures in the budget, the total cash forecast for this program rose from \$2.6 billion to \$2.84 billion, but then in the same budget they are predicting employment to rise to a million people. Have you got any

projections from the department's point of view of how many people you think might be requiring Commonwealth rental assistance? Are there projections out there? Is that being modelled?

Ms Wall—I think we will have to take that on notice.

Senator LUDLAM—If you could, and I guess you can get the general thrust of what I am after.

Mr Leeper—Senator, this is the first time we have reported rent assistance separately, and you can see from the table on page 65 that it incorporates two FaHCSIA acts, two DEEWR acts and also the Veterans' Affairs Department. Just to put this information together was a coordinating exercise, so any further questions would require us to do that as well.

Senator LUDLAM—All right. That is helpful.

Dr Harmer—For example, Senator, we are responsible for the estimates for the family tax benefit people and those on the disability support pension and the aged, but the Department of Education, Employment and Workplace Relations will be responsible for estimates for Newstart and parenting payment people, and they get rent assistance as well.

Senator LUDLAM—What I am after, I suppose, is, is somebody plugging in projected unemployment figures over the next financial year, and is that how the figure for the CRA has been arrived at? It does not seem like a very big jump, I suppose, given the projected future unemployment rate.

Mr Leeper—The way the estimates are built up, Senator, is that if there was an assumption of an increased number of Newstart recipients, for example, then that would show up as high rent assistance payments, and I think it does that in that chart: it is up by \$52 million. I would not attribute all of that to changes in underlying beneficiary numbers. There is indexation and other factors in there. But the way these estimates are produced, they would be based on forecasts of customer numbers and average rates of entitlements going out into the future. I would expect that if we tested this with the education and employment department, as we have done with our own, we would find they would be based on some assumptions of customer numbers and also average rates of payment.

Dr Harmer—So the most likely growth in numbers, Senator, would be from the Newstart income support payment, and that would be a matter for DEEWR, not us.

Senator LUDLAM—Is that official departmental terminology to refer to unemployed people as 'customers'?

Mr Leeper—I was just using my own terminology, Senator.

Senator LUDLAM—That is all right. I am not taking a shot; I am just surprised to hear that term. Should I actually direct those questions to them?

Dr Harmer—Yes.

Senator LUDLAM—We might have missed that opportunity.

Mr Leeper—In relation to Newstart; parenting payment, single and partnered; partner allowance; sickness allowance; widow and youth allowances, yes, those are all DEEWR

payments. FaCHSIA is responsible for family tax benefit, age pension, carer and disability pension. Those are the main ones.

Dr Harmer—And the growth in those numbers, as you would expect, Senator, is more predictable over the next 12 months, at least.

Senator LUDLAM—Yes, more predictable than unemployment. Just going directly to Commonwealth Rent Assistance, one of the key performance indicators under that item is the proportion of recipients in rental stress before and after receiving the rental assistance, and also the proportion receiving the maximum amount. So I wonder if we could just deal with those two separately. Are you able to tell us the proportion of rent assistance recipients in rental stress before and after receiving CRA in the last financial year?

Ms Wall—Yes, we can. Without rent assistance, there would be 66 per cent in housing stress—as in paying more than 30 per cent of their income on rent. With rent assistance, it drops to 36 per cent. That is as at March 2009.

Senator LUDLAM—So, half of the people that this form of assistance applies to are not in rental stress after the application of that funding, according to your measures?

Ms Wall—That is about right, yes.

Senator LUDLAM—Thank you. How does that compare for the last 10 years? That proportion of roughly half, is that a fairly static indicator?

Ms Wall—We can use the figures for, say, June 1997. We have figures for each year but for June 1997, for example, there were 77 per cent who were in housing stress before rent assistance and 39 per cent afterwards.

Dr Harmer—So the proportion is—

Senator LUDLAM—It is roughly half, yes. Can you tell us what proportion of the people receiving this benefit receives it at the maximum amount?

Ms Wall—Yes, that is 71 per cent.

Senator LUDLAM—Have we covered this already?

Mr Leeper—Yes.

Senator LUDLAM—You did, okay. Is that an indicator that the amount being paid is not enough? If three-quarters of that benefit is being paid out at the maximum that you are able to, is that telling us that we are not paying enough?

Dr Harmer—I do not you could necessarily conclude that. It would be a value judgment about what is enough. Some people are fortunate enough to be in situations where they are paying low rents, because they are renting from family or whatever and they therefore get part rent assistance because their rent payments are low. Others get the maximum even though their rent payments are slightly higher. It is a difficult thing to generalise about.

Senator LUDLAM—But we have just heard that, at least for the last 10 years, after the application of this funding half of the people who were getting it are still living under conditions of rental stress.

Dr Harmer—That is using a broad definition of ‘rental stress’: about 30 per cent of income. We use that for comparative purposes. But there would be a lot of debate about exactly what proportion represents rental stress, and it may vary according to household size, the number of children, et cetera. It is difficult to be very definitive about that.

Senator LUDLAM—Has the Commonwealth Rent Assistance been pegged to the median rental increases occurring in Australia? You would obviously be well aware that rents have risen by about 200 per cent in the last seven years. What percentage of CRA payments have risen over that same period of time?

Mr Leeper—Senator, rent assistance is indexed by the consumer price index—the all-basket measure; the general CPI.

Senator LUDLAM—So if we were to graph that, we would see rents tearing away from the amount that is being paid under the CRA?

Mr Leeper—I am not sure I would say ‘tearing away’, Senator. There may be a difference over time; I do not think I have seen a chart of that. But certainly rents are rising in real terms, is what industry analysts are telling us well, but your question is: how do we index CRA? It is indexed by the consumer price index.

Senator LUDLAM—Do you have an idea—I could probably go to the ABS for this—to what degree increases in rent have outpaced increases in the CPI?

Ms Wall—In most recent years, the rent component of the CPI has certainly been above the average component for all of the CPI. Five years ago it was quite different: it was the opposite, almost. So over 10 years it has been less obvious that there has been a significant increase in rent above general consumer price index.

Senator LUDLAM—Can you just describe for us what forms of evaluation the CRA is subjected to within the department? Is it evaluated in an ongoing sense, as to whether it is meeting its targets and that sort of thing?

Ms Wall—As discussed previously, we collect a lot of information from rent assistance recipients and we have performance indicators, including those included in the report, where we actually measure who is getting rent assistance and, as you say, how many of the people are still in rental stress before and after rent assistance, how many are on maximum rate. We take those sorts of figures. We look at the geographical breakdown of rent assistance recipients and those sorts of figures across different geographical areas.

Senator LUDLAM—So that is all compiled. I have just got two more questions and then I will finish up.

Dr Harmer—Senator, if I could just add to that.

Senator LUDLAM—Yes, please.

Dr Harmer—The government has initiatives around the significant boost to social housing, the additional money in the first home owner boost, the National Rental Affordability Scheme. There are a range of measures that have been made available which should substantially add to the stock of lower and medium cost rental housing, which should take quite a bit of pressure off the people in the private rental market who are paying a high

proportion of their income in rent. We will be looking at where we land on that before we start doing too much more on rent assistance for the moment.

Senator LUDLAM—I am just wondering whether, in the process of changing over to quite a different system, the CRA was reviewed internally or externally, or whether it is currently being reviewed, or is it just left alone?

Mr Leeper—From time to time, Senator, we consider how programs might be made more effective. The budget process generally asks us to think from time to time about that. There is nothing that I would consider to be a formal evaluation of rent assistance going at the present time. But it is a matter that comes up from time to time in discussions with the state governments as well, in relation to the National Affordable Housing Agreement, so that is something we consider when we are looking at it.

Senator LUDLAM—Are you exploring alternatives to this model of funding rental assistance?

Dr Harmer—Senator, I think we are getting into the territory of advice to government and work that we are doing. I do not think it would be helpful to speculate on that.

Senator LUDLAM—It might be very helpful.

Dr Harmer—It might be very helpful to you, Senator. But I do not think it would be wise for us.

Senator SIEWERT—Can I just follow that up with one question?

CHAIR—Sure.

Senator SIEWERT—The proportion of people that are getting full rental assistance is 71 per cent. Is 71 per cent made up of those that are on income support, so the other 29 per cent of those that are on low income are low-income families? Are you able to provide a breakdown of that 71 per cent?

Ms Wall—We could get that information, but I do not have it in front of me.

Senator SIEWERT—If you could, that would be much appreciated.

[3.04 pm]

CHAIR—The committee will now move to outcome 6, Women.

Senator BOYCE—I will start off with general questions and then go to EOWA. I want to start with the women's leadership and development programs that you have been running. Last year's budget allowed for 33 of these to be funded. Can you tell me how many actually happened and what they were, please?

Ms Moyle—We have a list of those that were granted, and they are proceeding.

Senator BOYCE—But there appear to be only 25 on that list. Is that right?

Ms Moyle—I would have to cross-reference to the 32. We might need to take that one on notice.

Senator BOYCE—Perhaps you could tell me how much you have spent on the programs that you have—

Ms Burns—Across 2007-08 and 2008-09 approximately \$1.9 million was spent on women's leadership and development grants.

Senator BOYCE—As I understand it, we had a budget last year of \$3.8 million for them, so you have spent half. Is that correct?

Ms Burns—No. The \$3.8 million for the Women's Leadership and Development Program in fact covers almost all of the operations of the Office for Women, except for those aspects related to safety.

Senator BOYCE—Can you explain the difference between the women in leadership development programs and the grants?

Ms Burns—The grants are a subset of the overall Women's Leadership and Development Program.

Senator BOYCE—How much was available for grants for 2008-09?

Ms Moyle—For 2007-08 grants there was \$2.1 million allocated and they have been spread over 2007-08 and 2008-09, and there is a small amount that will be carried over to 2009-10. For 2008-09 grants, that process is still in train and will be finalised shortly.

Senator BOYCE—But you have no sense of where you are going with that.

Ms Moyle—Not at this stage.

Senator BOYCE—You just said \$1.9 million over two years and now we have \$2.1 million.

Ms Moyle—Yes, a small amount has been carried over to the next financial year, which accounts for the difference. Those are for grants that have been given extensions on the final reporting.

Senator BOYCE—So you had \$2.1 million available over two years and you expended \$1.9 million.

Ms Moyle—That is right, and some of them have been given extensions to next financial year.

Senator BOYCE—That leaves us with \$2.7 million in the budget. What was that for? It was not for programs. There was \$3.8 million in the budget.

Ms Moyle—That is right. That accounts for the entire work program, as Ms Burns has said, of the Office for Women, except for the safety agenda and for the specific appropriation for trafficking in people. It includes things like the sports leadership grants that we have; the funding that we have for our women's secretariats, now called alliances; research; a small amount for sponsorship; and other programs. Last financial year it covered the work that we did in developing our report for CEDAW, for example.

Senator BOYCE—The budget last year said that there would be 33 women's leadership and development programs funded. Are you able to tell me how many were funded?

Ms Moyle—I will take that one on notice and table a list of those that were funded.

Senator BOYCE—My next question was going to be about what sort of programs they were, how long they ran for, where they were based and if they were geographically based or issues based.

Dr Harmer—We can probably give you some of that information in advance of providing you with the table.

Ms Burns—We provided some of this information in response to a question on notice. I think that is the 25 that you are referring to.

Senator BOYCE—We had the list of 25 that were funded, yes.

Ms Burns—We can give you an update of that and take the rest of those questions on notice.

Senator BOYCE—Are you anticipating there will be more programs?

Ms Moyle—Those programs that were funded in 2007-08 are those that you have been provided with. They are the same grants from 2007-08 that were in the question on notice. In terms of the grant round funding, that is them.

Senator BOYCE—So we have nothing to add to that for 2008-09.

Ms Burns—The 2008-09 round has not been finalised, so there will be another round of grants announced in the near future.

Senator BOYCE—When would you anticipate that they will be announced?

Ms Burns—In the near future.

Senator BOYCE—We have only got a month to go.

Ms Burns—Yes, I know that.

Dr Harmer—This month.

Senator BOYCE—That is right—29 days and counting. You are anticipating they will be announced this month?

Ms Burns—Absolutely, yes.

Senator BOYCE—They have been assessed?

Ms Burns—They have.

Senator BOYCE—How many applicants did you receive for that grant round?

Ms Moyle—Given that it is an ongoing tender process, perhaps we might need to address that at the next Senate estimates process. It is difficult for us to say with a tender process that has not been finalised.

Senator BOYCE—You do not know how many applications you received?

Ms Beauchamp—I would be happy to take that question on notice and provide an answer to you after the completion of the tender round. Given that we are subject to probity advice and the like, I would prefer it if we completed the process and then provided you with the information that you are seeking.

Senator BOYCE—One would assume that if there were a healthy number of applicants that there would not really be issues around providing that figure beforehand.

Dr Harmer—If you are concerned, there was a healthy number of applicants.

Senator BOYCE—That is good. I should probably try and find out what a ‘healthy number of applicants’ means.

Dr Harmer—The operational definition of a healthy number we will provide you later!

Senator BOYCE—I will wait for that one! Are any of these programs complete, finished?

Ms Moyle—From the 2007-08 round, yes, there are many finished. There are just a few that have been given a particular extension for certain circumstances.

Senator BOYCE—How many of those 25 have ended?

Ms Moyle—I do not have the exact number before me. They are finishing as we speak, so the number is changing day by day. I would have to give you on notice the number that have been completed as of today. Most of them have been completed. Only a handful are left outstanding.

Senator BOYCE—Okay. On evaluation of those programs, what have you done there?

Ms Moyle—Each of our grants is required to have an evaluation at its completion.

Senator BOYCE—That is provided by the grant recipient, is it?

Ms Moyle—That is right.

Senator BOYCE—There is an evaluation form that you provide them?

Ms Moyle—I would have to take that question on notice, I am sorry.

Senator BOYCE—Given that we are talking about women’s leadership and development, we are also looking at, hopefully, some sort of quantitative outcome as well. Is that the intention? I say that in the sense that one hopes you could look at some figures later and say, ‘There are X more women in leadership in this area or that area, and we anticipate that there was involvement of this program.’

Ms Burns—That is certainly the case with some. As you would be aware from the list of grants we have provided you in the past, some of them are around holding a forum and doing something to support a women’s organisation to foster leadership in a local area, and not all of those will have immediate quantitative outcomes.

Senator BOYCE—Yes. But you would be hoping that you could look at an area—that is, perhaps a community or something.

Ms Moyle—As Ms Burns said, some of these grants are place based, so they do deal with a discrete number of women. Others produce websites or develop the capacity of a national women’s non-government organisation to do its work. So it is difficult to quantify the particular number of women who might benefit from that.

Senator BOYCE—What would constitute an evaluation that, in your view, proved a program to have been useful?

Ms Moyle—In the grants round and the selection criteria we ask that an evaluation be conducted as part of that. Applicants need to demonstrate their capacity to undertake that evaluation. As I say, I will take on notice that question about the forms of evaluation that are undertaken by the different grants themselves.

Senator BOYCE—Of all the programs, how many people took part? Do we know that or not?

Ms Burns—Again, because they are not all programs delivered in a way that a leadership development program might be—some of the grants are for, as I said, website development, a conference or the opportunity for an organisation to build its capacity—so numbers of participants overall are not tracked.

Ms Moyle—Given that the 2007-08 grants are finalising just now, we have not done a complete evaluation of the program.

Senator BOYCE—But would you anticipate having the evaluation by the additional estimate?

Ms Burns—We would have some overall evaluation of the program as a whole, yes.

Senator BOYCE—The next round will be announced in the near future. It seems quite late in the cycle. What caused that to occur?

Ms Burns—The Office for Women and the minister have been looking at that bucket of money we were talking about before, the \$3.8 million, and looking at the best way to support women's leadership and development. As I said, that money is used to support the funding of our alliances and so forth. You would be aware that we have been considering how to refine that model, for example. So that delayed our decision on the nature of grants to be offered and the funding that should be made available. In particular, though, in consultation with the minister, this round is focusing on helping marginalised and disengaged women connect with the women's organisations before we fund a new round of alliances in the coming financial year.

Senator BOYCE—So this next lot is to build capacity for—

Ms Burns—And particularly to engage disadvantaged and marginalised women.

Senator BOYCE—Can you give me a sense of who we are talking about here? Can we put on the record who we are talking about here?

Ms Moyle—The minister is particularly keen to engage with women who are often marginalised—women with disabilities, Indigenous women, women who are refugees or immigrants—but also women who may just not have engaged with these issues in the past. They may not have engaged with public debates.

Senator BOYCE—What sort of women are we talking about?

Ms Moyle—I guess the minister is particularly interested in women who, because of their busy lives between work and care, are too busy to engage but have firm opinions about things. She wants to find ways that women's organisations can engage with the mainstream of women, I suppose. So this grants round was particularly focused on levelling a playing field

and engaging with new groups of stakeholders, whether they have not engaged because of their busy lives or because of particular barriers to participation.

Senator BOYCE—We have already ascertained we have a healthy number of people applying.

Ms Moyle—We do.

Senator BOYCE—Do we have a healthy number of groups applying in that particular space?

Ms Moyle—That is right.

Senator BOYCE—It is good that people were able to find space in their lives to even apply. Last year, there were 12 programs funded within the women's safety agenda in last year's budget, and I think there was a budget of 15.5 for that. Again, can I have an update of how many of the 12 programs were actually funded and what sorts of programs were produced? I am sorry if I am jumping from person to person here.

Ms Stodulka—You are correct in your advice about the amount of money. However, you will see in the PBS that we have achieved a rollover of \$7 million into next financial year. The amount that we were working with this year was \$11.509 million. With that money, we spent approximately \$2.1 million associated with the development of the national plan. This involved our support to the national council and its costs and a number of research and consultation activities. These included the 'cost of violence' research report, our analysis of domestic violence and sexual assault laws, a desktop research of national and international research on sexual assault and domestic violence, six facilitated roundtables, six regional and remote visits—

Senator BOYCE—These are all part of developing the national action plan?

Ms Stodulka—They are. They are all part of the evidence gathering, yes. As well, there was an 'as is' analysis of the service system across all the different jurisdictions. In addition to that—

Senator BOYCE—What did you do outside the national action plan?

Ms Stodulka—Yes. Sorry; I will come to that. We grouped up our effort under two particular areas: one called research and innovation, and another area called community engagement and supporting the service system. We spent \$6.1 million in our research and innovation effort. This included the National Community Attitudes Survey that the Prime Minister announced last September; continued funding of the two specialist clearing houses, ACSA and the Domestic and Family Violence Clearinghouse, to \$1.5 million; the commencement of our respectful relationships program for \$2 million; and about \$0.6 million on other research associated with building the base to inform the monitoring and evaluation of the national plan. On our community engagement and supporting the service system work, we spent \$3.33 million.

Senator BOYCE—\$3.3 million?

Ms Stodulka—\$3.33 million. That included \$0.6 million devoted to our remote nurses and Aboriginal health workers domestic violence training program. We completed some

community grants work to the value of \$0.43 million. There was our investment in the White Ribbon Foundation of \$0.25 million and the continuation of our 1800 telephone service at \$2.05 million.

Senator BOYCE—I do not know who wants to answer this. We had \$15½ million in the budget.

Ms Stodulka—Yes.

Senator BOYCE—You spent \$11½ million. Would I be right in thinking that, perhaps, you do not simply have the resources to spend the funds that you are allocated?

Ms Stodulka—Thank you, Senator. You are correct. It was agreed that \$2.915 million would be rolled over from 2007-08 to 2008-09, so we ended up with \$2.915 million more than we had commenced the financial year with.

Senator BOYCE—Yes. What do you need so that you can spend that money?

Ms McKenzie—Senator, over this last year, in preparation for the national plan being produced by the national council, the minister has had us do a rigorous review of the funding under the women's safety initiatives and to look at where we can give funding to higher priorities to ensure that there will be sufficient funding to be able to implement, as far as possible, the recommendations from the national plan within existing funding before seeking any additional funding, and that is a process that we have been undertaking over this year.

Senator BOYCE—Thank you. Just to finish off on the women's safety agenda, in the evaluation of the programs that you have undertaken, the community engagement ones are the only ones that have actually been directly related to immediate attempts to improve women's safety; is that correct?

Ms Stodulka—No, Senator. NASASV, the sexual assault peak body, have developed a national primary prevention framework for the prevention of sexual assault, which was launched a couple of weeks ago, and they are now going to trial that framework with three sexual assault organisations. We have also had WESNET running a grants program on behalf of the safety task force. That was \$650,000 from the previous financial year.

Senator BOYCE—That comes out of the research and innovation sector?

Ms Stodulka—It comes out of our grants area and, certainly, yes, it supports research and innovation, because WESNET particularly looked for organisations who were looking for innovative approaches in the prevention of violence or in early intervention. WESNET have supported 22 community based organisations to test and evaluate their efforts in early intervention and prevention, and we expect the new knowledge, as WESNET are calling it, to be able to be published by about September this year so that we can share that across the service system.

Senator BOYCE—I suppose what I really need you to do is perhaps talk me through what studies or programs have been evaluated for their efficiencies or effectiveness in the past 12 months.

Ms Stodulka—Perhaps if I start with the Respectful Relationships programs, Senator. We are saying we are moving into phase 2 of Respectful Relationships, because phase 1 was very

much about understanding what is best practice in primary prevention and education, and also building off the work that NASASV did and also the Victorian government had done in evaluating respectful relationships education into schools. So it has been through that evidence base that we have built that we have been able to design phase 2 of Respectful Relationships, where we will be rolling it out this calendar year to 31 different sites and testing six promising practice models of respectful relationships education in school settings and in non-school settings and across a diverse group of young people. Certainly, as part of that rolling out, we have funds set aside and are about to go to tender for a comprehensive evaluation process. We also intend to group in the NASASV three programs that they are going to be testing their new framework against. We are going to be building that—

Senator BOYCE—You are rolling out your Respectful Relationships—

Ms Stodulka—Yes, we are.

Senator BOYCE—programs to 31 sites?

Ms Stodulka—Yes.

Senator BOYCE—But you are also undertaking an evaluation of those programs?

Ms Stodulka—We need to have an evaluation strategy started at the same time that we start engaging with the young people so that we can take best baseline assessments of their skills and their attitudes, so that over the progress of the Respectful Relationships phase 2 program, which will now run over five years, we can continuously learn and also be able to advise on the impact that the programs are having. We are taking a very comprehensive approach to evaluation.

Senator BOYCE—The 31 sites are schools and what else?

Ms Stodulka—Youth groups. We have got a specialist program that is being developed out of La Trobe University focused on young people with intellectual disability and their engagement in respectful relationships education. We have pre-elite young athletes—

Senator BOYCE—Pre-elite, did you say?

Ms Stodulka—Pre-elite, so they are not in the elite—

Senator BOYCE—I love the idea of someone being pre-elite!

Ms Stodulka—Pre-elites. I guess they are very promising young men engaged in sport who we will be running respectful relationships education with. We have young people in three communities in the Kimberley where each community is at quite a different stage of alcohol management and we are going to partner with the Western Australian government, particularly the department of health and also a community organisation in South Australia, to trial Respectful Relationships programs there. We are going—sorry?

Senator CAROL BROWN—I was just going to ask: have the 31 sites been chosen?

Ms Stodulka—The 31 sites for this calendar year have been chosen, but the future sites over the next four weeks have not, nor have the programs that we will be testing. So we will be building on our learning this year.

Senator BOYCE—Are those sites publicly available? I can understand if they are not—is that public information?

Ms Stodulka—Yes, certainly they have been announced. I can provide those to you.

Senator BOYCE—That would be useful.

Ms Stodulka—Yes.

Senator BOYCE—Thank you. What is the budget for the Respectful Relationships programs for 2008-09 and 2009-10, please?

Ms Stodulka—It is \$2.2 million for 2008-09 and \$1.442 million for 2009-10.

Senator BOYCE—And why is it that much less in 2009-10?

Ms Stodulka—We will be putting a big injection into the evaluation end of the program this financial year, Senator.

Senator BOYCE—When would you anticipate that that evaluation would be completed?

Ms Stodulka—For this calendar year, at the beginning of next calendar year, and we will be maintaining a rolling approach to our evaluations, so—

Senator BOYCE—So in early 2010 you will be able to tell us how 2009—

Ms Stodulka—Yes. How our programs in 2009 have performed.

Senator BOYCE—Yes. I just wanted to look at the KPIs—

CHAIR—Senator Boyce, are you finished on Respectful Relationships?

Senator BOYCE—I think I am finished on Respectful Relationships, yes.

CHAIR—I think it is an appropriate place to stop for 10 minutes at this stage, because there are a number of questions remaining. I think it will take too long to just roll through. So we will come back at 20 to four and, Senator Boyce, you will still have the call.

Senator BOYCE—I will have—

CHAIR—On to another topic.

Senator BOYCE—Yes.

CHAIR—Yes.

Proceedings suspended from 3.31 pm to 3.46 pm

CHAIR—We will now recommence in outcome 6, and Senator Boyce has the call.

Senator BOYCE—I have a series of questions relating to various programs so I hope I am not going to require people to move around too much. I will just work through them, if that is all right, and you can suggest to me other ways that, perhaps, we might rearrange them.

Dr Harmer—I think you are okay, Senator. I think we have got the whole team here.

Senator BOYCE—I notice that my colleagues are—

CHAIR—Yes, Senator Hanson-Young has some questions as well, when she returns.

Senator BOYCE—fascinated. On page 117 of the PBS, we have a movement of \$7 million from last year's budget to this year's budget. Can you just explain to me what that is about?

Ms McKenzie—Yes, Senator. As I said before, the minister asked us to do a very rigorous review of what we were spending money for in the safety program, and, in particular, to try to free up funding so it would be available for initiatives that would support the national plan. In undertaking that review, we were able to identify \$7 million that is in this year's funding that could go into next year's funding and therefore be available to fund further initiatives in the plan.

Senator BOYCE—Now, we have talked about some of those underspends. What else was there?

Ms McKenzie—What else?

Senator BOYCE—We have \$7 million here. You have identified earlier, I think, that there was just on \$2 million out of the women's leadership and development programs all up, and some money out of the Women's Safety Agenda. Were other things not progressed in 2008-09 to get to that \$7 million figure?

Ms McKenzie—The funding for this year was already increased by a rollover from the previous year of \$2.9 million into the safety program. But we also wanted to ensure that the funding got spent on the highest priorities that were identified by the council in the nation plan. Previously, there has been some expenditure on ad hoc and one-off grants. There has been support for a number of those kinds of things, which we felt, at this point, would be better off transferred into the following year and being able to be used to support the national plan. So the idea was to stop the ad hoc kind of project work, focus everything on the national plan, and be as ready as we possibly could be for moving into implementation.

Senator BOYCE—So you are saying that no other programs had less than the budgeted amount spent on them, that there were programs that were not developed, so to speak?

Ms McKenzie—Yes. Up until now, the Women's Safety Agenda has had a range of activities that it has funded. The importance here was that we wanted to make sure that the funds were available to fulfil the strategic intent of the national plan when that became available.

Senator BOYCE—You mentioned that the number and percentage of women representatives on Australian government boards is one of your KPIs for gender equality. Do you have a figure, a percentage, or what?

Ms Moyle—FaHCSIA manages on behalf of the government a women on government boards website, onto which all government agencies are asked to enter information about women's and men's appointments to government boards and bodies, and that is the subject of a report. That report is now in preparation for the last financial year.

Senator BOYCE—When will that report be available?

Ms Moyle—I understand it will be available early next financial year.

Senator BOYCE—What methods have you used or are you intending to use that you have not used in the past? Given that you now have this as a KPI, what are you doing to support it?

Ms Moyle—To increase the representation?

Senator BOYCE—Yes.

Ms Moyle—It is something that has been taken up by the minister amongst her counterparts, and it is something, also, that we are engaging with in a whole-of-government context by reminding our other Commonwealth agencies that they have been asked to use government boards, and to make sure that there is a gender balance. So it is exhortation, at the moment, Senator.

Senator BOYCE—But is that new?

Ms Moyle—That is not new, Senator, no.

Senator BOYCE—So what is going to be new about meeting the KPI?

Ms Burns—Approximately 12 months ago, we introduced a new database that would help women in general nominate to be on government boards, so we are increasing on the supply side as well. And we, through our women's alliances and our women's networks, encourage women to be listed on that database so that when agencies are seeking to appoint women to government boards and advisory bodies there is an increased pool to draw from.

Senator BOYCE—So could you, perhaps, quantify that supply side increase?

Ms Burns—Since we introduced the new database, there have been over 2,000 women registered on that database.

Senator BOYCE—And what is that increase, because there were already some on—

Ms Burns—It is 1,000 new.

Senator BOYCE—How do you go about assessing? Presumably the whole 2,000 are not of equal experience?

Ms Moyle—Senator, that is by request from government agencies. If they request advice on a suitable pool of women, it is something that the Office for Women would search the database for and provide a list of names. And then those names would be taken and used as appropriate by the relevant government agency. Many agencies also have their own databases and search mechanisms that they use as well.

Senator BOYCE—So are you encouraging them to stop using their own databases and use yours, to amalgamate the databases or what?

Ms Moyle—No, we are not, Senator. I think it is useful to have a number of different mechanisms for finding a suitable pool of applicants for any position.

Senator BOYCE—But are you monitoring their success in using their databases?

Ms Moyle—That is where our database on women on government boards comes in. So we have got a supply side and we also have a mechanism for measuring outcomes, which is the govboard database.

Senator BOYCE—And those figures, I presume, in terms of increased numbers on boards, will be available in your annual report.

Ms Burns—It will be certainly now that we have a specific KPI around women representatives. It will be reported in our annual report.

Senator BOYCE—And will you be doing a comparison with historical data there? I mean, will we know for a start whether there is an increase or will it simply be a figure?

Ms Burns—I would expect that we would give the comparative figure of previous years.

Dr Harmer—We will need to fulfil our performance indicators. If we have the number and percentage of women represented presumably we would not undertake this process unless we were aiming to increase it. So unless it is increasing we will not have succeeded. I am sure that is the way the Office for Women people are seeing it.

Ms Moyle—That is right. It can certainly be a bench-mark process.

Ms Beauchamp—The information available for past years is already on the Office for Women database.

Senator BOYCE—Yes, but I am understanding that the database has changed significantly.

Ms Burns—It is the supply side database that has changed significantly.

Senator BOYCE—Yes, but out of that you would anticipate a change on the appointment side as well?

Ms Moyle—We would hope so, Senator.

Senator BOYCE—Well, yes, absolutely.

Senator McLucas—I might be able to be of some assistance. I can report to the committee that representation of women on rural research and development corporation boards has increased in the last 18 months from 20 per cent to 43 per cent.

Senator BOYCE—From 20 per cent to 43 per cent. That is a move in the right direction.

Senator McLucas—It is a very fast move in the right direction and Minister Burke should be congratulated.

Senator BOYCE—Okay, and you do not have figures, Minister, for other government bodies?

Senator McLucas—I just happen to have that information with me at the moment.

Senator BOYCE—Thank you. I did want to talk a little about the *Time for action* report. The report has been delivered now. Could we have some sort of indication of how the process of forming the council and developing the plan is going?

Ms Stodulka—Senator, I can assist with that. I thank you for that question. As you are aware, the government appointed the 11-member national council in May last year and that was for a 12 month term. That is a very eminent group of experts across both sexual assault and domestic violence as well as in community engagement and in business. The national

council met with the Prime Minister and Minister Plihersek on 4 June last year and the Prime Minister asked them to develop an evidence-based national plan.

Senator BOYCE—Yes.

Ms Stodulka—They undertook an extensive consultation process. They consulted with over 2,000 people. They visited all capital cities. They certainly went to a number of remote sites—six regional and remote visits. I think I mentioned before that they conducted six expert roundtables. They also undertook online surveys with victims of violence as well as perpetrators of violence and they received 370 submissions from the public. They also did—as I described before, Senator—the research that we commissioned on their behalf to inform the development of their plan, the cost of violence, the analysis of the domestic violence and the sexual assault laws, the analysis of the service system as it currently is around Australia, and an analysis of the 370 submissions and the on-line surveys. They then went to an analysis and drafting stage early this year and tested their drafts with a number of other eminent critical readers.

Senator BOYCE—Yes.

Ms Stodulka—And then they came up with their plan, *Time for action*, which has 11 recommendations, six outcomes, 25 strategies and 117 actions, 20 of which they identify as urgent. Their 12-month term just finished last week, but they are—

Senator BOYCE—Has that been renewed?

Ms Stodulka—Their term has not been renewed as such, Senator. However, the government made a commitment for another two years to have a new violence against women advisory council and certainly we are hoping that some members of the inaugural council will make themselves available to serve on that group. But we are aware a number of the council have indicated that they would not be available for further service due to the very intensive demands of the last 12 months on top of their day jobs, their family commitments and the community activities that they are all involved with.

Senator BOYCE—Now, earlier you told me there was \$2.1 million spent to support the national plan.

Ms Stodulka—Yes.

Senator BOYCE—So that was all spent for the council?

Ms Stodulka—For the council \$280,000 was spent on their sitting fees, their travel, their accommodation, and venue hire. The rest of the money was devoted to building the evidence to inform—

Senator BOYCE—So the \$2.1 million includes the \$280,000; is that what you are saying?

Ms Stodulka—Yes, Senator.

Senator BOYCE—So the \$2.1 million is the total cost of the council and its work—

Ms Stodulka—Yes, Senator.

Senator BOYCE—up to the production of the plans?

Ms Stodulka—Yes, Senator.

Senator BOYCE—Okay, thank you.

Senator ADAMS—Can I just ask a question before you go on?

Senator BOYCE—Yes.

Senator ADAMS—Thanks. As far as these council members go, what processes are in place for the new members to be appointed? Can you just explain how that—

Ms Stodulka—Thank you, Senator. The minister has actually written to the national council and particularly asked them to share their views about the range of expertise and types of people that they think would well serve on the next stage of the council. Council had its last meeting two weeks ago and certainly considered that as part of its meeting. They are going to write to the minister to provide their views. The minister has also heard from other interested groups who have written to express their views. So she will obviously take those into consideration as well.

Senator ADAMS—So it will not be an open process. It will not be advertising for members?

Ms Stodulka—It is not my expectation, but the government has committed to having the violence against women advisory group. It had some advice from the council in its report about such a group. It will have advice from the council now and it has had views expressed by other people. The minister has not made a decision about the exact process or composition of that council so I cannot advise you at this stage, Senator.

Senator ADAMS—When do you think that they will have that process?

Ms Stodulka—Well, I know that the outgoing national council has its views and would be communicating those views quite quickly to the minister. I know other interested groups have communicated with the minister and I—

Senator ADAMS—Yes, I realise that, but there are probably a lot of other people out there who have not been privy to the internal organisation just as to what is going on and there may be other people other than those the group recommend who might be better.

Ms Stodulka—Certainly.

Senator ADAMS—So therefore the question I am asking is really: is it going to be made public? That is what I would like to know.

Ms Stodulka—Yes.

Ms Beauchamp—Ultimately this will be a decision for the minister. None of these decisions have been taken yet.

Senator ADAMS—So when do you expect them?

Ms Beauchamp—In the near future.

Senator ADAMS—The near future is becoming a bit of a problem! It seems to be the answer to many questions. So is the near future before July 1?

Dr Harmer—It is very difficult for us, when the decision is for the minister, to either pre-empt it or set time frames. That is all we can say: we expect a decision will be made shortly by the minister.

CHAIR—And there is requirement, Senator Adams, for this particular council to be linked to financial years. So there is no date set.

Senator ADAMS—I know, but as I said I would like a definition of the near future because it seems to be something that has been thrown up—

CHAIR—We will refer that to the minister. Senator McLucas will express your interest to the minister so that she knows that you are interested in that date.

Senator ADAMS—Well, I am, because—

Senator McLucas—I am aware of your interest, but Dr Harmer is correct. Officers cannot predict the minister's deliberations.

Senator ADAMS—Just while we are on that council one, you said they visited six rural and remote sites. Could you tell me which ones they went to?

Ms Stodulka—Yes, certainly. They went to Fitzroy Crossing, they went to Broome, they went to Albury Wodonga, they went to Nguiu, they went to Thursday Island, they went to Mount Isa, they went to Alice Springs.

Senator ADAMS—That is the six, I think.

Ms Stodulka—Yes.

Senator ADAMS—All right.

Senator BOYCE—How many members will the advisory council have?

Ms Stodulka—I could not comment on that, Senator.

Senator BOYCE—You do not know?

Ms Stodulka—I do not know.

Senator BOYCE—So how much has been allowed in the budget for its operation?

Ms Stodulka—\$0.4 million over two years.

Senator BOYCE—So we are expecting it to cost less per year to operate than the council that has just finished up?

Ms Stodulka—It would be quite a different role, I guess, because the developmental work has been done.

Senator BOYCE—Now, as to the role of the council, have we got any sense of what it is? It is the advisory council, but what is it going to do?

Ms McKenzie—Senator, we are still putting together advice in terms of the most appropriate role of the council. I think what the government said in its acceptance of the report was that the national council demonstrated the value of having an independent voice on these issues, and the government is committed to maintaining that independent voice. Exactly the number of members that are required and exactly the priorities for the council are still under discussion to ensure that the best possible voice can be provided.

Senator BOYCE—I just wanted to clarify the spending. We had the Prime Minister announce on April 29 that there would be about \$41½ million to progress 18 of the 20 priority recommendations from the report.

Ms McKenzie—The funding was to progress a smaller number. The government has agreed to progress 18 of the 20, but it was going to progress, I think—

Ms Stodulka—Eleven of the 20 priority actions identified by the council were endorsed by the government, and it indicated that it would make efforts to progress those actions. There were seven of the priority actions the government said it really could not do without consultation with the states and territories, and there were two priority actions which the government said it would consider.

Senator BOYCE—In the near future, no doubt!

Ms Stodulka—I am not sure if they said ‘in the near future’, Senator, but ‘consider further’, certainly. They are issues that are still being briefed on. They are not complete issues.

Senator BOYCE—But what we have seen here really is just a redirection of funding. There is no new funding for addressing domestic violence against women over the four years.

Ms McKenzie—Senator, I mentioned before that the minister asked us to undertake a rigorous review of the women’s safety program, and as part of that review we were able to identify funding that was sufficient to be able to take forward the initiatives that related to the immediate actions.

Senator BOYCE—But without any new funding at all. It is simply a rearrangement of funding, isn’t it?

Ms McKenzie—It was a reprioritisation of the new funding.

Senator BOYCE—Yes. Under the women’s safety agenda, could I just go through the programs that you had there and see where they are at and what is going to happen to them now. We have got the helpline 24-hour counselling and referral service. That is ongoing?

Ms Stodulka—The helpline has been funded for \$12.5 million over four years, and it is an enhancement of the existing service that we have. We currently have a 24/7 1800 phone line and we are going to expand that service to include the pathway to service through online counselling. We are going to staff the service with professionally qualified counsellors. We are going to create a capability to be able to make warm transfers for victims to other services. We also hope to be able to negotiate quite an innovative system of support for workers who are dealing with critical incidents and are isolated from their normal professional supervisory chain, or volunteers who are dealing with critical incidents, so that they also have a service that they can ring to get some expert support and advice.

Senator BOYCE—Can I just ask you to explain what you mean by ‘innovative service’?

Ms Stodulka—Innovative in that I do not think that that is a normal service that is provided out of 1800 helplines—

Senator BOYCE—So the innovation is who it will be targeting, not its delivery.

Ms Stodulka—Yes, and to expand its reach, I guess, to improve the experience of service. We are building off a principle that the first door to support is the right door to recovery, and that we want people to be given good information and, oftentimes, critical information in terms of forensic investigations that need to be done if you want to progress with a

prosecution for sexual assault. So we do feel that that is going to be a significant enhancement to the service and we are optimistic about it, Senator.

Senator BOYCE—Does the \$12½ million for the telephone and online crisis service include the current 24-hour helpline and these developments that you are talking about, or is it extra?

Ms Stodulka—It will be a new service from 1 December this year which will have the 24/7 telephone component; however, we will have it staffed by professionally qualified workers, and it will have the online component.

Senator BOYCE—Lifeline currently delivers that service for the government.

Ms Stodulka—They do, Senator.

Senator BOYCE—What is the intention with the new service?

Ms Stodulka—In terms of?

Senator BOYCE—Well, are you intending that Lifeline would do this? Are you intending to go to tender—

Ms Stodulka—Certainly a tender—

Senator BOYCE—for a whole new and expanded service? Are you expecting that you would have more than one provider? What is the situation?

Ms Stodulka—Okay. We do certainly expect to go to tender. We have a contract with Lifeline until the end of November, and they are delivering to the requirements of that contract at the moment. We are, at the moment, doing some research around best practice in the delivery of telephone and online services. We are also establishing an expert group to give us some advice, experts out of the sexual assault and the domestic violence fields. We expect our tender to be released on AusTender in August, and—

Senator BOYCE—August?

Ms Stodulka—In August, Senator.

Senator BOYCE—And that would be for—

Ms Stodulka—It would be up on the tender site of 25 days.

Senator BOYCE—So this is a tender, basically, for \$12½ million that you are—

Ms Stodulka—For our new service, yes.

Senator BOYCE—putting out there? All right. Well, it will be interesting to see how that is projected. Just while I am talking about that particular program, I noted on the Lifeline website that the last data that they had published about the 24-hour helpline was from 2004, in terms of who they received phone calls from and when and whatever. What is the most recent information available that analyses that service, the 24-hour helpline?

Ms Stodulka—We have 10,980 calls that have come into the Lifeline service this year—

Senator BOYCE—This year being this calendar year?

Ms Stodulka—No, this financial year, Senator. I apologise, that is a bit confusing, because I know we did it on calendar years in the early days.

Senator BOYCE—Yes.

Ms Stodulka—So we are receiving about 38 calls a day and Lifeline advises that about 27 per cent of their calls are being on-referred to a specialist domestic violence or sexual assault service provider. They then manage a process, as you probably know, where they pay a referral fee out to that agency that has accepted that referral.

Senator BOYCE—Is that information publicly available?

Ms Beauchamp—We have provided quite a bit of information in the past, on notice, in relation to the helpline, and it is quite interesting in terms of what you point out in terms of the 2004 figures, because the contract we have had with Lifeline has been in place since 2006. We can refer you to the previous questions on notice that we have provided on this.

Senator BOYCE—I think the Lifeline data probably refers to their helpline before it was—

Ms Beauchamp—I think so.

Senator BOYCE—But, nevertheless, that information does not get published except when requested through estimates—is that the case?

Ms Stodulka—It is not currently published on our website.

Senator McLucas—I understand it is provided whenever requested.

Senator BOYCE—The men's line counselling service: will that continue or does that get rolled into this one?

Ms Beauchamp—That is under the families outcome.

Senator BOYCE—Sorry. The Australia Says No advertising campaign: is that under this?

Ms Beauchamp—That was a previous government initiative.

Senator BOYCE—Yes. Where is that at? It is completed, ended?

Ms McKenzie—This government did not keep the Australia Says No campaign going. I think if you look at the national plan, the national council had some recommendations for a social marketing strategy that focused very much on primary prevention as part of an integrated suite of initiatives.

Senator BOYCE—The justice practitioners training program: is that part of—

Ms Stodulka—The justice practitioners work was really put on hold this financial year. There was some research undertaken by the Office for Women about how it might engage with members of the justice system and it was put on hold pending some advice from the council around this work. The council have come up with recommendations. The Attorney-General has certainly said in the frame of the family law system that he would undertake the development of a multidisciplinary training package for practitioners within the family law system to improve their social context awareness and their service to clients who are victims of domestic and family violence.

We are also aware that the Judicial College of Australia is also looking at the issue of training for practitioners. During the national council's consultation they held a judicial

roundtable where that issue was discussed and it was felt that the judicial colleges were quite an important leader in terms of delivering that training.

Senator BOYCE—That is fine. What I am trying to get to is: are we simply rebadging what we have already done? What is new about what we are doing?

Ms Beauchamp—I think it is different in terms of the way forward from here.

Senator BOYCE—Different, but is it new?

Ms Beauchamp—We have got quite a deal of evidence now on which to base and make sure that that funding is targeted to things that are going to make a big difference and have an impact in terms of reducing violence. The council did quite a deal of comprehensive work to look at the evidence base and we will be using that evidence in terms of the development of the national plan, and not only on our own but in consultation with the states and territories, because the states and territories also do quite a bit in this space.

Senator BOYCE—Absolutely. I guess, though, Ms Beauchamp, from my perspective, just looking at all this, we have got \$55.2 million being spent over four years on the national action plan and there was over \$70 million spent on the Women's Safety Agenda by the previous government over four years, so we have got less money being spent and we appear to have done nothing for two years while we collected the evidence.

Ms McKenzie—Could I perhaps go through those numbers? There is a small mistake in those numbers, so could I possibly just take you through those numbers?

Senator BOYCE—Please.

Ms McKenzie—As you said, the previous government allocated \$75.7 million to the Women's Safety Agenda, but that was shared by FaHCSIA and DoHA, between 2005-06 and 2008-09. Of this, FaHCSIA received \$63.1 million and DoHA received \$12.6 million for training and support for practice nurses and Aboriginal health workers. This government has committed \$72 million to reduce violence against women over the forward years in FaHCSIA, an addition of \$9 million, \$7 million of which came from the rollover. Funding in DoHA for health workers has also increased to \$19.5 million from 2009-10 to 2012-13. Total funding across both portfolios is \$91 million, an increase of \$16 million.

Senator BOYCE—So where does the \$55.2 million over four years for the national action plan come in then?

Ms McKenzie—As I said before, the minister was very keen to ensure that we rigorously reviewed everything that was currently being done and that, to the greatest extent possible, we ensured that the funding was going to support the key initiatives of the national plan. So what happened was that we were asked to review the funding, particularly the funding from this year but also looking out. So we were able to identify \$7 million from this year's funding that we moved to next year.

The Prime Minister announced funding of \$42 million, or \$41.5 million plus the advisory group, on 29 April: \$12.5 million for the helpline, \$9 million for respectful relationships, \$17 million for social marketing, \$3 million for targeted research and, as Ms Stodulka said, \$0.4 million for the advisory group. Of this \$42 million, there was \$40 million in the forward years

that has been announced as part of the 2009-10 budget, with \$2 million for respectful relationships funded in the 2008-09 year.

The ongoing review of the women's program also identified \$15 million over the forward years, including the \$7 million from the rollover, to be allocated to initiatives that support the plan, such as research and community engagement. The exact measures will be developed over time, when government can fully consider the cost benefits of a broad range of actions proposed by the council. This \$15 million, plus the \$40 million of the initial announcement, make up the \$55 million identified in Budget Paper No. 2.

The ongoing review also identified a further \$17 million of current initiatives, not including the advisory group, which may need to be continued but may not be continued in exactly the same way. This includes the two clearinghouses, the justice practitioners training, training for the practice nurses and Aboriginal health workers, contribution to white ribbon, ad hoc grants, and support for projects which enhance the data and evidence base.

Senator BOYCE—Yes. So we have got \$17 million there that is not definitely allocated?

Ms McKenzie—We have \$17 million there that is currently funding initiatives which may change as we get further involved in the national plan, but at this stage were not going to be suspended.

Senator BOYCE—And which you anticipate would be fully expended in the years that they are set for; is that correct?

Ms McKenzie—The national plan is a significant change to the way that governments have considered these issues in the past, both by combining sexual assault and domestic violence, but also in terms of trying to get the Commonwealth government, state governments and local government, as well as the corporate sector, to move in the one direction in an integrated and strategic long-term way. As the Prime Minister announced when he took receipt of the national plan, he said he would refer the national plan to COAG for COAG's consideration and the development of a national plan. And, therefore, we are going to have a new way of talking with our state government colleagues about how most appropriately to support a reduction in violence against women. At this stage we are unable to say that that discussion will end up with us having exactly the same activities as were appropriate prior to the national plan and, therefore, we are, at this point in time, open to talk with the states and territories about how best these initiatives can be organised.

Senator BOYCE—I did have some questions on COAG and where you are heading with that, so perhaps now might be a good time to get you to explain to me—

CHAIR—We will just see whether Senator Adams has some more questions on the general issue.

Senator ADAMS—In the Prime Minister's media release he mentioned about establishing the Violence Against Women Advisory Group. Now, can you clarify, is that the council we are talking about or this is an advisory group?

Ms McKenzie—Yes. The Violence Against Women Advisory Group is the next one on from the national council.

Senator ADAMS—And would they report to the national council?

Ms McKenzie—No. They would report to the minister.

Senator ADAMS—With that advisory group, have the members been appointed to it yet?

Ms McKenzie—This was what we were discussing previously. The membership and the terms of reference have not yet been agreed by the minister.

Senator ADAMS—So that was that, it was not the council.

Ms McKenzie—No. The national council was set up, as its name says, to develop a national plan to reduce violence against women and their children. Having developed the plan, it was not appropriate to have the next council doing that. The next council is an advisory group to provide advice to the government in the development plan.

Senator ADAMS—What has been happening with the conversation, we have been going council advisory group, and you were calling the advisory group actually the council before, and that was the reason that I asked the question. It was becoming quite confusing.

Ms Stodulka—I apologise, Senator.

Senator ADAMS—That is all right. I will not go through the list of questions again. I was thinking I had another beast that I had to deal with, but we do not, so that is good.

CHAIR—Same beast, Senator Adams.

Senator BOYCE—I have a few questions about COAG.

CHAIR—We might go to someone else and then come back to you, Senator. We will go to Senator Adams and then come back—

Senator ADAMS—Before you get to COAG, I have got some things that fit in here.

CHAIR—And then, Senator Hanson-Young, whether the questions you want to cover have been picked up yet.

Senator HANSON-YOUNG—Some of them have. I have got questions around COAG as well, but I also just wanted to tease out, in terms of the general kind of budget allocations, how much of that has been specifically earmarked for increasing the capacity of service delivery. If we are rehashing the telephone service with the online service and putting that out to tender and all of those things, what exactly have we allocated to increase the capacity of service delivery for when those people are referred?

Ms McKenzie—At this stage, as I explained, there was \$42 million that was set aside to fund the government's immediate actions. A further \$15 million has been identified to support initiatives under the national plan. But that has not been allocated to specific initiatives yet. At the moment, government is considering the various actions that the council recommended.

Senator HANSON-YOUNG—So that is \$15 million for initiatives?

Ms McKenzie—At this stage, yes.

Senator HANSON-YOUNG—And what you are saying is there is nothing necessarily earmarked for any of those initiatives to be allocated to service providers who perhaps are going to be even more inundated with calls for help?

Ms McKenzie—At this stage, the most appropriate use for that funding is still being considered.

Senator HANSON-YOUNG—So at the moment, there has been nothing specifically earmarked for increasing the capacity of service delivery?

Ms McKenzie—The government, in its immediate response, looked at the priority actions that the council had identified and funded 11 of those, and it is referring seven of those to COAG for consideration. Really, the things that we are talking about were related to those that the government is funding already.

Senator HANSON-YOUNG—So again, just to clarify, no specific money has been put aside, earmarked, for helping to actually deliver the services to women physically experiencing violence?

Ms McKenzie—At this stage, the government is responding to the priority actions that were identified by the national council in their national plan. There are a further 97 actions that the government will be considering over time and with COAG.

Senator HANSON-YOUNG—So I will take that as a no to my question.

Ms Beauchamp—Sorry, Senator, can I just reiterate, Ms McKenzie did actually refer to the \$19.5 million in terms of what the Department of Health and Ageing are doing around increasing the capacity of workers.

Senator HANSON-YOUNG—Is that new money?

Ms Beauchamp—A proportion of that is.

Senator HANSON-YOUNG—A proportion. Do we know how much?

Senator McLucas—We can do that in health.

Senator HANSON-YOUNG—Could you take that on notice for me?

Senator McLucas—Yes.

Ms Beauchamp—Can I also point out that in terms of the delivery and capacity of the service system, the service system is primarily the responsibility of the states and territories. One of the reasons for putting this on the COAG agenda is to see a working partnership with the states and territories to see how we can collectively or jointly increase the capacity of the service system.

Ms Stodulka—In terms of the 1800 service, the fact that we will be staffing that with professionally qualified experts will make a significant difference, we believe, in terms of the first door being the right door for clients seeking help. And also as part of our Respectful Relationships program, certainly one of the criteria of us testing a program is its focus on building the capacity of the prevention education sector so we are not putting programs out there where external experts come into a community or into a school or an organisation and deliver and leave, it is actually about building the capacity in those service systems. As you would know, people do not only go to a domestic violence or a sexual assault service when they disclose that they have been a victim of violence. It happens in schools; it happens in youth refuges; it happens at universities.

Dr Harmer—In addition to all the initial money that has gone through health, of course there is quite a lot of initial money in the national partnerships under housing for homelessness and for support services—the homelessness with the matching from the states, social housing initiatives et cetera. There is quite a lot of initial money there, not specifically in the women's program, but will be available to assist women coming through this program.

Senator HANSON-YOUNG—Has there been any thought in terms of the time frames about responding to the rest of the recommendations?

Ms McKenzie—As I said, the Prime Minister, when he formally received the report, said that he would refer the report to COAG. My understanding from the Department of Prime Minister and Cabinet is that the Prime Minister has signed a letter out to his COAG colleagues asking them to consider this matter.

Senator HANSON-YOUNG—My understanding is that the Prime Minister had indicated that COAG would be releasing the whole-of-government plan some time early next year. Does that mean that that is also in conjunction with the response to the rest of the recommendations from the report, or is that just in relation to actioning the seven—

Ms McKenzie—No. The Prime Minister was talking about the national plan, so it would be the full and complete consideration.

Senator HANSON-YOUNG—So all we know is that we think the Prime Minister has sent a letter to the states at this stage, to put it on the agenda for the next meeting or are we not sure?

Senator McLucas—I think the COAG agenda is something that this department cannot comment on. Maybe we could get some information from Prime Minister and Cabinet. This department cannot comment on the agenda for COAG.

Senator HANSON-YOUNG—Sure. I am just thinking we are in June now; it is 1 June.

Ms Beauchamp—We understand those discussions have already commenced with the states and territories through first ministers' agencies. As our budget papers indicate, we are required to have a national plan agreed through COAG by early 2010, which means we will be contributing to that effort.

Senator HANSON-YOUNG—But based on the knowledge along the table here, we do not know when—

Dr Harmer—We do not know which of the two—I think there is at least two COAG meeting issues between now and the beginning of 2010 and we are not responsible for the agenda for those two—

Senator HANSON-YOUNG—I realise you are not responsible for the agenda. But you have not necessarily been asked yet to prepare and feed into it, given that date. That is what I was asking. That is what I was trying to get an indication of. But if you do not know, you do not know, so that is fine.

Where in the budget is an allocation to actually see this process happen? Maybe you did cover that, and perhaps you lost me a little bit, I am not sure, but when I looked through it I could not see specifically what money had been allocated to see this process happen in terms

of developing the whole-of-government approach and making sure that we could deliver it by early 2010.

Ms McKenzie—Are you talking about departmental resources to be able to support the negotiation of the plan? Currently, the safety task force, which is in my group which is headed up by Ms Stodulka, has been assisting the council to develop the plan. Those resources will now be transferred to supporting the development of a national plan with COAG.

Senator HANSON-YOUNG—But there was no specific identification as to ‘This is how much we are going to commit to the process happening and the implementation of it’?

Ms McKenzie—No. The minister was keen to know if we would require additional resources or whether it could be done within existing resources; and we believe this process can be done within existing resources.

Senator HANSON-YOUNG—And then, obviously, when we get the signed-off agreement from COAG, then it will be a discussion about how it is implemented.

Ms McKenzie—Yes.

Senator HANSON-YOUNG—That is probably it for me, if you want to continue with the COAG questions.

Senator BOYCE—You have pretty much covered the only thing I was going to cover, which was: what happens to the other seven recommendations that have to be discussed?

Senator McLucas—I can help Senator Hanson-Young with that figure. I will confirm it with DoHA, but we understand the increase in training money through the Department of Health and Ageing has been from \$12.6 million to \$19.5 million.

Senator ADAMS—I would just like to touch on the \$17 million for the public information campaign, focused on changing attitudes and behaviours that contribute to violence. Has anything happened with that yet? Has that actual program started?

Ms Stodulka—Senator, we have to go through a fairly rigorous certification and approvals process through the ANAO and also through an interdepartmental committee on communications, and we have certainly started that process. So we have done stage 1 of the process, which is a kind of a business case arguing the evidence as to why a social marketing campaign would be helpful in reducing violence against women. We now have just contracted for the developmental research to be done, and then we have to go back to the ANAO and the interdepartmental committee on communications to get the go ahead to go to concept design and—sorry, I cannot think of the other technical term. But it is around the concept design for a campaign based on the developmental research that has been done to argue how best to deliver the campaign, through what pathways to deliver that campaign, and then we would put out for concept designs.

Senator ADAMS—How long do you think that process is going to take?

Ms Stodulka—I have been amazed at how quickly we have been progressing so far. But the requirements for the ANAO are very robust around demonstrating value for money and effectiveness in the program, in the approach. I anticipate that it could be another, possibly

four months until we would be through the process. But we are certainly dedicated to it and are moving as quickly as we possibly can.

Ms McKenzie—Senator, the other issue that needs to be taken into consideration here is that the council was very clear that what we need is a message that goes out across Australia rather than different states and territories having different messages and the Commonwealth having a message and people just ending up confused by the number of messages. So we certainly would not be looking at finalising all the planning for the social marketing campaign prior to speaking with our COAG colleagues.

Senator ADAMS—Would that funding deal with something like the recent NRL scandal—or things that have gone on like that—which, okay, it has been brought up in one state, but it may be happening in other states that we are unaware of, but just trying to get the message through to the younger men in the community that the public are very concerned about this. How long will it take? That is the reason I am raising it. Would a program like that, educating young men and women, and sporting clubs particularly, on what standard of behaviour is really to be agreed to—

Ms Beauchamp—To add to Ms Stodulka, that is only a tool in a suite of programs that we would have addressing exactly those sorts of things that you raise. The respectful relationships which Ms Stodulka spoke about is really about targeting the attitudes and behaviour of young men and boys, and I think that is where we need to start.

Ms Stodulka—Yes. So certainly, as Ms Beauchamp said, a multilayered approach in terms of our elite, pre-elite sporting young men in Queensland. We certainly are engaged with the NRL, and prior to the issues in the media of recent times, they have been very proactive and very keen to partner with us to work and deliver a Respectful Relationships program with a couple of their young squads, their under 17s and under 19s pre-elite squads. So that is very positive. But absolutely it will be above-the-line messaging with our mass marketing communication campaign, very much supported by our below-the-line messaging with our Respectful Relationships program. We certainly use the white ribbon ambassador alliance very rigorously, and we have other work.

For example, as we spoke before about NASASV and its engagement in primary prevention education. As Ms McKenzie said, we are very much seeing with our above-the-line messaging that the Commonwealth provide national leadership with that messaging but that we engage with our state and territory colleagues to ensure that they can build on that messaging, giving the same content, same messages, but tailored to their state and territory interests, and also then roll that down to local level as well. We are particularly keen to target men and boys. It is one of the differences in the approach through this national plan, that we are very strongly going to engage with men and boys as drivers of social change. We will be using that social marketing campaign to engage with men and boys as bystanders rather than as potential perpetrators of violence, and seek their activity to stop the violence before it starts.

Senator ADAMS—I will be following that up at October estimates to see where you are at.

Ms Stodulka—Thank you.

Senator BOYCE—I thought White Ribbon Day had been focusing on exactly that point—that men are the ones we have to talk to—for about three or four years.

Ms Stodulka—Absolutely, they have their White Ribbon Alliance and receive \$0.25 million a year in support from the government. The way we see that ambassador alliance is that they till the soil in a community. They will go into a school or an organisation and help prepare them and make them aware that this is an important issue. Then we can come behind with our very comprehensive respectful relationships programs, which invest in training teachers or youth leaders who run sessions over a period of time with young people and—

Senator BOYCE—It is not so much a change of focus; it is about building more capacity behind that focus.

Ms Stodulka—Absolutely, by going at every level.

Senator BOYCE—I am interested in the wonderful transition table for EOWA. The program outcome for last year was:

Encouragement of Australian employers to improve equal opportunity outcomes for women in the workplace.

That has changed in the PBS this year to:

Increased influence over Australian employers to achieve equality for women in the workplace through regulation and education ...

Could you explain to me this changed emphasis, particularly the use of regulation?

Ms Steele—I think the intention in the current budget statement was to try and be a bit more specific in terms of our goals and objectives for the agency. I do not think we meant to imply that there would be increased regulation on businesses, if that is what you are concerned about.

Senator BOYCE—That is what I was trying to check, yes.

Ms Steele—The Equal Opportunity for Women in the Workplace Act does actually have a degree of regulation in it. Certainly there was no intention to in some way increase that.

Senator BOYCE—The budget basically for EOWA has remained stable—is that the way to describe it?

Ms Steele—Or ‘static’. The appropriations have remained, as you say, stable. We have a certain amount of money that we generate ourselves, which helps keep us going. That is basically from running reporting and compliance workshops for employers and businesses, reporting organisations, and we have a fairly successful bullying and harassment online tool which we sell to employers.

Senator BOYCE—I have seen it, but someone must have bought it for me to have seen it.

Ms Steele—Quite a lot of people have bought it, actually.

Senator BOYCE—One hopes they purchased it!

Ms Steele—Yes, I hope so!

Senator BOYCE—As you said, you have a static budget and changed outcomes. I want to talk a bit about your KPIs, but what are you going to be doing differently in 2009-10?

Ms Steele—I am not sure that we will be doing anything very different. One area where we would like to do more is to work on the number of reporting organisations that are out there and do not actually report even though they are meant to under the legislation.

Senator BOYCE—So you do not have the capacity to chase up people who do not report?

Ms Steele—We have the capacity, but it is quite hard because we have to seek these organisations out ourselves using private databases on employers. We cannot get access to the tax office database, for example. We rely on individuals volunteering to the agency that they should be reporting and that they have not been. Plus, each year there are a whole number of businesses that will drop off our database.

Senator BOYCE—Because they no longer meet the criteria or they have gone out of business.

Ms Steele—That is right. They have either dropped below 80 employees or they have gone out of business.

Senator BOYCE—Did you say that you monitor 7,000 organisations?

Ms Steele—It is not a straightforward story, but I will try and explain it to you. At June 2009, we had about 9,000 organisations that were covered by the act.

Senator BOYCE—How do you know that if you do not have access to data?

Ms Steele—These are people who we know report under the legislation. The organisations can report in a number of ways depending on their corporate structure. At the end of the day, we end up with about 2,800 reports. I can perhaps give you an example that would illustrate what organisations do, and there is no firm and fast way in the legislation that they do this. Woolworths, for example, submits a collated report on behalf of itself and its subsidiaries—Australian Safeway stores, Big W, Dan Murphy's liquor. Other organisations might report separately within their corporate framework. That is why it is a bit of an odd unit of analysis.

Senator BOYCE—Your preference would presumably be for them not to be collated into one report?

Ms Steele—From a resource point of view, I would probably prefer that they did.

Senator BOYCE—I was just thinking you could hide myriad sins by putting Sussan and a couple of other women's shops in with all sorts of other things. I do not know if the organisation I have just mentioned is even part of that group.

Senator McLucas—I table with the committee a press release from Minister Plibersek today, which is entitled 'Government announces review of Equal Opportunity for Women in the Workplace Agency'.

Senator BOYCE—That would be very timely.

Senator McLucas—You might not be aware that that has been announced today.

Senator BOYCE—No, I was not.

Senator McLucas—I also table the terms of reference for that review. I advise the committee that it is a review of the effectiveness and efficiency of the agency but also—and

this is what pricked me to intervene at this point—the legislation in promoting equal opportunity for women in the workplace. These are the sorts of things that Minister Plibersek is very keen for us to review properly so that both the agency's arrangements and the legislation are actually delivering the mechanism for something that I think this committee agrees with—that is, to promote equality in the workforce.

Senator BOYCE—I will talk through some of my KPIs, but obviously I may have questions to put on notice after I have looked at that media release. I would hope that we do not see work at EOWA stop for 18 months or so whilst a review takes place.

Senator McLucas—I am sure that will not occur.

Senator BOYCE—We certainly need to seek more results in this area and, obviously, more funds are fairly crucial to get that to happen. It is good to see some actual figures against the KPIs, because in some other areas there are not any. One of your KPIs is to increase the number of women in management from 33.63 per cent in 2008-09 to 35 per cent in 2011-12. So we are talking about a 1.27 per cent increase over three years. It is not sounding very heroic, but I do appreciate your—

Ms Steele—Yes. We would seek to do that in a number of ways. We have seen a gradual increase in the proportion of women in management positions.

Senator BOYCE—How many women are we talking about with a 1.27 per cent increase?

Ms Steele—I would have to take that on notice.

Senator BOYCE—Okay.

Ms Steele—We have seen women in very senior levels—at board level, and so on—actually go back a bit, but women in management we were hoping would progress slowly and steadily. We would do that through our education and advisory services to employers, the benefits of not restricting your management positions because of gender, and that the skills and abilities of women should be equally valued in this regard. We also adopt more public encouragement through our Employer of Choice for Women citation. In the last two years, I think, we have set prerequisites that anybody applying for the citation has to meet their industry average in the proportion of women in management positions.

Senator BOYCE—So these strategies you are talking about have been successful in the past in increasing the numbers?

Ms Steele—I think they have, although perhaps not as dramatically as we would like.

Senator BOYCE—Yes. 33.63 is an actual figure or a projected figure? 33.63 in 2008-09, at page 170. I was just wanting to get a sense that the 33.63 is an actual figure.

Ms Steele—That would be based on the proportion of women in management in the reporting organisations that have reported to us and we have that data.

Senator BOYCE—Do you then look at that against the general community?

Ms Steele—We do in regards to the Employer of Choice for Women, so we would use ABS data on the proportion of women in management by industry groups to set them a sort of target.

Senator BOYCE—I will just keep going quickly. I notice, similarly, we have a KPI that would see an increase in paid maternity leave from 50.8 per cent in 2008-09 to 55 in 2011-12. I am presuming that this does not include the government's paid parental leave scheme.

Ms Steele—That is correct, Senator.

Senator BOYCE—This is just your encouragement of non-government employers to have their own parental leave schemes?

Ms Steele—That is correct. And it is only businesses with more than 100 employees, of course.

Senator BOYCE—I must admit I was surprised at the figure of 50.8 per cent as the current figure. Does this suggest your sample group is not average group, or are you saying that already half of Australia's non-government employees have paid parental leave; maternity leave we are talking about here.

Ms Steele—Yes. Only in the cohort of 100 employees plus, so it does not cover all businesses.

Senator BOYCE—No.

Ms Steele—These are our reporting organisations, so it is data from—

Senator BOYCE—Again, do you think that is representative of Australian business?

Ms Steele—No.

Senator McLucas—Because most workplaces are less than 100 employees.

Senator BOYCE—That is right. The paid parental leave scheme which the government announced in the budget; what involvement, if any, did your agency have in input on the issue? I know paid parental leave has been a strong push of your organisation for a long time.

Ms Steele—We were involved in the IDC, and the working party of that interdepartmental committee. We provided as much data as we could about our reporting organisations.

Senator BOYCE—Have you done any work around the possibility of there being a lessening of non-government paid leave if a government leave scheme is dropped?

Ms Steele—We are currently in the reporting cycle, so reporting organisations will have, hopefully, submitted their reports on Friday. We will then start to contact these reporting agencies and as part of that contact we ask a very short survey. This year we are going to actually include a question which will try to get to that very issue.

Senator BOYCE—That is by phone?

Ms Steele—Yes.

Senator BOYCE—You will be doing a phone survey of all the people who have reported this year, asking them what they are going to do.

Ms Steele—All those who have a current scheme, and what they plan to do with it.

Senator BOYCE—Will you maintaining it, is basically your question, is it?

Ms Steele—Yes.

Senator BOYCE—When might that information be available, Ms Steele?

Ms Steele—That will not be available until late in the year, possibly October.

Senator BOYCE—October?

Ms Steele—Possibly before.

Senator BOYCE—Are you also looking at whether superannuation is covered by those paid schemes in the non-government sector, whether superannuation is paid as part of the paid leave?

Ms Steele—We had not thought to ask that, but that is certainly an issue. We have not canvassed all our reporting organisations on this, but we did get a sense that a lot of them just continued to pay superannuation because it was rather complicated to stop paying it. That is partly because women tend to take a combination of leave. There might be paid maternity leave, unpaid leave, annual leave and so on. In those circumstances employers we talked to said that they continued to pay the superannuation.

Senator BOYCE—Did you recommend to the government that superannuation be included in any paid parental leave scheme?

Ms Steele—I do not think we touched on that in the submission to the paid parental leave.

Senator BOYCE—Thank you.

CHAIR—That is the allocated time until 5 o'clock for your section. Senator Brown has a number on notice which he will provide to you in the due time. We are due to have a change of minister and, also, a movement into the issue of outcome 1 for families. Thank you to the Office for Women and also to EOWA, of course.

[5.02 pm]

CHAIR—We will go into outcome 1, Families. I know Senator Boyce has got some, but a number of other senators have indicated they have, so as they know we have moved into it they will come back. We will start with Senator Boyce.

Senator BOYCE—I have a couple of questions but I do not know where they go, so I thought I would ask them here and see what happens; people can tell me where they should belong. The first one relates to a commission of inquiry that was held in Ireland and reported recently on abuse of children in institutions in Ireland between 1910 and 2000. Is that something that this department would monitor from a policy perspective?

Dr Harmer—We do monitor research from other countries that provide results that are in our program areas, but I do not know whether we have got any information on that one.

Senator BOYCE—I should have asked these questions in women's, obviously, should I?

Dr Harmer—The fact that Ms McKenzie has come to the table indicates that she might know something about it.

Senator BOYCE—I looked at it and thought, 'Is it women, is it families? They are children. I will try families.'

Ms McKenzie—You are in the correct output. I also look after the area that looks after children's policy.

Senator BOYCE—Thank you.

Ms Mackey—We have certainly been taking note of the information that has come out of the inquiry in Ireland and looking closely at the government's response. As you might be aware, there is a parliamentary inquiry around the forgotten Australians that is currently before this parliament, which is due to report on 26 June. At that time, certainly, I understand the government will be looking at the recommendations and the report from that inquiry and will consider a response.

Senator BOYCE—You are saying that the government will be looking at the forgotten Australians inquiry that our committee is currently doing, but can you tell me a little bit more about what you are doing in terms of the Irish inquiry? What do you actually do and how does that feed into our system or our understanding?

Ms Beauchamp—It is only a watching brief at the moment. Is there any specific area?

Senator BOYCE—No. I am just interested in how it feeds in. The overall reason for my question is a concern about the increasing, it would seem, trend towards governments redeveloping institutions, albeit smaller institutions, for people of all varieties. Institutions are coming back and, once again, we appear to have some good evidence about institutions always causing problems. I was interested to hear, I think it was you, Ms Beauchamp, earlier today, saying that bricks and mortar are not always the answer or, certainly, are only a part of the answer. This was in relation to homelessness and the like. So I was interested in what work the department is doing around overseas experience and current practice in Australia in terms of institutions and the development of same.

Dr Harmer—Senator, what we can say is that, in this area, we are aware of the study. Like many other pieces of research or reports that come out of other countries, the OECD or the UN, we do look at them and we use them to build up our research and analytic base so that we can use it to brief government. But I am pretty confident that we have not gone to the point of making some recommendations on the basis of that. Not that I could tell you if we had, but I do not think we have done more with this report than be aware of it, be looking at it, and to ensure that we are prepared to take that information into account in any future requests from government or any future briefing.

Senator BOYCE—That is fine. Who else in government would? Would your department be the one that would do that?

Dr Harmer—We would be the primary department that would be interested in this, yes.

Senator BOYCE—The other one that I was not sure where it fitted was in relation to youth allowance, which I realise is not in here but, like all politicians, I have received dozens and dozens of emails about the topic of the changes to youth allowance. There are a number of people who are saying that it is not reasonable that the rules have been changed when they already had their plans in place for now and that, simply, these people will not be able to go to university to next year as they had planned because of the changes.

Ms Beauchamp—Senator, they are questions that should be—

Senator BOYCE—I realise that. But the question to this department was what input, if any, did you have into the repercussions of the changes to youth allowance? Was this discussed with the department?

Mr Sandison—We had consultations with DEEWR when they were working through their changes, both the Bradley review and, more briefly, in relation to participation requirements in the changes for youth allowance. One of the key linkages between the two is where you make changes to some of the rules around youth allowance, you have implications for FTB; and likewise when you change some of the requirements or the payment rates around FTB, you similarly have changes in the youth allowance. So there are behavioural impacts. We had discussions with them, but it is their policy area.

Senator BOYCE—It would appear from the sorts of emails that I am getting, and I am presuming that lots of other people are getting, that there is going to be a group of people who are probably going to be going to Centrelink or somewhere like that, saying: 'I can't do it. I've run out of money.' Has that being taken into account?

Mr Sandison—I am not sure what you mean when you say 'they run out of money'.

Senator BOYCE—They simply will not be able to meet the work requirements. They will not be able to undertake their university course; or, if they do undertake their university course, they are not going to have any money with which to do it.

Mr Sandison—It is a DEEWR issue, Senator, both on the youth allowance (other), which is the unemployment side, and the youth allowance (student) side on their education front.

Dr Harmer—Senator, as a result of that, it would be unwise for us to make comment about implications or things that could be done. It is just not something that we would be qualified to comment about.

Senator BOYCE—All right. I just want to know what input, if any, you had had.

Dr Harmer—We have worked with them in some of it, because of the interlinking between youth allowance and family tax benefit.

Senator BOYCE—I was just want to go back to some questions we have asked. I have questions in 1.1, but I do not have any questions on families, per se.

CHAIR—We may have to call some senators because they have indicated that they have questions across families. They have not told me which areas. Senator Fifield, which area do you have questions in?

Senator FIFIELD—I have questions in 1.2.

CHAIR—Which areas do you have, Senator Boyce?

Senator BOYCE—I have the whole three: 1.1, 1.2 and 1.3.

Dr Harmer—Senator, we do not mind. I think it is basically the same group of people, so we will take questions.

CHAIR—To be novel, we will go to 1.1 first and cover as much of that as we can, and then we will go through the others. With your indulgence, I will make sure we get a call

through to the Greens that we have started this area. We will start at 1.1, Senator Boyce, and then we will go through the others.

Senator BOYCE—Thank you. I want to go back to some questions that we asked at estimates in February around the new Family Support Program and the Stronger Families and Communities Strategy program, which was being evaluated at the time, I think. Has the Stronger Families and Communities Strategy been fully evaluated now?

Mr Sandison—Yes, Senator. Basically, advice is with the minister now in the write-up of the evaluation.

Senator BOYCE—So the evaluation has been done?

Mr Sandison—Correct.

Senator BOYCE—And you have sent it to the minister?

Mr Sandison—Correct.

Senator BOYCE—And I guess the answer to the next question is, ‘In the near future,’ is it?

Mr Sandison—There are some elements of it that have been published, but the evaluation is sitting with the minister for her decision about release.

Senator BOYCE—When you say ‘some elements have been published,’ what do you mean?

Mr Sandison—I will look that up.

Mr Emerson—There have been some elements of the Stronger Families and Communities Strategy evaluation released, and that includes some promising practice profiles. They are currently on the ACE website, so there are quite a few elements of that strategy that are currently available. As Mr Sandison said, the release of the evaluation is intended for around mid-year.

Senator BOYCE—So you are expecting it to be released?

Mr Emerson—Yes, very shortly.

Senator BOYCE—About mid-year. How much did that evaluation cost?

Mr Emerson—The evaluation cost \$5.3 million over four years.

Senator BOYCE—Can you give me a bit of a breakdown of how that money was spent?

Mr Emerson—Yes, I can. That is broken down into: \$1.8 million to the Social Policy Research Centre; \$3.1 million to the Australian Institute of Family Studies; and \$0.4 million for the evaluation framework.

Senator BOYCE—The new Family Support Program: is that based on this evaluation? Is that how it is going to work?

Mr Sandison—No. It will draw on the learnings from the evaluation. I think in the *Hansard* for the last estimates we did a brief run-through on the Family Support Program, drawing together a range of initiatives that sit within the Family Relationship Services Program and the children and parenting services area. It is drawing those together, and the

consultation processes are about to start in the next couple of weeks for discussions around the framing of that program and how it will operate. That is working with the sector.

Senator BOYCE—That was going to be my next lot of questions, because the Family Support Program that got going in February is going to take two years to implement—is that right?

Mr Sandison—We talked about a transition period, Senator, through to mid-2011, yes.

Senator BOYCE—One of my questions had been going to be around the consultations. You are saying they are about to get going—is that right?

Mr Sandison—That is correct, yes.

Senator BOYCE—What else can you tell me about them?

Mr Sandison—Basically, we have released a discussion paper that is available. It is a departmental discussion paper that frames some questions to drive some of the discussions. We will be running workshops in all states and territories where we work through with provider and other representatives.

Senator BOYCE—How many workshops?

Mr Sandison—I think it is about 10 to 12. We can table the locations if you like. They are available on the website.

Senator BOYCE—That would be good.

Mr Sandison—And the dates and so on of when they are on.

Senator BOYCE—Yes.

Mr Sandison—Likewise, the discussion paper is available on the website as well, so we can provide that information. Those discussions will be followed by meetings with state and territory officers—

Senator BOYCE—Departmental officers?

Mr Sandison—From the state bureaucracy—to talk through as well, because one of the key issues of the Family Support Program is ensuring that it interlinks with state and local government activities as well. And, again, that is an issue that is drawn from the evaluation work of the Stronger Families about the need for better integration.

Senator BOYCE—Going back to the consultations, how would I have found out about the consultations? They are being publicly advertised, or are they being targeted to specific groups?

Mr Sandison—Primarily it is targeting, through providers and provider networks. Basically, where we have agencies funded by the department we have gone to them through our email links, but also we have gone to some of the various stakeholder groups that are involved in the service delivery, so they might be involved in state government as much as Commonwealth, because we want to get input from them as well on how a family support program would work.

Senator BOYCE—What about families or, I suppose, customers, for want of a better word—how are you speaking to families?

Mr Sandison—We are going to run a series of focus groups where we bring together groups of parents, primarily, to talk about the services that they might have engaged with. But also we are trying to work through how to do a selection of people who would have been eligible for services but who have not necessarily attended, because the other key issue is why people do not attend services even when they might be referred.

Senator BOYCE—How many focus groups will you be holding?

Mr Sandison—We are not sure yet. We are going to run those in July once we have gone through the consultation with our provider networks. We will also draw on some other work that we have got with consultants looking at service access—again, part of that comes through from the Stronger Families evaluation, but also some other work we are doing. We will draw all of that together to try and get a customer focused response to the work that we are doing.

Senator BOYCE—What is the budget for this in the next 12 months?

Mr Sandison—For the work?

Senator BOYCE—Yes.

Mr Sandison—We are doing that internally. There was no new budget initiative for FSP. The only budget measure in there was about the streamlining of the Family Relationship Services Program which was the movement of some staff from the Attorney-General's Department to FaCHSIA.

Senator BOYCE—I was going to ask about that in a minute. How much are you anticipating this will cost the department?

Mr Sandison—I have got to admit we have not got the figures. We are still finalising some of the venues for the meetings. For the follow-up engagement, we are going to be using video links or phone hook-ups for service providers that cannot actually attend the main sessions and we are making sure that, as we travel, we actually have a morning session that is with stakeholders and an afternoon session that is with the state government reps to minimise travel costs. We are using our state office network as the primary focus for driving this.

Senator BOYCE—Facilitators and that, they are all in-house as well, are they?

Mr Sandison—That is correct. I should say that separately we might use an external facilitator for the engagement with the customers. The engagement with the provider groups is separate, we will work with them, and that is how we started the consultations, with a departmentally facilitated discussion to draft the discussion paper. But with the customers we will probably get an external facilitator.

Senator BOYCE—All right. Budgeted costs, you will let us know next estimates, I presume.

Mr Sandison—Can do, Senator.

Senator BOYCE—When would you anticipate that these consultations would finish? You have said you have got the dates.

Mr Sandison—Through to the end of June we would have our consultations finished. We have also asked providers, if they want to put in a submission, to do so by the end of June, and then the focus groups in July.

Senator BOYCE—The focus groups will be informed by what happens in the consultations?

Mr Sandison—Hopefully, Senator, the information we get from talking with providers will allow us to develop the discussions that we would have with customers. Then, when we combine those with the submissions received, we would actually write up a paper for the minister, to take to her to look at a way ahead, and then probably have a re-engagement with some key stakeholder groups to make sure that we have interpreted things correctly and got a good way forward.

Senator BOYCE—How many staff would you have working on the Family Support Program?

Mr Sandison—On the reform and the change?

Senator BOYCE—Yes.

Mr Sandison—Just now there is a team of four.

Senator BOYCE—What about going forwards? What is the anticipation? Do you know?

Mr Sandison—Just now it would have to be a combination of staff that are across the existing Family Relationship Services Program and the parent and children services area. So when we bring them together with the staff from Attorney-General's we have actually got to look at a slight realignment within the group to make sure that we are setting a direction for Family Support Program rather than staying in the silos of the 14 to 15 streams of activity we have now.

Senator BOYCE—What are the numbers, then, when we get to July 2011, transition complete?

Mr Sandison—Just now I think our staffing numbers of people is around 85 to 90 sitting in Canberra. We also have state office staff, but they range across families areas and support other activities as well. I do not have specific numbers with me.

Senator BOYCE—Would we be able to get those numbers, please, the number of staff?

Mr Sandison—I can take that on notice, Senator.

Senator BOYCE—Thank you.

Ms Beauchamp—Senator, in terms of resources, we are always constantly moving resources around between priorities and the like. Mr Sandison's group is primarily responsible for the administration of the program and any change process associated with that, and resources will be allocated accordingly throughout the year.

Senator BOYCE—Given that we have got some from Attorney-General's being moved in, I would like to get some sort of a figure for, perhaps, 30 June.

Ms Beauchamp—As at 30 June, the staffing allocated to the Family Support Program?

Senator BOYCE—Yes, that would be good. Thank you. We had other questions on notice regarding projects that were transferring into family support and you mentioned that the majority of contractual arrangements would remain the same throughout the transition period and that Communities for Children funding agreements would be subject to negotiation

during late March and April to focus on requests in the new program. Can you tell me where we are now with the service's contractual arrangements? What has not stayed the same?

Mr Emerson—We are at a point now where we have completed all of our negotiations with our Communities for Children providers, and all Communities for Children providers will know about the length of their funding agreement, which is up to three years. They will be receiving in the next two weeks—in fact, they will be receiving it by the end of next week—formal communication including an agreement which will outline the amount of funding that is coming to them for the next period of up to three years.

Senator BOYCE—You say you have that information communicated it to them. Have you announced it?

Mr Emerson—No. The minister has not yet formally agreed to the final amounts of funding for each of the Communities for Children sites. Once that has been agreed, those letters can go to the providers within the next month.

Senator BOYCE—So you have told them, 'Yes, you will be getting some funding,' but you have not told them how much. Is that right?

Mr Emerson—They will be given funding.

Ms Beauchamp—We have negotiated on a without-prejudice basis with the current providers and are in the process of putting up recommendations to the minister.

Senator BOYCE—So all the current providers as of before this round have been re-funded. Is that what you are saying? Have any of them closed or stopped?

Mr Sandison—Sorry, Senator; we have had the negotiations with all 45 and the recommendation is now with the minister in terms of the final outcome.

Senator BOYCE—So you have negotiated with the whole 45. You have advised all of them or some of them—

Mr Sandison—They all have been engaged in the negotiation.

Dr Harmer—We have had discussions with all of them and we have made some recommendations to the minister.

Senator BOYCE—We will wait for the near future and find out what the result of that is. Thank you. On the Communities for Children, what years is that funding being allocated across? Are they receiving funding for—I am presuming this is in the tender—

Mr Emerson—Yes—Communities for Children sites. That is a recommendation to the minister at this point in time, but it is for up to three years for each site.

Senator BOYCE—Does that mean some might not be funded for three years and some would be funded for three years?

Mr Sandison—That is in the recommendations to the minister.

Senator BOYCE—I will just ask some of these questions and you can tell me whether they are going to be covered by information that was in your basic plan or whether they are a decision the minister has yet to make. Are any of these programs to be expanded to include older children? Is that part of the framework?

Mr Emerson—It is part of our discussion with each of the providers. We had talked about that as being an option and the response that we have got back from Communities for Children sites is that that is a very positive thing.

Dr Harmer—So that was an issue discussed.

Senator BOYCE—Yes.

Mr Sandison—I think you will recall, Senator, from the last estimates hearing that the minister, in her speech of 16 February, did talk about increasing the age limit for children and the engagement level, so that was a commitment the minister made to look into an increase from nought to six to up to 12 years old. So, again, it is an area of discussion.

Senator BOYCE—The other issue was: are you anticipating that there would be more than 45 Communities for Children sites?

Mr Emerson—That is advice to the minister at the moment.

Senator BOYCE—Okay.

Dr Harmer—We will just tell you when we cannot tell you.

Senator BOYCE—No, that is fine.

CHAIR—You always do, Dr Harmer.

Senator BOYCE—As I said, I will ask, and you can tell me if you can tell me. The next questions were about the Communities for Children Plus program, and we were trying to ascertain how that was different from the Communities for Children program.

Ms Beauchamp—You have just mentioned, I guess, one area of difference. The government has allocated new money for Communities for Children Plus. One of the things that we are doing in relation to that program is working with state and territory and local governments to ensure that there is a better integrated and coordinated service at the local level, focusing on services for families and children at risk. We will be looking at what services are required for a particular area of need, so that may differ across sites.

Senator BOYCE—So this is a—

Ms Beauchamp—It is an enhancement of the current Communities for Children model.

Senator BOYCE—It might mean an extension of services in existing sites?

Ms Beauchamp—It could be. I think the child protection framework or the Framework for Protecting Australia's Children, which went to the COAG meeting in April, indicated there would be a mixture of new and realigned demonstration sites around the Communities for Children model.

Senator BOYCE—Okay.

Senator ADAMS—Have they chosen those sites yet?

Ms Beauchamp—Not yet.

Senator BOYCE—So what has actually happened in terms of the Communities for Children Plus program?

Ms Beauchamp—One of the things we will be doing is—

Senator BOYCE—Is it happening, or is it about to happen?

Ms Beauchamp—It is new money that starts in 2009-10. It is a commitment we have made to the states and territories to work with them and local governments in ensuring that we are complementing and meeting the needs of people in certain locations. So we will be negotiating with states and territories to see where these sites might be located—of course, taking into consideration the priorities of this government in terms of locational disadvantage.

Senator BOYCE—Again, how would you anticipate that the deliverers of these services would be selected? What would be the—

Ms Beauchamp—What would be the process?

Senator BOYCE—Yes.

Ms Beauchamp—That is all yet to be sorted through. It could be either a restricted tender or a targeted approach, depending on the requirements of the particular area.

Dr Harmer—It has not been decided yet.

Senator BOYCE—When would you anticipate that you would have worked through that initial work to decide what this is going to look like?

Ms Beauchamp—Hopefully, given that the money starts from 1 July 2009-10, we will have negotiated and discussed our various approaches with the states and territories. I am reluctant to say ‘in the near future’. It should be early in the financial year of 2009-10.

Dr Harmer—Very early in the financial year.

Ms McKenzie—Perhaps I can provide some additional information. As part of the COAG announcement on the National Framework for Protecting Australia’s Children, there was an agreement that the implementation plan would be finalised within three months—that is, about August-September. As part of that, we are now meeting with the states and territories to further develop that plan. We had a meeting last week on Thursday and Friday with state and territory jurisdictions here in Canberra, and this was one of—

Senator BOYCE—Not with local government, though?

Ms McKenzie—Not with local government as yet. This was one of the items that were up for discussion at that meeting.

Senator BOYCE—I think I will leave those there. I have some questions around the Family Relationships Services Program. I suppose ‘bundling’ is the wrong word. ‘Streamlining’ is the word being used here, isn’t it? I will use that. How many staff are there in the Family Relationships Services branch of FaHCSIA?

Mr Sandison—Currently we operate at about a full-year equipment of 40.

Senator BOYCE—Forty full-time equivalent, or—

Mr Sandison—Yes.

Senator BOYCE—And how many will there be transferring over from AGD to FaHCSIA?

Mr Sandison—Our understanding just now is that there are 25 staff in the Attorney-General's Department in the area identified.

Senator BOYCE—And they would all be coming across?

Mr Sandison—The function moves, and the staff in the positions linked to the function would follow. There might be some vacant positions, but our understanding just now is that it is 25 staff.

Senator BOYCE—And when would you anticipate that that will be?

Mr Sandison—The first of July.

Dr Harmer—In July.

Senator BOYCE—It will be done by 1 July or on 1 July?

Mr Sandison—On. It is next financial year's activity.

Senator BOYCE—Okay.

CHAIR—Mr Sanderson, what is the physical nature of that move? Where are Attorney-General's and where are you?

Mr Sandison—They are in Barton and we are in Woden.

Dr Harmer—Not very far.

CHAIR—And you have got space for them?

Mr Sandison—Yes, we do, Senator.

Senator BOYCE—Will there be any further recruitment into the Family Relationship Services branch, or is bringing in those staff from Attorney-General's going to be all that you need to—

Mr Sandison—Our primary goal will be to integrate those staff so that we actually have one team of people looking at the full work that covers the Family Support Program. That is Attorney-General staff, Family Relationship Services, and children and parenting. So our expectation will be to look at the skills and the experience of those staff and try and match their interests with the work needs of the area and make sure we get the new setup right for 1 July.

Senator BOYCE—What will be different about the way the program is delivered once you have this amalgamation?

Mr Sandison—In part, it is basically to bring together the administrative support, the program management capacity. It is a starting point for getting us ready for the transition to the Family Support Program. By having all staff involved in one area—so it is, in effect, two branches within the department, but sitting within families group—we can actually focus the efforts of all staff and make sure that we have a unified voice and a single focus, which really was the aim and the intent behind having a Family Support Program, to streamline and bring it together. Some of the key operating areas they would look at would be single performance framework, an outcome framework, reduction of red tape, streamlining some of the agreements, because just now different providers operate under different agreements and different schedules. So that is the work that the teams will have to go through over the next

six to 12 months just to clean up some of the work in terms of what they do already with providers, and then we will work towards the new FSP once we have the outcomes from the consultation.

Ms Beauchamp—There are advantages for service providers in dealing with one organisation for the contractual arrangements and funding agreements.

Senator BOYCE—I think lots of people would appreciate that opportunity, in terms of dealing with government at all levels. You said that there were different agreements with different providers and that these would be streamlined. Can you give me some examples of the different sorts of agreements with different providers? Are you saying that FaHCSIA has some and Attorney-General's has some, or—

Mr Sandison—No, we have primarily been driving having the agreements within FaHCSIA and running the contractual side of things. But the primary issue is that, because there have been different streams of activity—for example, sitting within the Family Relationships Services program itself—they might have a different agreement or a different schedule for those different streams. What we are trying to do is, say, have a single plain English agreement with FaHCSIA and, where possible, then keep a separate schedule for someone like Family Relationship Services Program so that it can be brought together. That streamlines their acquittal processes and their interaction with the department.

Senator BOYCE—I am just trying to think through the practicalities of this. Will this mean that there are different providers? Or is it that providers of same or similar services will not have the same finish times for their agreements and the like?

Mr Sandison—Just now most of the agreements have been brought together to end in mid-2012. Some might be extended for an extra year.

Senator BOYCE—So you have renegotiated some of them?

Mr Sandison—Over the last couple of months, a lot of new agreements have gone out from both Family Relationship Services and children and parenting services to extend funding and—it is not all of them—to bring the majority of them together in mid-2012.

Senator BOYCE—So 30 June 2012 would be the finish date?

Mr Sandison—Correct.

Senator BOYCE—And are you aiming at getting more of them like that? What percentage is currently like that? Could you give me the numbers or—

Mr Sandison—We would be trying to bring more together; but, centrally, FaHCSIA, as you would be aware, has a lot of agreements with a whole range of different programs. So beyond the families, children, parenting space—

Senator BOYCE—I meant within families.

Mr Sandison—Where we can, yes. Again, a lot of the work has been led with the CEO forum from within the Family Relationship Services sector, so we have been bringing together all of those people regularly. It is about 93 chief executives and they have had working groups that have driven a lot of the reforms.

Senator BOYCE—In terms of providers of these services within the family relationships program, the ones you are talking about, most have had their contracts extended to 30 June 2012; is that right?

Mr Sandison—I am sorry, Senator, I should have said the majority is 2011, with some to 2012.

Senator BOYCE—But nevertheless they have got an extension of two or three years?

Mr Sandison—Correct.

Senator BOYCE—Is that all of the providers within the Family Relationship Services Program?

Mr Sandison—There is a small number that we have working on the NIDS program.

Senator BOYCE—Sorry, the what program?

Mr Sandison—As soon as I said it, I knew—

Ms Beauchamp—National Illicit Drug Strategy.

Mr Sandison—Strengthening Families, NIDS. Sorry to engage the acronyms. But we have extended them to 30 April, and there is some work being done with the national drugs council to look at a better approach. I think it is 18 providers with 19 projects that operate within that program. It is worth about \$3 million a year.

Senator BOYCE—And that is within Family Relationship Services?

Mr Sandison—Yes. And that has been reviewed because it has actually been a boutique program or stream, if you like. That is going on a different time scale so that we can actually go through and review it and come up with a different approach before the end of this calendar year.

Senator BOYCE—So you are speaking to them at the moment?

Mr Sandison—Correct.

Senator BOYCE—About what?

Mr Sandison—Basically, they have been operating with these 19 different projects and what we want to look at is, again, how to better link the activities in that area with the broader Family Support Program and, also, to respond to some of the issues under the child protection agenda. So we actually just want to realign it a bit and that might mean that there is a changed approach to how we procure the services and, indeed, what kind of services we actually ask for.

Senator BOYCE—So those might be closed down by the end of the year?

Mr Sandison—They have got funding until the end of April.

Senator BOYCE—April next year?

Mr Sandison—April next year, but they would receive advice before the end of the calendar year as to the direction of the program.

Senator BOYCE—In terms of the Family Relationship Services providers, will there be any funding from the Attorney-General into those areas?

Mr Sandison—They retain the actual administered funding, but we draw down on that. We fund them through our agreements. So we run the full funding of the program. The appropriation and the policy ownership remain with the Attorney-General's Department.

Senator BOYCE—Okay, I think. So Attorney-General's will continue to have policy ownership of a part of the Family Support Program. Is that what you are saying?

Mr Sandison—That is correct. They have the family relationship centres and the post-separation services.

Senator BOYCE—Yes. But aren't these to be moved into the whole Family Support Program?

Mr Sandison—We are trying to run it as a single Family Support Program. They are joined two ways. One is within the broader Family Support Program and the support of families, children and parents, but also the family law system. And so to manage it and streamline it, the government made the decision that all of the contract management—and hence the movement of the staff—would be in FaHCSIA, but policy ownership—so a small policy team—would be retained in the Attorney-General's Department and the appropriation itself would stay in that portfolio, and that maintains the link to the family law system.

Senator BOYCE—How will you manage that jointly?

Mr Sandison—We will have an MOU or an agreement with the Attorney-General's Department that guides the interaction. They stay involved. They will participate in the consultation sessions. They also participate in all the work that we have with the chief executive forums as well and things like that. So they stay involved but from a policy setting, without getting into the program management side of things.

Senator BOYCE—I am just trying to understand why the Family Relationship Services would need a direct relationship with family law.

Ms Beauchamp—What we are trying to is develop one performance framework between us and the Attorney-General's Department. So we make sure that effort is maintained around things like post-separation services and the like to ensure the—

Senator BOYCE—Around what services, sorry?

Ms Beauchamp—Post-separation services for parents. So I think we need to maintain that effort and provide reassurance back to Attorney-General's that we are meeting their performance indicators.

Mr Sandison—As some examples, the post-separation services side operate parenting orders programs, family dispute services and children's contact services, so they are all very much linked into the issue of family law. On our side, for the early intervention services, we operate programs on family relationships counselling, family relationship education and skills and some humanitarian services. So one part of the program is the early intervention, to engage and support family and parents; family relationships centres sit in the middle; and then we have post-separation services. So it has to be two sides, and that is where it is an issue in terms of making sure that we link to both. That is the task that has been given us in terms of the contract management sitting within FaHCSIA.

Senator BOYCE—The budget fact sheet says family relationship service providers would have total administered funding of \$272.31 million in 2009-10.

Mr Sandison—Correct.

Senator BOYCE—Can you break that figure down for us, please?

Mr Sandison—I could take it on notice and provide you with the funding break-up of the three main streams.

Senator BOYCE—That would be good. Is that as far as it could go—the three main streams?

Mr Sandison—There is a drug one and a humanitarian one, and there is funding in the budget paper that identifies the drought support teams as another area. We could provide those as well.

Senator BOYCE—Before we move off family relationship service providers, I have a recollection that they were also recommended at some stage to be the people who would provide advice to families that included a person with a disability and were intending to develop wills, trusts and the like. Did that ever occur? Your face is suggesting no, Mr Sandison.

Dr Harmer—I think we had better take than one on notice.

Mr Sandison—That is right. That was the non-verbal ‘I’ll take it on notice’.

Senator BOYCE—Thank you. On page 48 of the PBS there is a blip where the budget expense for Family Relationship Services goes from \$94 million to \$99.288 million and then goes down again to \$94.487 million. Why?

Mr Sandison—In some of the different substreams of the program there have only been one-year fundings. Not all of them are ongoing funding programs. As I said, we have about a dozen different streams. I would have to take that on notice and identify the specific stream where there might have been a reduction and where it is.

Senator BOYCE—Yes, which ones are coming to an end.

Senator SIEWERT—Which are the programs or streams that will be continuing, and which ones are being discontinued? I am finding it a bit hard to follow which of the current programs are, in fact, continuing funding and which it is intended to discontinue.

Mr Sandison—Basically, all of them are continuing. Funding is still there for the drug one, but in its current state it is only continuing until the end of April next year. That is where we are doing the consultations. The drought one that is identified in the budget, the special drought response team, is a one-year funding. In terms of discussion around ongoing funding response about Communities for Children, it is an issue that is dependent on a ministerial decision just now.

Senator SIEWERT—What about the carers program? Are family support for carers and Local Answers continuing?

Ms Beauchamp—Local Answers is in a separate outcome, outcome 3.

Senator SIEWERT—When we get to outcome 3, I will ask about it there.

Mr Sandison—The issue of the carers funding is subject to advice to the minister just now.

Ms Beauchamp—In other words, you cannot answer my question about whether it is continuing or not.

Mr Sandison—That is correct, Senator.

Senator ADAMS—With this \$4.5 million fall in the following year, do you anticipate a lessening of need for these programs? Where are you going with that?

Mr Sandison—I will have to take on notice the reason for the change. We realise across the broad Family Relationship Services program that the demand is there for those services. I would have to identify in which of the streams there was that drop off in that later year to respond to you specifically.

Senator ADAMS—So there will be no new money for new initiatives.

Mr Sandison—The only new funding in the budget identified was the drought and the Communities for Children Plus.

Senator SIEWERT—I want to go back to the issue around the family support for carers. You say it is with the minister. What time frame are you anticipating that decision being made in?

Mr Sandison—I understand it will be taken shortly.

Senator SIEWERT—It is quite a short time frame between now and the end of the financial year.

Dr Harmer—We know we are at 1 June.

Senator SIEWERT—I am just wondering about why there seems to be a delay in making a decision on that particular program.

Mr Sandison—All I can say is that it is with the minister for decision.

Senator SIEWERT—Thank you. Sorry, Senator Boyce, I interrupted

Senator BOYCE—That is all right. Can you tell me how many family relationship service providers there are?

Mr Sandison—There are 793 services.

Senator BOYCE—I was hoping to get a list of their locations, but I expect that you are not about to list off 793 addresses for me!

Mr Sandison—I will not read those out, no.

Senator BOYCE—Would you be able to, on notice, tell me the locations of the services provided and how much funding each of those providers currently receives, please?

Mr Sandison—For the 2008-09?

Senator BOYCE—For 2008-09 would be good. If, by the time the information is able to be collated, you can tell me 2009-10 as well, that would be good.

Mr Sandison—Yes.

Senator BOYCE—We have touched on this a little bit, but the number of clients that each provider assists, can you give us a sense of how many there are and what the majority of services they provide are?

Mr Sandison—I will do my best. To correct one thing, the 793 was actually service locations. There are 100 providers and some have multiple services.

Senator BOYCE—So there are 100 providers of 793 services.

Mr Sandison—Yes.

Senator BOYCE—It would be good to have where the services are and who those providers are. Thank you.

Mr Sandison—We will get the list of 100 providers and then, later, the full locations, because some of them might be outreach and not necessarily full-time locations. We can do that in two rounds of information.

Senator BOYCE—That would be good.

Dr Harmer—I think we should commit ourselves to provide you with the locations of the providers. I suspect, given Mr Sandison's answer, there might be quite a lot of additional work getting the specific locations.

Senator BOYCE—You would not have under each service provider the actual locations of where their services were?

Dr Harmer—We may.

Mr Sandison—I think we have got the majority of them, but I will take that on notice.

Senator BOYCE—Thank you.

Dr Harmer—I am conscious of how much work it would be if we have not got it.

Senator BOYCE—Yes.

Mr Sandison—Overall, in 2008-09 FRSP client targets were operating at 227,000, which was the number of clients.

Senator BOYCE—Seen in 2008-09?

Mr Sandison—That is our target, and in the majority of services we are actually operating either to meet or exceed those numbers. To give you some examples of different services, for family relationship counselling our target there is approximately 44,000, whereas in something like Adolescent Mediation and Family Therapy it is about 4,500. So they are very different in terms of the scale of the services. And for family relationship counselling we have about 121 service locations, but for the adolescent mediation there is about 12. So an average does not give you a clear indication of how the services operate. It really is the list that I said I would get you of the different streams and understand what the work is. Some might run group sessions, other ones will run with an individual person, and it might be two, four, six hours worth of interaction. It varies depending on the nature of the service. But they are the kinds of examples. I can give you the client targets for the different streams, rather than read through it.

Senator BOYCE—That would be great, thank you. The other thing is whether those services are meeting the needs of those communities in terms of: are there large numbers of people who are unable to get into the services or is there undersubscription of services?

Mr Sandison—It would be fair to say, Senator, in the majority of cases—I do not have specific demand or wait-list information—

Senator BOYCE—Does anyone have that, Mr Sandison?

Mr Sandison—In the main, we do not operate with a wait list for some of the services. Basically, they are referrals. We do have some information, and I will do a check, in terms of which ones we might have a demand listing. But we think in the main most of the services exceed their targets, so we can see there is a demonstrated demand for them.

Senator BOYCE—You would anticipate that there is probably more demand than there is available time?

Mr Sandison—That might be the case, Senator. And in different locations that demand would be different.

Senator BOYCE—Who monitors that or manages that?

Mr Sandison—Our service providers primarily will engage and work with some of the other local services, depending on where the referrals come from, to try and manage demand. If they were actually low in terms of referrals or customer numbers they would advertise or promote. That might be with different service providers with not the same skill sets or the same service provision and with other central agencies that might be state government or Commonwealth government funded.

Senator BOYCE—If they are in the situation where they felt that perhaps they had sufficient customers for another one or two full-time staff, what would they do?

Mr Sandison—They might come to us seeking additional funding, but our funding is basically set. The full appropriation each year is pretty well allocated out to providers, and that is the 700-plus different service locations, 100 providers themselves. So they might ask for additional money but, in the main, each of these streams of funding is fully allocated at the start of the year.

Senator BOYCE—Are you confident that you would be aware of significant unmet need in specific areas?

Mr Sandison—That varies, Senator. Some providers are well used to the fact they have a set amount of money; they perform to meet their targets. If there was significant excess of demand, they might not know themselves because they will not go and promote when they get a consistent flow. They would not want to build up a waiting list if they know they cannot deliver the services to those people. It would be fair to say that there would be an unknown amount of demand in some areas.

Other times, the service providers are very clear around some extra people that might be referred to them. And if they cannot meet those needs, that would be known by some of our state office colleagues who do the direct link with the services and, indeed, gets fed back to us in national office at times as well.

Senator BOYCE—How do your state office colleagues know?

Mr Sandison—They have a role in actually working with providers, and a mix of site visits and engagement with providers. That helps us with a level of assurance in relation to performance of the providers across each state and territory.

Senator BOYCE—And they report back to you?

Mr Sandison—Correct.

Senator BOYCE—Would there be anywhere else they would report that?

Mr Sandison—We rely on our state offices in terms of intelligence about what is happening in relation to the different service structures that we operate right across the department, but their primary feedback is working with each other so that the states understand what is going on—our state offices—but then feeding back in both to the national program managers but, also, our central program committee that operates in the department and our national management group, where the state managers are brought together to make sure that the department is aware of what is happening.

Senator BOYCE—Have there been any problems with any of those service providers then not meeting expectations?

Mr Sandison—I do not have a list of those. Again it would be fair to say there are some services in any group as large as that and with that level of funding that are not performing to the level—

Senator BOYCE—I was going to be very surprised if you said absolutely none.

Mr Sandison—No, there will no statement that there is perfection out there.

Senator BOYCE—Absolutely.

Mr Sandison—And part of the reason to drive with change is particularly to reinforce the performance framework that has just been agreed with the sector, and to use that to drive an improved performance over the next couple of years.

Senator BOYCE—Is there any way we can quantify the number of service providers who have not come up to expectations? Have any of them lost their contracts in the past two years?

Mr Sandison—I would have to check, on notice, about whether we have actually cancelled any contracts.

Senator BOYCE—Okay.

Mr Sandison—We have certainly had interactions with services to get them to focus more on their performance and to look at their needs.

Senator BOYCE—So you have performance managed some of them?

Mr Sandison—Correct. And sometimes funding changes, based on the capabilities and abilities of service providers.

Senator BOYCE—What can you tell me about that then?

Mr Sandison—Levels of funding are across the suite of programs. If demand changes or a service provider has limited capability we would look at that. The first line would be to

discuss with the service. It often will come through the state office or through national data sets. The online system that is used for FRSP provides us data about the number of clients that have been met and the overall reasons for referral and what is happening with the service delivery that is happening with each of the individuals. We have a list of registered and unregistered clients, so we can get an appreciation of how a particular service is operating against like services. So it would not be across the board, but if we had 100 services delivering one particular stream, then we would be able to get an idea about how they are operating compared to others. One of the issues there, though, is that of course every geographic location is different, so that is why it is important to have the state office input, because the particular locations in which they operate can vary enormously. So we have to take into account the local issues.

Senator BOYCE—Primarily socioeconomically—is that what you are talking about?

Mr Sandison—That is correct, yes.

Senator BOYCE—Have any service providers had their contracts cancelled?

Dr Harmer—Mr Sandison said he would take that on notice, Senator. We would try to avoid that, through the process—

Senator BOYCE—I can imagine, yes.

Dr Harmer—Because getting a new service started takes some time, and the area would not be served so we would try to work with the service provider. It would be only if they did not respond and did not—

Ms Beauchamp—If they were recalcitrant.

Dr Harmer—Yes.

Senator BOYCE—Trying to maintain something that kept clients' trust in the whole system, too, I would imagine.

Dr Harmer—But we would not hesitate to terminate the contract if they failed to fulfil their obligations and would not—

Ms Beauchamp—Our objective is to maintain continuity of service.

Senator BOYCE—If contractors have lost their contracts, can we have a list of who they are, what happened and why, please?

Mr Sandison—Yes.

Senator BOYCE—Thank you. Training to keep the service providers' skills up to date: is that a FaHCSIA responsibility, or do you expect them to do that themselves?

Mr Sandison—We have an expectation that service providers need to maintain a level of expertise, but we also work with Family Relationship Services Australia and the CEO forum to actually do some work on workforce development. There is a specific working group that looks at workforce related issues for the sector, so that we are working with them. We try and do it in partnership, and at times that might be by developing particular tools or information that is more economical for us to do centrally and provide across hundreds of service locations than, perhaps, 10 or 12 different providers all doing it themselves.

Senator BOYCE—We talked a little bit about how you would look at best practice in some services in regard to other providers of similar services. What other quality assurance processes do you have to ensure the client is getting the appropriate support from family relationship centres?

Mr Sandison—It is a bit of a mix. We are actually doing some work now with clients of services—broadly, not necessarily specifically, with our family relationship services program—about their engagement and their needs with services. Through the evaluation of the Stronger Families and Communities Strategy we got some particular client feedback, both directly from the clients and from services, about how engagement with some customers worked or did not work. Then, through the reporting processes, we pick up information about the services delivered to individual customers. On top of that is the issue of the state officers visiting and working with some of the provider locations.

Senator BOYCE—When you say ‘visiting and working with’, these are not unannounced visits or spot checks or anything? They are going out to support because they have been asked to?

Mr Sandison—It is a mix. Certainly, if they are invited to go and support or to work with a provider they will go and do that. But also, at times, it is actually a site visit to look at what is going on and check. So it is like a quality assurance check with a provider, but I do not think that they would be unannounced. I think there would be an announcement that they would be there in ‘x’ days time.

Senator BOYCE—You mentioned before the focus groups, which are doing broader work, really, aren’t they?

Mr Sandison—I would have to check specifics. Some of the customer feedback we get is included through the FRSP online. Customers are asked to respond to a set of questions and that is provided as input to the system. So we have a range of information that comes through about customers: whether they are satisfied with the service that was delivered, whether they got what they expected and whether they think they have had a change in skills or capabilities as a result of the interaction. I do not have the specifics, but I could provide the general answers on notice if you want.

Senator BOYCE—Okay. Do complaints come through there?

Mr Sandison—Complaints come through a central complaints line or they might go through to our state offices. Did you mean by a customer or by a provider?

Senator BOYCE—By a customer.

Mr Sandison—I think a customer might go direct to our department or, at times, they might go to the Ombudsman. I do not have a record of complaints. Primarily, providers might have had issues around their contracts, rather than customer complaints.

Senator BOYCE—I am happy to take a break there if Senator Hanson-Young has some questions.

CHAIR—Dr Harmer, we are going to go round and round and we are going to break at 6.30 for dinner. Senator Hanson-Young has two questions on parental leave. Could we take

those two questions, and then we will come around, because there are other senators who will be coming up. And Senator Siewert definitely has more on family relationships.

Senator HANSON-YOUNG—My question is in relation to the 18 weeks scheme that was announced in the lead-up to the budget. Firstly, I want to know when we can expect to see draft legislation. Do we have any time frames on that?

Ms Beauchamp—There is no specific time frame yet. We are working as hard as possible. As you would appreciate, there is a lot of work to do in this space, so we are working very hard and we need to work in consultation with a whole lot of other people, employers and others. We will be working as hard as we possibly can to get legislation drafted.

Senator HANSON-YOUNG—One thing I was going to touch on was whether there would be some type of community/business consultation around the scheme and whether that would happen in drafting the legislation—or are you looking at drafting the legislation and then doing the consultation?

Ms Beauchamp—I think there is probably a bit of ‘chicken and egg’ to this. You can kick me if you like, Mark, but I think we will be looking at consultation on a number of different levels: with employers, with the tax office, and obviously with our colleagues in Education, Employment and Workplace Relations. So we will be seeking feedback through consultation processes on what we need to put in legislation and also touching base with key stakeholders on whether the government’s policy intent will be met through the legislative process.

Senator HANSON-YOUNG—I think Minister Macklin said originally that she believed something would be in the parliament by the end of the year. Was that just an aspiration or is that the deadline that you have been given?

Dr Harmer—That is what we would be working to.

Senator HANSON-YOUNG—That is what you have been working to.

Mr Warburton—The booklet indicates that the government is expecting legislation during the 2010 year.

Senator HANSON-YOUNG—Okay. I have got a variety of other questions, but I think I might put them on notice because we might be able to hear directly from the minister on them anyway. My main issue was in trying to figure out where the time frames were. But I would also like to pick up on the issue that the scheme does not include superannuation, which seems to be a big difference between other proposed schemes. Could somebody give me an indication as to why superannuation was not included?

Ms Beauchamp—I think the government picked up the Productivity Commission’s final recommendations, which were different to its draft recommendations, given the economic climate we are working with. But there was also a commitment to undertake a review within a period of three years to look at that component.

Senator HANSON-YOUNG—So the main reason was the economic climate as opposed to some other structural reason?

Mr Warburton—The Productivity Commission put out its draft proposals during last year and consulted quite widely on those. It had quite a bit of feedback from employers. It

recommended that ultimately superannuation be included in the scheme but that it be deferred essentially for three years, and the two reasons the Productivity Commission gave were that that would allow employers time to introduce the scheme—there are some adjustment costs associated with the scheme and it would get through those before the issue was considered—and the current economic climate. The government basically accepted the recommendation on that reasoning.

Senator HANSON-YOUNG—Correct me if I am wrong; I do want clarification of this. The responsible minister is going to be Minister Macklin under FaHCSIA as opposed to Minister Gillard—or is there some type of forward planning that suggests that may change?

Mr Warburton—The special appropriations are within the FaHCSIA portfolio. Minister Macklin has responsibility around those. But it is probably fair to say that clearly there are also aspects of the scheme that fall within the DEEWR portfolio. There are clearly matters that touch on workplace relations. Those matters remain within the employment portfolio. We are working closely with them to implement the scheme, to make sure we do not get our wires crossed and so forth.

Senator HANSON-YOUNG—But largely it would be managed by FaHCSIA and therefore by Minister Macklin?

Mr Warburton—FaHCSIA is leading the implementation but it is clearly—

Dr Harmer—We are taking the lead.

Senator HANSON-YOUNG—So in terms of follow-up questions, which is what I am trying to figure out, it will be you guys.

Ms Beauchamp—We are managing the process and the machinations within government but obviously we cannot do this without working very closely with the department of employment.

Senator HANSON-YOUNG—So does this task force include people from both departments?

Ms Beauchamp—Yes, and a range of others.

Senator HANSON-YOUNG—Has there been any thought into whether same-sex parents would be entitled under this scheme?

Mr Warburton—Yes, there were recommendations around that in the Productivity Commission report. There are—

Senator HANSON-YOUNG—I know there were in the Productivity Commission report but I am talking about the government scheme.

Mr Warburton—The government's commitments not to discriminate against same-sex couples remain.

Senator HANSON-YOUNG—So parents in a same-sex relationship, whatever the legalities of how the child is managed, would be entitled to—

Ms Beauchamp—That is right. If they are the primary care giver then they are eligible if they meet the eligibility requirements for the paid parental leave scheme.

Mr Sandison—It is at a level of detail, Senator; perhaps you could—

Ms Beauchamp—Yes.

Mr Sandison—The budget only came out a few weeks ago. There is a level of detail that will come through with the second round of decisions, and obviously the government has commitments about same-sex couples across a variety of legislation. How that works out with the PPL is something to be worked out over the next four to six months and so on. So policy—

Senator HANSON-YOUNG—So it is not ruled out, but it is not necessarily in there at the moment.

Mr Sandison—There is a lot of policy detail that has to be worked through.

Ms Beauchamp—We will take that on notice.

Senator HANSON-YOUNG—That would be great. Thank you.

Ms Beauchamp—I will just make a clarification about the task force that we have set up within the portfolio. Obviously that is staffed with our departmental staff. What we are putting in place is formal arrangements to work closely with other agencies on the development of the implementation plan.

Senator HANSON-YOUNG—Great. I think that is probably it.

Senator HUMPHRIES—I would like to ask some questions about parental leave as well. If they have already been covered, please just let me know. The budget papers say that measures in this year's budget will respond to the recommendations of the Productivity Commission's inquiry into paid maternity and parental leave. Are there any lines in the budget to actually indicate the money that is associated with that response?

Mr Warburton—Yes, Senator. You can find the full accounting of the government's paid parental leave response in Budget Paper No. 2.

Senator HUMPHRIES—Is it reflected at all in the table on page 46 of the FaHCSIA budget statement?

Mr Warburton—Sorry; I missed the question.

Senator HUMPHRIES—In the PBS, on page 46, you have a table of expenses in outcome 1.

Mr Sandison—The primary costs are identified on page 25 of the PBS—the paid parental leave. It is the second item down on the list of budget measures, and that identifies our administrative expenses and departmental expenses.

Senator HUMPHRIES—Which is what?

Mr Sandison—In 2009-10, the departmental expenses are \$2.428 million, and the actual administrative expenses for 2009-10 are \$2.35 million. It is only small there because the scheme is not implemented until the year after, and then it goes to \$234 million in 2010-11 and increases again in 2011-12.

Mr Warburton—These are the costs that are in the FaHCSIA portfolio, Senator. There are other costs as well. You could find them on page 236 of Budget Paper No. 2.

Senator HUMPHRIES—Thank you very much. I have just a couple of questions about the way in which the scheme will be administered. I assume that there is a certain amount of flexibility about that at this stage. There are some further processes of public consultation to be undertaken before the scheme is actually on the ground?

Mr Warburton—That is correct. Basically, we will be consulting through the latter half of this year, as we are also working on the legislation. The government has indicated a commitment to try and make the scheme as simple as possible for employers. We want to start those consultations relatively early on in the piece because they may have implications for the legislation. So the two things will be running in parallel.

Senator HUMPHRIES—Right. Can you offer me some insight into the reason that the government has chosen an income test of \$150,000 as the cut off point for eligibility here, and particularly why that figure has been chosen when other tests of eligibility for government support of different sorts are based on quite different figures? For example, I think the point at which the Medicare levy surcharge cuts in is at a lower rate; for an individual, it is \$90,000. But a person's income can reach \$150,000 before the eligibility cuts out as far as parental leave is concerned. There are other examples of where different thresholds are set to determine what constitutes a wealthy person. So what is the basis on which the government has chosen its figures?

Mr Sandison—Primarily, there is a consistency issue within the family assistance area, and then it is a decision of government.

Senator HUMPHRIES—A consistency issue in the family services area?

Mr Sandison—In the family assistance area, where the figure of \$150,000 has been used. Yes, there are differences across other areas of government, but this was a decision of government to make it \$150,000.

Dr Harmer—I do not think we can add to that. It was a decision of the government and, as Mr Sandison has pointed out, there are some inconsistencies in the families area with the \$150,000. That would have been relevant in their consideration.

Senator HUMPHRIES—I ask the minister at the table whether there is any insight she can offer as to why this figure has been chosen as the threshold when much lower figures have been chosen for things like cessation of access to the private health insurance rebate, for example?

Senator Wong—I am not sure I can add anything to what officials have said to you, Senator.

Senator HUMPHRIES—They have said to me that it is a government policy as to why this figure has been chosen. I am hoping you might perhaps take—

Dr Harmer—It is a government decision. You look to areas of most similarity, and the area of most similarity is in family payments and that area. In that area, the government has already chosen a \$150,000 family income limit as a benchmark. I cannot go any further than that.

CHAIR—Mr Sandison, maybe you could point out on notice where the \$150,000 figure is used within the families area, just to put that in context. Senator Humphries may have more questions, but I would be interested to see something about where the \$150,000—

Senator HUMPHRIES—Where else in families?

CHAIR—Looking more at the part of policy where \$150,000 is.

Dr Harmer—We can do that.

CHAIR—It would just be useful for some background.

Mr Sandison—Certainly.

Dr Harmer—Senator, as you know, there are lots of threshold limits that apply across the welfare and families area, all with their own rationale. \$150,000 happens to be the one that they have chosen in the families area to reflect people who are well-off and people who need assistance.

Senator HUMPHRIES—It just seems to me that, if you are regarded as well-off, there would be some working definition used by the government as to what ‘well-off’ was, and your eligibility for government support payments, whether it be parental leave or private health insurance rebates or the Medicare levy surcharge, would all be more or less the same.

Dr Harmer—I do not think we as officials can add any more to that. It is not appropriate at all for us to enter into a debate about income limits set by government.

Senator HUMPHRIES—All right. I was rather hoping that someone at the table who is responsible for government policy could answer it.

Senator Wong—I would look forward to seeing what the opposition would put forward, Senator Humphries, and how you might provide the savings required for changing thresholds to more generous thresholds, if that is the position you are articulating.

Senator HUMPHRIES—I am just seeking to know what is behind the government’s thinking and to be assured the government has not just plucked a figure out of the air rather than have a coherent policy basis on which to provide that figure of \$150,000.

Senator Wong—We have not done that. Obviously, this is not my own portfolio, but my recollection is that, when you were in government, there was a range of differing income thresholds for different entitlements under the Social Security system. I think Dr Harmer has indicated we can provide on notice some reference to analogous or other payments where this threshold has been used.

Ms Beauchamp—I also add that, in terms of the facts that were in the government’s paid parental leave publication, it clearly shows that those higher wages are more likely to be able to access a paid parental leave scheme compared to those on lower incomes, and the evidence and statistics are in the document.

Senator HUMPHRIES—All right. I will leave that other question. Those are my questions. Thank you.

CHAIR—On that basis, I suggest that we break now and come back at 7.30, when I know there are a series of questions across at least 1.2 and 1.3 and possibly back to 1.1.

Senator BOYCE—I might have some more in 1.1.

CHAIR—Yes, that is what I thought. But as you said, Dr Harmer, the officers are here. We will just work with you, as you always do.

Dr Harmer—Thank you.

Proceedings suspended from 6.23 pm to 7.30 pm

CHAIR—We will get started again. Senator Fifield does have the call, because he is here. His questions are on 1.2.

Senator FIFIELD—Thank you, Chair. Dr Harmer, I have some questions at 1.2 in relation to the family tax benefit and the Economic Security Strategy. I think within your portfolio it is \$12.2 billion which the government has allocated towards targeted bonus payments in 2008-09 under the broad rubric of assisting households and supporting economic growth—I think that is the euphemism for a lot of the spending that is in place at the moment. The main elements of that \$12.2 billion are—and you will correct me if there is anything else—the tax bonus payment, the \$900 single income family bonus, the \$950 farmers hardship bonus, the \$950 back to school bonus and the \$950 training and learning bonus.

Dr Harmer—Yes, they are.

Senator FIFIELD—There is no key element I am missing?

Dr Harmer—I do not think there is anything you have missed.

Senator FIFIELD—You are in tough straits if you do not happen to qualify for one of those. I will go firstly to the \$900 single income family bonus and the \$950 back to school bonus. With the back to school bonus there is something you might be able to help me with. I was driving to my electorate office a couple of days ago and I saw a big billboard which had a computer sitting on a desk, and it had money spilling out of where you put a disk in and it had something on the side about money for school equipment and school costs. Would that be an ad promoting the \$950 back to school bonus?

Mr Sandison—No.

Dr Harmer—I very much doubt it.

Mr Sandison—There are some DEEWR elements to the packages that are involved—the actual payments to schools, as well as some education related payments that people can get. They are separate to the links that we have here.

Senator FIFIELD—I was driving at the time so I could not pay close attention to it. I thought it was more likely to be something which was being funded through the education portfolio rather than yours. Thank you for that. Dr Harmer, your department has policy responsibility for each of those bonuses and payments which I listed before under the \$12.2 billion. That is correct, isn't it?

Dr Harmer—We certainly have for the family payments.

Mr Sandison—Those that are linked to family payments.

Senator FIFIELD—So, specifically, you have policy responsibility for the \$900 single income family bonus. Yes?

Mr Sandison—Yes.

Dr Harmer—Yes.

Senator FIFIELD—The \$950 back to school bonus?

Mr Sandison—Yes.

Senator FIFIELD—Any of those other payments and bonuses which I read out before?

Mr Sandison—There is the training and learning bonus.

Senator FIFIELD—But farmer's hardship—

Mr Sandison—Sorry. The training and learning bonus used some of our information but it was a payment by the DEEWR portfolio.

Dr Harmer—In fact, I think all of these payments for this package were developed by Treasury with input from us.

Senator FIFIELD—Sure.

Dr Harmer—We certainly provided input, but I think it is fair to say they were not, in their individual nature, developed by us.

Senator FIFIELD—I accept that. But you could be said to have ongoing policy responsibility for the family tax benefit; the \$950 back to school bonus and the \$900 single income family bonus.

Ms Beauchamp—The policy responsibility aligns with Treasury. Those payments are being administered through the family assistance system, of which we have responsibility for the administration only.

Senator FIFIELD—So your responsibility is in terms of the administration rather than the policy?

Ms Beauchamp—That is correct, yes.

Senator FIFIELD—You were consulted in the development of the policy, but the lead department in terms of policy is Treasury?

Dr Harmer—Yes.

Ms Beauchamp—That is correct.

Senator FIFIELD—If we are wanting to ask questions in relation to the design of those particular payments, those questions would be best directed to Treasury rather than to yourselves?

Dr Harmer—Indeed.

Ms Beauchamp—That is correct.

Senator FIFIELD—In terms of the rationale at the time.

Dr Harmer—Yes.

Senator FIFIELD—You are implementing. They are the 'great mind behind'.

Dr Harmer—Indeed.

Senator FIFIELD—Thanks for clearing that up. Are you able to give me a bit of a rundown on how many families have received payments under the Economic Security Strategy under each of those categories for which you have administrative responsibility?

Dr Harmer—I think we can give you information on it.

Mr Southwell—Payments worth almost \$3.6 billion have been made to 1.7 million families receiving family tax benefit A.

Dr Harmer—To clarify, this is the Economic Security Strategy announced in October we are talking about now.

Senator FIFIELD—Yes.

Dr Harmer—Is that the one? Do you want all of it?

Senator FIFIELD—Thank you.

Mr Southwell—Around 205,000 payments worth over \$2 million have also been made to eligible recipients of youth allowance, Abstudy, Department of Veterans' Affairs and education allowances under the ESS payments.

Senator FIFIELD—Thank you for that. Were all of the families who received this money families resident in Australia?

Mr Sandison—Sorry, to clarify: the back to school bonus and the single income family bonus were part of the nation-building economic stimulus plan.

Senator FIFIELD—They were part of the \$42 billion?

Mr Sandison—The second stimulus package.

Dr Harmer—In February. Do you want numbers for those?

Senator FIFIELD—Yes, thanks.

Ms Beauchamp—For the back to school bonus, the number of customers paid was 1,422,890.

Mr Sandison—This is as at the end of April.

Senator FIFIELD—Thank you.

Ms Beauchamp—For the single-income family bonus, the number was 1,374,708.

Senator FIFIELD—Thank you for that, and thanks for reminding us which of these payments go with the \$42 billion and which go with the \$10 billion. There are an awful lot of payments going around; they can all blur into one after a while. My question before was about the families who have received the payments under both the \$10 billion and the \$42 billion packages. Were all of those families resident in Australia?

Mr Sandison—No, they were not.

Senator FIFIELD—Can you take us through, category by category, the numbers of those families which were not?

Mr Sandison—I do not have a break-up of the individual payments, but under the economic security stimulus package nearly 80,000 were overseas.

Senator FIFIELD—For the Economic Security Strategy. The Economic Security Strategy is the \$10 billion package, isn't it?

Mr Sandison—That is the first one, yes.

Mr Southwell—That is made up of around 69,000 who are aged and related pension payments and around 10,000 who are families customers.

Senator FIFIELD—Ten thousand who are—

Mr Southwell—Families customers—FTB and related customers.

Senator FIFIELD—'Families customers'?

Mr Southwell—Yes.

Senator FIFIELD—That is the language used. That is for the \$10 billion. Under the \$42 billion package?

Mr Southwell—We have a breakdown of around 32,000 overall, of which 29½ thousand are families and another 3,200-odd are non-families. These are preliminary figures but initial figures have been supplied to us.

Senator FIFIELD—Which payments would non-families constitute?

Mr Sandison—For a break-up we would have to take that on notice.

Dr Harmer—I do not think we have that information.

Mr Southwell—We do not have that level of detail.

Senator FIFIELD—It would be helpful if you could take this on notice.

CHAIR—Where are these figures from, Mr Southwell?

Mr Southwell—We got them from Centrelink.

CHAIR—I thought it should go on record that it is Centrelink data.

Senator FIFIELD—Are you able to advise how many people would have received or been entitled to multiple payments—would have qualified for more than one of these payments?

Dr Harmer—We will be able to give you that information, but I do not think we have it with us.

Mr Sandison—No, not the full break-up. I think we answered the question at the last estimates with talking about what the possible multiples were in terms of people receiving different payments. It would take some more work to go through and see the break-up across the different payments, but we can have a look on notice about the ones that relate to the FaHCSIA payments linked to the bonus.

Senator FIFIELD—Thank you, that would be appreciated. With these various payments and bonuses, in all cases would the recipients have received a letter from the department or from a FaHCSIA minister? I know last estimates we went through in some detail about the letters which were under the minister's signature, but could you update us as to who would have received what form of communication from either the department or a FaHCSIA minister?

Mr Sandison—Often it is through Centrelink that the letters are dispersed, so we would have to do a check on that.

Dr Harmer—I am not sure we can answer that precisely enough for you. I do not have it in my information. I would be surprised if we have it here.

Senator FIFIELD—That is something that you could take on notice for each of those payment categories: whether they received a letter under the signature of the minister or from the department—also take that to read ‘Centrelink’—and if such communication was in addition to the usual communication which may have already been going out to advise these recipients of other things.

Dr Harmer—We will take on notice how they were advised.

Senator FIFIELD—Thank you; and also the cost of those forms of communication.

Mr Sandison—Certainly. We will take that on notice.

Senator FIFIELD—That would be good. Thank you for that. I just want to turn to another budget measure in the portfolio: the fact that from 1 July 2009 family tax benefit part A payment rates will be indexed by the consumer price index. Could you advise the committee how many families in each of the relevant financial years, the budget year and the forward estimates, will be affected by removing the link to pension indexation?

Mr Southwell—It will affect around 1.1 million families with about 2.4 million children.

Senator FIFIELD—That is each year, roughly?

Mr Southwell—That is first year, roughly.

Senator FIFIELD—That gives us the ballpark for subsequent years. Just to refer you to budget paper No. 2, table 1.2, there appears to be a steep rise in the savings for 2012-13. I am wondering firstly what is the explanation for that stark increase; and also what is the basis of reaching that figure, what modelling was done?

Dr Harmer—What page in Budget Paper No. 2?

Senator FIFIELD—Table 1.2. I do not have a page number, sorry. I have copied the section but not the page number.

Mr Sandison—While we are looking, the cumulative impact of indexation causes the rise to climb through the out years; but we will find the specific table. We can keep looking for that if you wanted to move on, but the primary driver is the cumulative impact of the changes in indexation.

Senator FIFIELD—Thank you. I cited the measures document rather than the PBS, did I?

Ms Beauchamp—Was it in our portfolio budget statement?

Senator FIFIELD—My apologies.

Ms Beauchamp—Mr Sandison is correct in explaining that cumulative impact.

Senator FIFIELD—Is it possible to take us a little further into that? Do you want to explain the cumulative increase in the indexation?

Mr Sandison—I will take that on notice to respond to.

Senator FIFIELD—Thank you. I will move now to another budget measure, the reform of family payments, the pause to indexation of upper income thresholds of FTB A, FTB B and the baby bonus. Again I will ask in relation to this measure how many families will be affected by pausing the upper income thresholds for each of those three categories?

Mr Southwell—An estimated 46,700 FTB part A families will lose eligibility. Another 148,700 families will experience an average rate reduction of \$827 per year, and that is from the FTB A high threshold. For FTB part B, around 4,600 families will lose eligibility, with an average loss of \$1,921 per year. Approximately 1,600 fewer families will receive the baby bonus.

Senator FIFIELD—Thank you for that. Now let's move to the budgeted expenses for family tax benefit. Can you advise how many families are expected to receive FTB A and how many will receive FTB B for each of the relevant financial years? We will start with 2009-10.

Mr Southwell—I think we will have to take that one on notice.

Senator FIFIELD—Sure. You do not have those figures to hand?

Mr Southwell—How many will receive it?

Senator FIFIELD—Yes, how many are expected to receive it.

Mr Southwell—No, I do not have those figures to hand.

Senator FIFIELD—Thanks for that. In the PBS, it states:

The main drivers of the change in expenses across the forward years are changes in the economy ...

Can you explain how that might impact on the number of FTB A and FTB B recipients?

Mr Southwell—Changes in the economy?

Mr Sandison—It is the number of people, their level of earnings, and the unemployment numbers that go up and down. Their eligibility for the payments will also go up and down, so the people who have a reduction in income—sometimes it might be where the second earner loses their job or the main earner becomes unemployed—their eligibility will change. Some of it might not mean that they go onto a full rate FTB, but their income change is sufficient that they actually become eligible for some level of FTB support.

Ms Beauchamp—The broader impacts are dependent on demographic changes: obviously changes in people's income and, more broadly, changes in indexation rates from year to year.

Senator FIFIELD—Okay. But you will take on notice how many people will receive FTB A and FTB B.

Mr Southwell—In the out years, if that is the question?

Senator FIFIELD—In the out years as well. Yes, for the budget year and the out years as well.

Ms Beauchamp—We will see what we can provide. Obviously they change from year to year.

Dr Harmer—I am not sure that we have got figures. We will give estimates for 2009-10. Do we have estimates beyond that for A and B?

Ms Beauchamp—We will have a look and see what we can give you.

Dr Harmer—We can give it to you for 2009-10. I do not want to promise for the out years unless—

Senator FIFIELD—You do not want to promise what you cannot deliver.

Dr Harmer—Yes.

Senator FIFIELD—I appreciate that. Moving on to another budget measure, the improved participation requirements for 15- to 20-year-olds, the budget papers say:

The Government will strengthen participation requirements for young people aged 15-20 years who do not have a Year 12 or equivalent qualification and who receive Youth Allowance (other) or FTB Part A.

Could you take us through what involvement FaHCSIA had in terms of the formulation of this policy change?

Mr Sandison—We had some discussions prior to the COAG announcement. We were aware of the work being done prior to the COAG announcement on the Bradley review, which was a crossover between issues related to the student side of youth allowance and impacts on FTB, and that followed through to some of the discussions about the youth compact and youth participation, and different options for how youth participation might be taken forward.

Senator FIFIELD—This is not a measure which Treasury would have any particular input into?

Mr Sandison—I think Treasury probably had input into most budget measures.

Dr Harmer—We will have had input. We cannot go much further. We will have had input into measures in the budget that impact on our programs. To describe the extent is—

Senator FIFIELD—Yes, sure. Your department had significant involvement.

Dr Harmer—We had input into all measures that had impact on our budget.

Senator FIFIELD—As would be expected. Could you take us through how the savings here are created, how they come about; how this measure will work itself through in the cases of individuals.

Mr Southwell—We expect that some people on FTB A will either move across to youth allowance, and that shows up as a savings in our portfolio but expenses on the youth allowance side, or no longer qualify as FTB children and therefore go off payment.

Senator FIFIELD—How many people do you estimate will move to youth allowance and how many people do you think will no longer qualify for a payment?

Mr Southwell—We have estimated that around 8,200 in 2009-10 will do either of those things.

Dr Harmer—In total, about 8,200 will be affected.

Senator FIFIELD—Will do either of those things.

Mr Southwell—Yes.

Senator FIFIELD—Can you separate out how many will—

Mr Southwell—We went fifty-fifty.

Dr Harmer—It is an estimate.

Mr Southwell—It is a preliminary estimate.

Senator FIFIELD—So your operating assumption is that—

Dr Harmer—Fifty per cent will go for the youth allowance.

Senator FIFIELD—4,100 will move to youth allowance and 4,100 will no longer qualify.

Mr Southwell—Yes.

Senator FIFIELD—That is the operating assumption, and we will know what the reality is—

Mr Southwell—A little bit further down the track.

Senator FIFIELD—down the track. Has the department done any analysis to establish how many families might be worse off as a result of this change, or do we just assume that it is 4,100 families, assuming one kid with each family? Can you take us through that at all?

Ms Beauchamp—I do not think the equation is that easy.

Senator FIFIELD—I am sure it is not.

Ms Beauchamp—Some of the people going off family tax benefit will go onto youth allowance, which is a much more generous payment.

Senator FIFIELD—Sure. So there will certainly be some people who will be better off.

Ms Beauchamp—Some of the families might actually be better off.

Senator FIFIELD—That is right. But there will be some who will be worse off.

Dr Harmer—Those who will not be eligible to transfer will be.

Senator FIFIELD—Clearly.

Dr Harmer—Yes.

Senator FIFIELD—Can you put a rough number on the families?

Mr Sandison—We have not done a break-up beyond the fifth-fifty split that we talked about.

Senator FIFIELD—You could not do so with any level of accuracy. You have gone as far as you can. We have to wait for now as to the actual—

Mr Sandison—We have to make some first-level costing assumptions for the budget measures, but this particular side of the family tax benefit element is due to be implemented at the beginning of next calendar year. So we have to go through a round of processes to look at the next level of policy for implementation of this, and some of that will take into account how we might break up some of that and follow through with the policy advice that we give to the minister.

Senator FIFIELD—So in future estimates you will be in a better position to give a better estimate.

Mr Sandison—Potentially.

Senator FIFIELD—Potentially, okay.

Ms Beauchamp—Of course we are assuming that there will be—particularly for 16- to 18-year-olds—engagement in full-time education and training. That is the whole purpose of the measure.

Senator FIFIELD—Yes.

Ms Beauchamp—So if we want to avoid any people losing, then we make sure that there is that engagement with the education system. There is already a requirement on 21- to 24-year-olds in terms of accessing FTB and it is just being extended to the 16- to 18-year-olds.

Senator FIFIELD—Thank you, Chair.

CHAIR—Senator Siewert.

Senator SIEWERT—We might as well stay with outcome 1.2. We will go back to 1.1, won't we?

CHAIR—Finish that one later, yes.

Senator SIEWERT—So we might as well finish 1.2.

Dr Harmer—Can I check whether we need to go back to paid parental leave?

CHAIR—No.

Senator BOYCE—Sorry. I have some questions.

CHAIR—You do? I did not know that, Senator Boyce.

Dr Harmer—We do?

CHAIR—Yes, we do. We are going to give our best effort to finish 1.2 and then we will go back.

Senator BOYCE—Chair, I was not here when Senator Humphries asked his questions, so some of mine may have already been covered, but I would think there will be others. Are there extra people staying because of the paid parental leave? Yes.

Senator SIEWERT—Now, 1.2. Can I go to the FTB CPI changes and ask some questions about that, please. My understanding is that the indexation rate is going to change from AWOTE to CPI. Is that correct?

Mr Sandison—CPI will be the indexation, yes.

Dr Harmer—It will be the indexation, yes.

Senator SIEWERT—I have a couple of questions around that. I understand from the budget papers that that is to bring it in line with other family payments that use CPI. Do all family payments now use CPI rather than AWOTE?

Ms Beauchamp—It is not AWOTE, is it? It is MTAWWE, isn't it?

Dr Harmer—I think it is MTAWWE.

Senator SIEWERT—MTAWWE, I beg your pardon.

Mr Southwell—I cannot think of any that do not. I am sorry to be not quite as precise as I would like to be.

Dr Harmer—The proposition you put, I think, is correct—that the other family payments are CPI.

Senator SIEWERT—This family tax benefit was the only one that was on that—FTB A?

Mr Southwell—Certain parts of FTB A.

Senator SIEWERT—Okay.

Mr Southwell—The max rates for under 16-year-olds was the bit that was MTAWA linked.

Senator SIEWERT—This is where I want to go to. Could you walk me through these changes, because they were described to me by somebody else, and I did not quite get where they were coming from, in terms of when you say the maximum rate. So could we just step through that. Then I want to know how many people are affected by it, because the budget papers say there is \$1 billion over four years. I want to break that down a bit more.

Mr Southwell—There are two rates. There is the FTB part A rate for children aged under 13 years.

Senator SIEWERT—Yes.

Mr Southwell—And the FTB part A rate for children aged 13 to 15 years.

Senator SIEWERT—Yes.

Mr Southwell—Those are the two that have had this—

Senator SIEWERT—They have had MTAWA—

Mr Southwell—MTAWA link, yes.

Senator SIEWERT—rather than CPI?

Mr Southwell—Yes.

Senator SIEWERT—So they are both changing now, aren't they?

Mr Southwell—They are both changing now. They are both now being linked to CPI only.

Senator SIEWERT—That is what I understood was happening. But you made a statement before about the maximum rate, and that is where I get—

Mr Southwell—Those rates that I just discussed are the maximum rates of FTB A for those children, and what we are talking about is when the family income goes over \$42,559, then the income tested rate starts.

Senator SIEWERT—Yes.

Mr Southwell—They start from those maximum rates and then start getting income tested rate.

Senator SIEWERT—But I would have thought that even the other rates are still indexed though, aren't they?

Mr Southwell—The other rates are still indexed to CPI. Is that your question?

Senator SIEWERT—Yes.

Mr Southwell—They are still CPI indexed, but not MTAWÉ indexed.

Senator SIEWERT—Yes. And they always have been, or were they MTAWÉ before?

Mr Southwell—No, they always have been. It is only those two that historically have been MTAWÉ.

Senator SIEWERT—So can I be really clear about this?

Mr Southwell—Yes.

Senator SIEWERT—I am not trying to be funny, but when the comment has been made that it only affects the maximum rate, that is where I get confused—

Mr Southwell—Yes, sorry.

Senator SIEWERT—because I would have thought you would have been applying CPI across the whole of the rates, but in the past, if I understand you correctly, only the maximum rates were subject to MTAWÉ.

Mr Southwell—The maximum rates for under 16s.

Senator SIEWERT—For under 16s?

Mr Southwell—Those two.

Senator SIEWERT—Those two, yes.

Mr Southwell—Have been MTAWÉ, yes.

Senator SIEWERT—Maximum rates were MTAWÉ—

Mr Southwell—Yes.

Senator SIEWERT—but the others below that were CPI?

Mr Southwell—The other rates were CPI.

Senator SIEWERT—Thank you.

Mr Southwell—Now, in terms of people affected, it is going to affect people both on the maximum rate—and that is both people on income support and not income support—and people on the taper down.

Senator SIEWERT—Yes.

Mr Southwell—They will start from a slightly lower top.

Senator SIEWERT—Right.

Mr Southwell—Which is how we get to our 1.1 million families affected.

Senator SIEWERT—So it is the people that are currently receiving the highest FTB—

Mr Southwell—Certainly the max rate people.

Senator SIEWERT—The maximum rates?

Mr Southwell—Yes, but also the people on the taper.

Senator SIEWERT—Yes, who are then falling off; who are then affected down into the next taper rate.

Mr Southwell—Yes.

Senator SIEWERT—As I understand it, all income support people get the full rate of FTB?

Mr Southwell—Yes.

Senator SIEWERT—That is correct, isn't it?

Mr Southwell—Yes.

Senator SIEWERT—So we are talking about the people that are most affected are those that are on income support?

Mr Southwell—Barring those who are affected by the maintenance income test, essentially.

Senator SIEWERT—Sorry?

Mr Southwell—Apart from those affected by the maintenance income test.

Senator SIEWERT—Okay.

Ms Beauchamp—Could I also emphasise—

Senator SIEWERT—Yes, that is another place.

Mr Southwell—Which you did not want to know about of course.

Senator SIEWERT—Yes.

Ms Beauchamp—The important point to confirm is that the payments will maintain their value in real terms.

Senator SIEWERT—How are you making \$1 billion then?

Dr Harmer—Because they were going up before—

Mr Southwell—A bit faster.

Dr Harmer—faster than the CPI, and therefore making ground against real.

Senator BOYCE—But isn't MTAWA used for aged pension indexation?

Dr Harmer—Yes. The aged pension is indexed either CPI or MTAWA, whichever is the greater.

Senator BOYCE—Whichever is the greatest.

Dr Harmer—Yes.

Senator BOYCE—And that has been maintained as the indexation for aged pensions?

Dr Harmer—Yes.

Senator BOYCE—Thank you.

Senator SIEWERT—Could you tell me how many families are affected by this?

Mr Southwell—Yes, 1.1 million families with 2.4 million children.

Senator SIEWERT—2.4 million children?

Mr Southwell—Yes.

Senator SIEWERT—How many of those families are on parenting payment single?

Mr Sandison—We would have to take the detail on notice. You want to have a break-up of the grouping of those that are on income support and those that are not?

Senator SIEWERT—Yes, please. That would be—

Dr Harmer—We can do that.

Senator SIEWERT—We have already established that most of those families are on income support. It is those that are on parenting payment single.

Dr Harmer—Parenting payment single.

Mr Sandison—Parenting payment single, yes.

Senator SIEWERT—What I am looking for is the break-up of those on income support, please.

Mr Sandison—Okay.

Senator SIEWERT—Thank you. In terms of the other budget savings that you were talking to Senator Fifield about, the figures that we went through before, that reduction is for three years, isn't it?

Mr Sandison—The pause in the threshold is for three years.

Senator SIEWERT—The pause in the threshold is for three years, isn't it?.

Mr Southwell—Correct.

Senator SIEWERT—Thank you. That is all I have got on 1.2. I do want to clarify something though. It is my understanding that the taper rate changes that are now to apply to the pension will not apply to single parents or parenting payment single.

Dr Harmer—I am not sure what the taper—

Senator SIEWERT—I know I should probably ask next door.

Dr Harmer—Yes, you should. I am not sure what the taper rate for parenting payment single is.

Senator SIEWERT—I have yet to perfect being in two places at once.

Dr Harmer—You will need to check with them. I think the parenting payment single taper rate is the same that the pension rate has gone to, which is a 50 per cent taper.

Senator SIEWERT—Thank you.

Dr Harmer—I think that is right, but I am not sure.

Senator SIEWERT—I will check that.

Dr Harmer—Sure.

Senator SIEWERT—I am trying to get information in two places.

Dr Harmer—I am just guessing at the—

Senator SIEWERT—Okay.

CHAIR—Senator Fifield.

Senator FIFIELD—Thank you, Chair. Going back to an issue we were discussing a little earlier, about families who received bonus payments who were living overseas, why was it the case that families overseas received these payments—if you would not mind taking us through the circumstances in which a family living overseas would be eligible?

Ms Beauchamp—We have taken that on notice, but we probably should emphasise that a lot of families are temporarily absent from Australia. They could be working in Australian missions overseas and the like. They are the sorts of things that I should emphasise. But, again, we have taken that on notice, I think, to provide more detail.

Dr Harmer—Temporary postings.

Senator FIFIELD—I was going to say that we do not have 69,000, 10,000, 29,000 people in posts overseas.

Ms Beauchamp—No, that is why I am emphasising the temporary absence nature of some of the people that have received it.

Senator FIFIELD—Yes.

Senator BOYCE—Do you have to be an Australian citizen to receive this payment?

Dr Harmer—Australian resident.

Senator FIFIELD—Resident.

Senator BOYCE—Australian resident.

Senator FIFIELD—But you have taken that on notice to—

Dr Harmer—Yes.

Ms Beauchamp—Correct.

Senator FIFIELD—come up with some cameos of—

Ms Beauchamp—The types of people that are receiving these payments.

Senator FIFIELD—the sorts of scenarios where people would receive these payments.

Dr Harmer—They are all eligible for FTB under the current legislation.

Senator FIFIELD—That applies, as you say, to people who are temporarily absent. There would not be anyone who ticks that card on the embarkation form as they leave Australia, who says that they are not intending to return, who would have received it?

Mr Sandison—The portability of a payment is based on up to an absence of 13 weeks. There are certain differences, but it is like a lot of the other pension payments. It just depends on the time frame in which a person is absent. They might have been overseas but, if they are within the time frame of eligibility for payment, and that was on the time that was identified for when the bonus would be paid, then they would be eligible for the bonus payment. It might not be that I have gone away for a year or two years. The first 13 weeks that I happen to be away might have been the time period when I am still eligible for the payment.

Senator FIFIELD—You referred to ‘portability of payment’. What do you mean when you say that?

Mr Sandison—Eligibility and whether or not you are allowed to have the payment when you might not be within the country. But, again, we will answer on notice about the different reasons for which those payments would have been made.

Senator FIFIELD—If you could, thank you.

Senator SIEWERT—I can understand completely the rationale for the new measure that is being undertaken to align care determinations under child support and family tax benefit. In the budget papers, again, it says that you are saving a relatively small amount of money. Other than it being an administrative saving, is that actually going to impact on families? Does it mean anything for the actual benefits that families receive?

Mr Sandison—I will let Ms Essex answer.

Dr Harmer—While she is coming through, I will just correct the answer I guessed at before. It is actually a 40 per cent taper for parenting payment single.

Senator SIEWERT—That is staying as it is?

Dr Harmer—Yes, as it is. I did imply it changed. I thought it was 50 per cent but it is not; it is 40 per cent. It is a DEEWR payment.

Senator SIEWERT—It is not changing?

Dr Harmer—No.

Senator SIEWERT—But the pension one is. Thank you.

Ms Essex—The very modest savings from the alignment of care measure are around the administrative efficiencies. Currently, a parent who changes their care who is a mutual customer of Centrelink and the Child Support Agency has to advise both agencies and both agencies have to undertake administrative processes, and those processes cost money, so the savings are around having streamlined administrative processes across those two agencies. What it will lead to is more certainty about payment and payment levels for those parents. It will be a much simpler process for those parents when the care arrangements of their children change.

Senator SIEWERT—I do realise that this is a Human Services question, and you can tell me to take it to Centrelink—I appreciate that—but, since it is coming up here, I have received complaints from people who in fact have notified about their care arrangements. It does not go through the process and they get a bill afterwards even though they have done the right thing and informed Centrelink about their changes. Will this overcome that issue?

Ms Essex—I cannot speak specifically to the internal processes of Centrelink. What I can say is that part of this measure is to automate those processes between Centrelink and the Child Support Agency. One would expect that there will be less scope for those arrangements to not be picked up and for payments to not be adjusted in a timely way. That is the policy intent. You would need to direct to the Department of Human Services the detail of the internal Centrelink processes.

Senator SIEWERT—I was just trying it on to see if I could get an answer here rather than putting a question on notice. Thank you. I do have more child support policy questions. I

always get this wrong, I know. Which outcome is it—1.1, 1.2 or 1.3—so that I know when to bring it up again?

Mr Sandison—It can follow on after, if we can just deal with the payments ones.

CHAIR—For future reference, it is 1.2.

Senator SIEWERT—Okay.

CHAIR—Senator Boyce, is yours on payments?

Senator BOYCE—It is in this FTB area. You will probably have to take this on notice: would you be able to tell me how many years in the past 10 years the CPI has been higher than the MTAW rate?

Mr Sandison—We will take that on notice.

Senator BOYCE—Thank you. Have you done any modelling into the future on that topic?

Mr Sandison—We will cover that in the question on notice.

Senator BOYCE—Thank you.

Dr Harmer—I think that, in order to do that, we need to know what is going to happen in wages, and I do not think we can model that.

Senator BOYCE—That is why I was asking what modelling, if any, had been done. You would have made some assumptions, presumably, about what was going to happen in the future.

CHAIR—Okay, on 1.2, Senator Adams had some questions about youth allowance. I think they are DEEWR questions but I think she should have a chance to have that advised by you.

Senator ADAMS—I think they probably are. Regarding the decision to strengthen participation requirements for young people aged 15 to 20, there are some young people who are unable to study or work for a number of different reasons. What will be done to support those people?

Ms Beauchamp—Senator Moore is correct.

Senator ADAMS—I thought she probably was. This has been an issue with our Indigenous communities, so I might ask some questions in those cross-department areas.

Ms Beauchamp—Yes, sure.

Senator ADAMS—For rural students it is really hard.

Dr Harmer—The DEEWR people will be at that hearing on Friday.

Senator ADAMS—Yes, that was what I was thinking: I can make my questions applicable to them. That is it on that one, thanks.

CHAIR—Senator Siewert has some questions on income management for Western Australia, where it is not Indigenous.

Senator SIEWERT—Do we do them here?

Ms Beauchamp—I was going to suggest it was in outcome 3.

CHAIR—This is the last call for 1.2.

Senator SIEWERT—I have some more questions that I understand I should be asking here. Is that correct?

Mr Sandison—You are finished with family payments, the FTB?

Dr Harmer—I am looking to let some go. FTB, yes, but paid parental leave—

CHAIR—We need them still. Senator Boyce has a couple of questions. I will make the decision that FTB is finished. If there are any further questions, they will go on notice.

Dr Harmer—Thank you.

CHAIR—Now we will move on to some child support issues.

Senator SIEWERT—I still have 1.1 which we will go back to.

CHAIR—Yes. The FTB officers can escape.

Senator SIEWERT—Get going while the going's good! I realise that this question is one of those child support issues that crosses over with Human Services, although I do think this is partly a policy question. I am getting a number of reports of unpaid child support as a result of the recession and I am wondering whether this has come up as a policy issue. I realise that nonpayment and servicing child support belongs in Human Services, but I am wondering if it has come up as a policy issue yet and, if it is an issue, whether you have an idea of the quantum.

Ms Essex—I can say that we have not measured the quantum of any issue like that. It is part of the general work of the Child Support Policy branch to consider how various things in society might affect the payment and calculation of child support. I am aware of some people who have raised issues similar to yours in public forums and so forth. There are a range of flexibilities in the scheme which address a parent finding themselves with either a reduced income or an income that is affected by unemployment and there are a range of options for reducing or adjusting child support as a result of that. There are also a range of flexibilities within the policy of the scheme that address the collection of debt and compliance with the scheme. It is important to note that parents who transfer child support to another parent are doing so for the benefit of their children and it is important that children be able to share in the resources and capacity of their parents to support them. The issue is quite complex, because how it plays out in a particular family's circumstances will depend on the relative position of each parent and the nature of the flexibilities in the scheme that might be applied to that case. The detail of how many cases might be affected in that way or what is happening in relation to debt collection is a matter for the Department of Human Services in terms of the detail of collecting that debt.

Senator SIEWERT—Thank you for that. As I said, I have heard it reported on a number of occasions that there are cases where one of the parents is on income support, they are getting payments and their payments are affected. I appreciate that some payer parents are just stopping paying, but they can go through a reassessment et cetera. If that has occurred, is there an indication of how that is occurring and how many payer parents have applied for reassessment? Secondly, the payee parent may be on income support; does that reassessment affect their income support?

Ms Essex—If the level of child support that a payee parent was receiving were to decrease, that could affect their family tax benefit eligibility. That depends largely on the circumstances of the payee parent. The payer parent has a range of options and flexibilities that they might apply. We could look at giving you some examples on notice. It would be quite complex to take you through all the interactions now.

Senator SIEWERT—I do appreciate it is complex. My question is a broader one: is a potential increase in payments because of a decrease in child support payments because people are losing their jobs being factored into any expenditure decisions?

Ms Beauchamp—We will have to take that on notice.

Ms Essex—We would like to take that on notice.

Senator SIEWERT—I am trying to work out how serious the issue is. I have had a number of people complain to me. They are not complaining that their payer is not paying; it is more about—

Ms Beauchamp—Change in circumstances.

Senator SIEWERT—the circumstances, yes.

Dr Harmer—It would be pretty difficult to model it, because we do not know where the increase in unemployment will impact and what people's family situations are. At the moment there has not been a huge increase in unemployment but the prediction, as you know from the budget papers, is that it will go up.

Senator SIEWERT—That is why I am asking the question.

Dr Harmer—So it is an issue for us, and we will get back to you. We cannot answer the question about the extent to which there is some reassessment going on. That would definitely have to go to Human Services.

Senator SIEWERT—Yes.

Ms Beauchamp—But we would certainly look at the profile of our child support customers and see how many are on income support anyway and what the impact might be.

Senator SIEWERT—That would be appreciated, and I will ask Human Services about the numbers that are applying for reassessment. Thank you. Where do I ask about the child protection program? Is that here or is it in outcome 3 as well?

Ms Beauchamp—It is in Families.

Mr Sandison—Is that all you have for child support, Senator?

Senator SIEWERT—Yes, that has covered my child support questions.

CHAIR—Shall we knock off paid parental leave—there are a couple of questions on that—and get rid of those officers?

Senator SIEWERT—Yes.

Dr Harmer—So we have finished with child support?

Senator SIEWERT—Yes.

CHAIR—Yes, thank you, Ms Essex. We now have the parental leave people.

Senator BOYCE—I apologise if some of these questions have been asked already but, as I said, I was not here. I was in another committee when Senator Humphries was asking questions earlier. In terms of the \$730 million that has been committed for a paid parental leave scheme over five years, starting in 2011, as I understand it the primary carer can take this over 18 weeks or over a longer period; is that correct?

Mr Warburton—It is an 18-week payment. There is not really capacity to take it over a longer period. I am not quite sure what circumstances you are thinking about.

Senator BOYCE—There is capacity in other areas to perhaps come back after 10 weeks part-time or that sort of thing.

Mr Warburton—No. The intention is that it just be taken full-time.

Senator BOYCE—Is it subject to tax at the tax rate of each recipient, or is the tax at the \$544 rate?

Mr Warburton—Broadly, yes. There is some detail that we need to work through on the precise pay-as-you-go tax arrangements. Our thinking is that there will not be a flat rate, but that is part of the detail that we need to work through over the next 12 months or so.

Senator BOYCE—So you consider that there would not be a flat tax rate; that it would be based on each person's overall income.

Mr Warburton—It is likely to be a function of the person's circumstances.

Senator BOYCE—You have about 480,000 mothers and primary carers being eligible for the scheme, according to a media release that Minister Macklin put out in April. The Parliamentary Library has estimated that 1.7 per cent of all women are on incomes of over \$140,000—stick with me on this—so this would mean that we have 145,000 women eligible for PPL, each getting that gross total of \$9,788, which would give us a total bill of \$1.4 billion each year. Am I right in those figures?

Mr Warburton—There were a few figures on the way through that I was not certain about.

Senator BOYCE—Minister Macklin said 148,000 each year.

Mr Warburton—That is correct, yes: 148,000 eligible for the payment.

Senator BOYCE—Yes.

Mr Sandison—And then you multiply that by the—

Senator BOYCE—\$9,788.

Mr Sandison—Yes.

Senator BOYCE—Which gives us \$1.4 billion for the year.

Mr Sandison—Which is a net figure.

Mr Warburton—No, that is a gross figure.

Ms Beauchamp—You then need to take into account—

Senator BOYCE—Then how do we get back to \$730 million, or even less?

Ms Beauchamp—the FTBB savings and the tax offsets.

Mr Warburton—And the baby bonus saving. There are a whole range of offsets for the payments.

Senator BOYCE—Could we have the list of offsets, please, and what you anticipate them to be?

Mr Sandison—Income tax was going to be \$220 million.

Senator BOYCE—Is that per year?

Mr Sandison—Yes. Baby bonus would be \$600 million.

Senator BOYCE—Saved on the baby bonus?

Mr Sandison—Yes. FTBA would be \$140 million and FTBB would be \$90 million. That would give you a net of approximately \$260 million cost.

Mr Warburton—That is from a gross cost of \$1.31 billion.

Senator BOYCE—I will have to take your word on that and do some sums on it.

Mr Warburton—The maths of the Parliamentary Library is slightly different from ours, but you were quoting a figure of \$1.4 billion. We have a gross cost of \$1.31 billion. So, when you take those amounts off, you get down to \$260 million, which is a one-year cost of the scheme. The \$730 million is 2½ years over the forward estimates.

Senator BOYCE—You are confident that those calculations are correct?

Mr Warburton—Yes.

Senator BOYCE—FaHCSIA staff, who earn less than \$140,000 a year obviously, are entitled to claim the paid parental leave?

Ms Beauchamp—If they meet the eligibility requirements when the scheme is implemented, yes.

Senator BOYCE—The main eligibility requirement being the income limit.

Ms Beauchamp—And the work test, and there are a range of others as well.

Senator BOYCE—But a full-time FaHCSIA staff member who meets the income level would be entitled to receive this payment.

Ms Beauchamp—That is right.

Mr Warburton—That is correct.

Ms Beauchamp—There is no discrimination between employers.

Senator BOYCE—Would that be the case for all federal public servants?

Mr Warburton—That is correct, yes.

Senator BOYCE—Do you have a sense of how much that would cost? Given the earlier figures that we had on how many federal public servants take leave a year, how many would you anticipate claiming it in a year?

Mr Warburton—We have not costed that.

Dr Harmer—I do not think we have costed that.

Mr Warburton—Broadly, the payment can be paid to any eligible primary carer, irrespective of whether their employer currently provides parental leave in their own right. That is in part because the scheme pays for 18 weeks but it has a broader objective to try and get parents to look after children roughly for six months. The Productivity Commission, in their commentary on this, believed that, with other leave provisions including existing employer-provided parental leave, 18 weeks was sufficient to achieve that sort of objective.

Senator BOYCE—It certainly will for federal public servants, but what about for women in the private sector who do not currently have any other form of paid leave? What will they get?

Mr Warburton—They draw on the existing leave they have. It obviously depends on the particular workplace relations agreements that they have in place. Women draw on a whole range of things. They draw on long service leave or their normal recreation leave. They have rights to unpaid leave under workplace relations legislation.

Senator BOYCE—But public servants would also have the opportunity to have all those entitlements as well, wouldn't they?

Mr Warburton—They do, yes.

Senator BOYCE—So a federal public servant can stretch it out quite a lot further than someone in the private sector who does not have any other form of paid leave.

Senator McLucas—You are not suggesting that we would remove conditions of employment of Commonwealth public servants in order to bring them down into line with other workers, are you?

Senator BOYCE—I am wondering how Australian taxpayers feel about paying twice for federal public servants to have paid leave. Yes, Minister.

Senator McLucas—What about those who work in Catholic Health Australia? Are you suggesting that they would lose their entitlement to paid maternity leave?

Senator BOYCE—Are they paid by the taxpayer, Minister?

Senator McLucas—They are paid by Catholic Health Australia. Are you suggesting that they would lose—

Senator BOYCE—Are they paid by the taxpayer, Minister?

Senator O'BRIEN—(*inaudible*)

Senator BOYCE—They receive funding, don't they?

Senator McLucas—They receive funding from the Commonwealth.

Senator BOYCE—But they are not a government department, are they?

Senator McLucas—But they receive the bulk of their money from the Commonwealth, of course.

Senator BOYCE—I do not think I am splitting hairs, thank you, Senator O'Brien.

Senator McLucas—I am sure that the public servants who work for us in this department and many others would be extremely interested in your line of argument.

Senator BOYCE—Exactly. Before we decide what, if anything, this means, I would like to know how much federal public servants would receive under this scheme on top of the scheme they already have.

Senator McLucas—And a whole range of other employees.

Senator BOYCE—Would I be able to put that question on notice to you, based on the figures for the numbers of people who took paid parental leave in the past 12 months from the federal public service? The other question I would like to clarify is: there is no superannuation attached to the government paid parental leave scheme, is there?

Mr Warburton—That is correct.

Senator BOYCE—But superannuation is paid at rates that vary between 12½ per cent and 24 per cent for federal public servants currently on paid parental leave.

Mr Warburton—I am not qualified to comment on the general arrangements for all public servants.

Senator BOYCE—On the current entitlements that were provided to us at lunchtime, some of them receive 24 per cent superannuation. The lowest amount received was a 12½ per cent super guaranteed payment.

CHAIR—Yes, we got that information.

Senator BOYCE—I think, Minister, that the Australian public are entitled to think about how they feel about what is in effect a double-dipping system for federal public servants.

Senator McLucas—And many others. I think that the intent of the paid parental leave scheme is to assist as many mothers—and fathers, but mothers in particular—in those very early days of a baby's birth to spend as much time as she possibly can ensuring that both she and her child are given the best possible chance. I find it astonishing that you would try and split hairs about some mothers being able to spend a certain amount of time with their newborn and others double dipping. Surely we are trying to get as many mothers to bond as well as they possibly can with their children.

Senator BOYCE—That is exactly the point, Minister—'as many mothers as possible'. Given the current relative comparative generosity of the scheme available to federal public servants, if that funding were applied further across the non-government sector, who currently do not have other paid parental leave options, then even more women would have a more generous scheme.

Senator McLucas—Is that a new policy from your party?

Senator BOYCE—I am asking the question, Minister.

CHAIR—Is that your final question?

Senator BOYCE—That is in that area, thank you.

CHAIR—Is that the final question on parental leave? Mr Warburton, I think the questions on parental leave have been finalised.

Mr Warburton—Thank you.

CHAIR—Now we are moving back to 1.1. Senator Siewert has the call.

Senator SIEWERT—Can I go back to one of the discussions that you were having with Senator Boyce earlier, I think, around the working group to support the workforce. We had a discussion around that. I understand there are another couple of working groups that the department has working with FRSA. Is that correct?

Mr Sandison—It is one of those working groups with that body, yes.

Senator SIEWERT—There are another couple of working groups. Is that correct?

Mr Sandison—There is one on building a performance framework, and I would have to take on notice the third working group.

Senator SIEWERT—I am pretty certain that we had discussions before around the building a performance working group.

Mr Sandison—Yes. Sorry, the third one was around the contracts and streamlining of our agreements.

Senator SIEWERT—That is right, and we have had discussions around that before as well.

Mr Sandison—We have, yes.

Senator SIEWERT—Are those two working groups still functional? Are they still going?

Mr Sandison—The working groups still are. There was a discussion with the CEOs at the last forum in Melbourne, which was several weeks ago. That was where consideration was given to ‘where to next?’ with the working groups. I think one of the agreements with FRSA was to have the working groups time limited so that they did not go on in their own right, that they focused on a particular outcome. So I would have to check in terms of the longevity or whether some of those have been finished and they were looking at setting up the next one to pick another key issue.

Senator SIEWERT—Okay. Does the department fund or resource those as well?

Mr Sandison—We support the activities of the CO forum and I think we support the bringing together of those groups. A lot of it is done via email in terms of virtual discussion groups, looking at documents and so on.

Senator SIEWERT—If you could take on notice what is happening with those particular working groups or the follow on and any possible resourcing implications, that would be appreciated.

Mr Sandison—Certainly.

Senator SIEWERT—Thanks. I apologise if you covered some of this when I was out of the room and, if you have covered it, I will go and look in the *Hansard* later. Has the FRSP program expended all its funding?

Mr Sandison—We are anticipating by the end of June that we will have virtually spent the whole lot. There are some minor projects and so on that we have to wait for final outcome payments, but the money allocated to providers under agreement will be fully expended.

Senator SIEWERT—Has all of the funding in the program been allocated to providers?

Mr Sandison—There is a small amount that is used to support the CO forums and activities like that and I think sponsorship of their annual conference, but where the allocations are identified to providers, it is fully allocated.

Senator SIEWERT—Thank you. I may be pushing it here because I am not quite following it, or I am asking the questions in the wrong way. Have all the projects and the different funding programs in that particular program been expended?

Mr Sandison—We are anticipating that they will by the end of June.

Senator SIEWERT—Thank you.

Mr Sandison—Yes.

Senator SIEWERT—Can I ask about FRSP online, because it just would not be estimates without asking that, would it?

Dr Harmer—I was disappointed you had not asked.

Senator SIEWERT—Yes, I knew you would be.

Mr Sandison—We do not have Ms Fleming here to respond to all the detail this time, but I am sure she is watching.

Senator SIEWERT—I ask this question every time. Has the collection of the client identifiable information stopped now, or is that ongoing?

Mr Sandison—To the extent that it is allowed under privacy rules. We went through the privacy issues and got clearance from the Privacy Commissioner, so it is identifiable to a point. I think at the last estimates we talked about the number of registered versus non-registered customers.

Senator SIEWERT—Yes.

Mr Sandison—That is still staying at, I think, about that 75 per cent figure.

Senator SIEWERT—About that proportion?

Mr Sandison—Which showed that it had picked up and that clients—and providers, probably more importantly—were comfortable asking those questions. But we do not go through to identify individuals.

Senator SIEWERT—Yes.

Mr Sandison—It is accumulated data.

Senator SIEWERT—So the new process is fully operational now?

Mr Sandison—Yes.

Senator SIEWERT—Thank you. I know we have been through the process of sharing the information et cetera ad infinitum. I asked this last time and I am looking to see if it has been an iterative process: is it now providing the sort of analysis and the function that you anticipated it would in the first place?

Mr Sandison—I think the answer is yes. We now have another stage to look at. Each time you get to a certain point you want to then see where you go next, but the two key things were: (1) analysis of data about customer groupings so that we can start to identify the issues facing people and the services being delivered and (2) to give usable data to providers. I think at the last estimates it was said that some 4,000 reports have been drawn down, so that is increasing. So providers are using it and we are making use of it. We are building a provider annual report of last financial year to bring that data together.

Senator SIEWERT—That is an annual report to providers?

Mr Sandison—That is correct.

Senator SIEWERT—Is it possible that you would be able to provide that more frequently? If it is useful to collect it for a yearly purpose, is it going to be more useful to be able to provide that sort of data on a more regular basis?

Mr Sandison—We rely on the providers to draw out the data they need on a more regular basis to help them with the operations of their particular service. For us it is more a strategic issue and at this stage they would be looking at it annually. We can use data more regularly if it is about performance issues or looking at needs analysis, but we would rely on the providers to draw out regular data.

Senator SIEWERT—If I understand it correctly, what you are saying is that if service providers need it to do an analysis for their own decisions about service provision they can draw down that data anyway?

Mr Sandison—That is correct.

Senator SIEWERT—Any time they want?

Mr Sandison—That is correct.

Senator SIEWERT—I must admit I cannot remember the exact figure from last estimates off the top of my head, but is the usage of the drawdown continuing at the same pace?

Mr Sandison—I would have to take that on notice, but we can get you an updated figure of the statement we made at last estimates.

Senator SIEWERT—That would be appreciated. I do not know if this is an appropriate question or not. I am sure you will tell me if it is not. One of the ideas, as I understood it, was to be able to look at where people are going to other services, but also to look at the types of services that people are asking for. Is there a recent trend that is coming out of that data provision of the types of services that people are accessing or want?

Mr Sandison—We certainly have some information about the presenting needs, which I think was in line with the question you asked.

Senator SIEWERT—Yes. That is a more elegant way than I asked.

Mr Sandison—Just now the top five are about post-separation parenting, dealing with relationship difficulties, conflict, communication issues and relationship breakdown. The key issue there is that clients may have more than one presenting need. In terms of trends, we would have to take that on notice.

Senator SIEWERT—That would be appreciated. Obviously I am interested in looking at how it has changed over time, but also with the current financial circumstances, because there are various things that you are hearing about what impact it is having on family life and on stress.

Mr Sandison—Certainly.

Senator SIEWERT—If you could take that on notice, that would be much appreciated. Thank you.

CHAIR—That is the end of that one?

Senator SIEWERT—I think that is the end of one. Is the child protection question I have here or at 1.3?

Mr Sandison—It is either/or. We can take it. Is that with the Family Relationship Services Program?

Senator SIEWERT—I am checking my question. Yes, it is—for me, anyway.

Ms Beauchamp—We will give it a go and see what happens.

Senator SIEWERT—The time between the advertising of and the calling for applications for the recently announced Protecting Australia's Children funding was relatively short and, as I understand it, the expenditure under that program is over a relatively short time frame as well. Could you take us through what the process is?

Ms McKenzie—That funding selection process is at a critical stage at the moment. Applications were due today. We have had advice from our probity adviser that we should only be saying those things that are publicly on the record, and all the information that is publicly on the record about that selection process is on our website.

Senator SIEWERT—I am not asking for who has applied or anything like that. What I am asking for is the process that was used. It was announced on 16 May—is that correct?

Ms Mackey—It was actually first advertised on 15 May in the *Australian Financial Review* and then the broader advertising happened on 16 May. It closed today.

Senator SIEWERT—So that is two weeks. Could you tell me the time line for making decisions?

Dr Harmer—If we have been advised by the probity adviser not to provide any information, given the critical state of play in this, then we should abide by that.

Senator SIEWERT—It is very convenient, I must say. It is a program that was announced in a short time frame. Tenders close very quickly, announcements are being made very quickly and the money has to be expended very quickly. We do not get to analyse or ask any questions around that between then and the next estimates.

Ms McKenzie—We would be more than happy to provide whatever answers you need to any questions you provide as soon as the selection process is complete.

Senator SIEWERT—Why the short time frame in terms of when it was announced and when applications closed and the short time in which those funds are to be expended?

Ms McKenzie—That would be a government decision.

Senator SIEWERT—Did you provide advice to government on that?

Senator Wong—There are essentially two questions there, Senator Siewert. I do not think the officers at the table are trying to be unhelpful, but they are obviously trammelled somewhat by processes in terms of the tender closing today. The first question was: why the shortness between announcement and implementation? Are we able to answer that? Is that a government decision?

Ms Beauchamp—It is a government decision.

Senator Wong—I would have to take that on notice because I do not have that information. What was the second part, Senator Siewert?

Senator SIEWERT—My understanding is that the programs have to be put in place and the funds expended in a very short amount of time. Is that a correct understanding? That is what we have got from the publicly available information.

Senator Wong—Is there anything we can assist with on that, or is that also a government decision that I would have to take on notice?

Ms Beauchamp—It is also a government decision.

Senator Wong—I will take that on notice, Senator Siewert.

Senator SIEWERT—The department might be able to answer this: what experience have you had with being able to deliver programs of this nature in such a short time frame?

Senator Wong—This type of program?

Senator SIEWERT—These types of programs in such a short time frame. In your experience, have they delivered effective results?

Ms Beauchamp—In my experience?

Senator SIEWERT—Yes.

Ms Beauchamp—I would have to take that on notice to have a look at what programs we have been—

Senator SIEWERT—Because certainly the people that are advising me are saying they would find it very difficult to come up with effective programs in such a short time frame—hence my questions.

Dr Harmer—We will take that as a comment. Ms Beauchamp has said that she will take it on notice.

Senator SIEWERT—That would be appreciated.

CHAIR—It seems that on this issue the department will get back to you when they can in terms of the process and the minister has taken on notice the issue of the government decisions that were made.

Senator SIEWERT—That would be appreciated. Thank you.

CHAIR—I think that is as far as we can go on those issues.

Senator SIEWERT—Thank you. Senator Adams had some questions.

CHAIR—Senator Adams?

Senator ADAMS—No, mine have been covered.

CHAIR—Any further for 1.1? Senator Boyce?

Senator BOYCE—Just a few that I may as well do, as it is so early!

Senator Wong—Don't feel pressured!

Senator BOYCE—It will only take a few minutes, and this takes us back to the list of family relationships services for the Family Support Program. I am now looking at the Invest to Grow program. Can you tell me what the status of that program is and what the funding agreements and contracts for that program are.

Mr Emerson—On 18 May Minister Macklin announced funding of \$52 million for the period 2009 to 2011, and Invest to Grow was a component of that announcement.

Senator BOYCE—But programs have existed.

Mr Emerson—Excuse me?

Senator BOYCE—There are already funded services within this program?

Mr Emerson—That is right. Those ITG—Invest to Grow—projects that were funded were extended in that announcement.

Senator BOYCE—So they were advised in May that they would get new funding from 1 July. Is that right?

Mr Emerson—Yes, that is correct.

Senator BOYCE—And they did not know before then that they would be able to continue into 2009-10?

Mr Emerson—They were advised in May that they would be funded from 1 July for the next two years.

Senator BOYCE—It is a very difficult situation, I think, to put service providers in when they have less than two months notice about whether they are folding or continuing. The funding of \$52 million is over three years. Is that right?

Mr Emerson—Over two years.

Senator BOYCE—Has that been indexed?

Mr Emerson—That funding is indexed, yes.

Senator BOYCE—What is the indexation that is being used there?

Mr Emerson—I would have to take that on notice, because there are a range of subprograms within that that have different indexation rates.

Senator BOYCE—In relation to the announcement by the minister in May for the \$52 million, were all current services re-funded?

Mr Emerson—That is correct.

Senator BOYCE—Were new services funded?

Mr Emerson—No, there were no new services in that announcement.

Senator BOYCE—Have all funding agreements with those organisations been signed now?

Mr Emerson—Those providers have been notified that they will be funded from 1 July and they will be receiving a funding agreement within two weeks.

Senator BOYCE—Okay, but they would not have the money yet or anything.

Mr Emerson—They would not have the money at this stage.

Senator BOYCE—When would you anticipate that they would start to get this funding?

Mr Emerson—They would be getting their funding in July.

Senator BOYCE—I have some similar questions about the Child Care Links program.

Mr Emerson—The Child Care Links program was in the same announcement, so those services—

Senator BOYCE—And they were advised as well?

Mr Emerson—They were advised.

Senator BOYCE—Were there any new ones funded and were all existing ones re-funded?

Mr Emerson—They were advised that they would be receiving funding. Those that were receiving funding were advised before that.

Senator BOYCE—And there are no new ones?

Mr Emerson—There are no new ones.

Senator BOYCE—The next one is the Responding Early Assisting Children Program.

Mr Emerson—REACH, yes. That, again, was in the same announcement.

Senator BOYCE—That was covered there? Right. Again, no new ones but all existing programs re-funded?

Mr Emerson—All programs that were to continue were advised prior to 1 July.

Senator BOYCE—Did any discontinue?

Mr Emerson—There will be some programs discontinuing in REACH, yes.

Senator BOYCE—Within there?

Mr Emerson—Within that, yes.

Senator BOYCE—How many?

Mr Emerson—There are two REACH programs that will not be continuing.

Senator BOYCE—Which ones are they, please?

Mr Emerson—Technical Aid to the Disabled in New South Wales—that service is being picked up by the state government in New South Wales—and the Larmerier service in Victoria.

Senator BOYCE—Which is what?

Mr Emerson—It is a REACH program.

Senator BOYCE—Who are Larmenier, though?

Mr Emerson—A primary school that caters for students in Melbourne Catholic primary schools.

Senator BOYCE—And we do not know what other funding arrangements, if any, have been made for that group?

Ms Beauchamp—Sorry, in relation to the first one, I think you will find that the New South Wales state government is continuing to fund that service.

Senator BOYCE—But the second one we do not know—

Ms Beauchamp—And that is still subject to negotiations between the school and the Department of Education, Employment and Workplace Relations.

Senator BOYCE—Thank you. The last one was the playgroups program. Is that covered under the same agreement?

Mr Emerson—Yes, it was.

Senator BOYCE—Were all existing services notified that their funding would continue?

Mr Emerson—They were, yes.

Senator BOYCE—So there has not been anyone drop out there?

Mr Emerson—There is one service that will not be funded, and that is the Minya Bunhii Intensive Support Playgroup in South Australia. A new provider, however, will be selected.

Senator BOYCE—To provide an intensive support playgroup?

Mr Emerson—Yes.

Senator BOYCE—For that region or for that cohort?

Mr Emerson—It will be for that site, in that region, for the same customer base as provided previously.

Senator BOYCE—In any of these programs, none of these providers who have been told their funding will be ongoing have yet received agreements from you.

Mr Emerson—They have been advised that they will be receiving a funding agreement and the amount, and they will be receiving that within the next fortnight.

Senator BOYCE—Thank you. Those are all the questions I need to put, thank you.

CHAIR—So 1.1 is concluded. Do we have any other questions? Senator Boyce, do you have any other questions at all?

Senator BOYCE—No.

CHAIR—Dr Harmer and officers, thank you very much in programs 2, 6 and 1. We will end this evening early and start tomorrow morning at nine o'clock with program 4. Thank you very much. Thank you, Hansard.

Committee adjourned at 8.59 pm

