



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

## SENATE

COMMUNITY AFFAIRS LEGISLATION COMMITTEE

ESTIMATES

**(Supplementary Budget Estimates)**

FRIDAY, 23 OCTOBER 2009

CANBERRA

BY AUTHORITY OF THE SENATE



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**SENATE COMMUNITY AFFAIRS****LEGISLATION COMMITTEE****Friday, 23 October 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, Mark Bishop, 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, Lundy, 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, Boyce, Carol Brown, Eggleston, Fisher, Lundy, Ian Macdonald, McEwen, Moore, Payne, Scullion and Siewert

**Committee met at 9.01 am**

**CROSS-PORTFOLIO: INDIGENOUS AFFAIRS****In Attendance**

Senator Ludwig, Special Minister of State

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

Dr Jeff Harmer, Secretary

Mr Barry Sandison, Acting Deputy Secretary

Mr Bernie Yates, Deputy Secretary

Mr Andrew Tongue, Deputy Secretary

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

Ms Serena Wilson, Deputy Secretary

Ms Cate McKenzie, Group Manager, Children and Family Safety

Mr Evan Lewis, Group Manager, Community Engagement and Development

Mr Anthony Field, Group Manager, Legal and Compliance

Mr Kurt Munro, Acting Group Manager, Business and Financial Services

Ms Donna Moody, Group Manager, Program Performance

Ms Lynne Curran, Group Manager, Office of Indigenous Policy Coordination

Mr Steve Jennaway, Acting Group Manager, Corporate Support

Ms Kerrie Tim, Group Manager, Indigenous Leadership and Engagement

Ms Dianne Hawgood, Group Manager, Indigenous Remote Services Delivery

Ms Lisa Foreman, Branch Manager, Engagement

Mr Stephen Powrie, Acting Branch Manager, Performance and Evaluation

Ms Annette Gath, Branch Manager, Indigenous Budget and Coordination

Ms Alison Smith, Branch Manager, Indigenous Policy

Mr Matthew James, Principle Adviser, Office of Indigenous Policy Group

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**COMMUNITY AFFAIRS**

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Mr Bruce Smith, Branch Manager, Indigenous Policy  
Mr Tim Davies, Acting Branch Manager, Compliance  
Ms Megan Lees, Branch Manager, Indigenous Housing Policy  
Mr Greg Roche, Branch Manager, Indigenous Programs  
Ms Caroline Edwards, Branch Manager, Land Reform  
Ms Helen Board, Branch Manager, CDEP Program Management  
Ms Kari Ahmer, Branch Manager, Indigenous Economic Development and CDEP Policy  
Mr Geoff Richardson, Branch Manager, Governance and Community Strategy  
Ms Karen Pickering, Acting Branch Manager, Leadership Delivery  
Ms Amanda Doherty, Branch Manager, Policy and Strategy  
Ms Tracy Mackey, Acting Branch Manager, Children's Policy  
Ms Gwenda Prince, Branch Manager, National Apology Taskforce  
Ms Linda Young, Branch Manager, Safety Taskforce  
Ms Michelle Wilson, Acting Branch Manager, Welfare Payments Reform  
Mr Anthony Beven, Registrar of Indigenous Corporations  
Mr David Fintan, Branch Manager, Commercial and Indigenous Law  
Mr Stuart Long, Acting Branch Manager, Public Law  
Dr Loucas Nicolaou, Branch Manager, Audit  
Ms Kim Vella, Acting Branch Manager, Budget Development  
Ms Tracey Carroll, Acting Branch Manager, Financial Accounting  
Ms Lisa Croft, Acting Branch Manager, Indigenous Housing Delivery  
Ms Carol Ey, Branch Manager, Research and Analysis  
Mr Mark Garrity, Branch Manager, Portfolio Governance and Program Support  
Mr Gary Michajlow, Team Leader, Property Environment and Protective Security

**Department of Health and Ageing**

Mr Mark Thomann, Acting First Assistant Secretary  
Dr Geetha Isaac-Toua, Senior Medical Adviser  
Ms Joy Savage, Assistant Secretary, Remote Health Services Development Branch  
Ms Joan Corbett, Assistant Secretary, Program and Planning Branch  
Ms Michaela Colebone, Acting Assistant Secretary, Policy and Budget Branch  
Mr Garry Fisk, Assistant Secretary, Performance and Quality Branch  
Ms Tarja Saastamoinen, Assistant Secretary, Family Health and Wellbeing Branch  
Ms Alison Killen, Acting Assistant Secretary, Better Health Care Branch  
Ms Teresa Ward, Assistant Secretary, Office of Hearing Services  
Ms Melinda Bromley, Assistant Secretary, Office for an Ageing Australia  
Ms Sallyann Ducker, Acting Assistant Secretary, Indigenous Aged Care Taskforce  
Ms Colleen Krestensen, Assistant Secretary, Mental Health and Suicide Prevention Programs Branch  
Ms Jennie Roe, Assistant Secretary, Chronic Disease Branch  
Mr Simon Cotterell, Assistant Secretary, Drug Strategy Branch

**Department of Human Services**

Mr Brian Olson, Acting First Assistant Secretary, Chief Technology Architect Division

**Centrelink**

Ms Jo Gaha, National Manager, Indigenous Services Branch

Ms Susan Cartwright, Acting National Manager, Income Management  
Ms Vicki Beath, National Manager, Education, Employment and Disability Programs  
Branch

Mr Grant Tidswell, Acting Chief Executive Officer, Customer Service

**Department of Education, Employment and Workplace Relations**

Mr Robert Griew, Associate Secretary

Ms Barbara Livesey, Group Manager, Indigenous Strategies Group

Ms Kathryn Shugg, Acting Group Manager, Indigenous Pathways and Early Learning, Indigenous Pathways and Early Learning

Ms Louise Hanlon, Group Manager, Lifting Educational Outcomes

Ms Jo Caldwell, Group Manager, General Employment Services

Ms Joanne Wood, Group Manager, Indigenous Employment and Migration Policy Group, Indigenous Employment and Migration Policy

Mr Alan Edwards, Branch Manager, Indigenous Early Childhood, Indigenous Pathways and Early Learning

Mr Matt Davies, Branch Manager, School and Student Support, Lifting Educational Outcomes

Mr Shane Hoffman, Branch Manager, Indigenous Education Reform, Lifting Educational Outcomes

Ms Robyn Priddle, Branch Manager, Foundation Skills and Pathways, Tertiary Skills and Productivity

Ms Katy Balmaks, Branch Manager, Infrastructure and Connections, Youth and Industry Skills

Mr Cris Castro, Branch Manager, Indigenous Employment and Enterprise Policy, Indigenous Employment and Migration Policy

Ms Jasmin Fielder, Branch Manager, Indigenous Workforce Strategies, Indigenous Employment and Migration Policy

Mr Peter Ryan, Assistant Director, Work Experience, Job Seeker Support Group

**CHAIR (Senator Moore)**—Good morning. I declare open the Senate Community Affairs Legislation Committee hearing on cross-portfolio Indigenous matters. The committee is considering budget estimates on Indigenous issues that relate to the portfolios of Family, Housing, Community Services and Indigenous Affairs, Health and Ageing, some parts of Education, Employment and Workplace Relations, and Human Services, around the Centrelink agency.

The committee has before it a list of matters which senators have indicated that they wish to raise at this hearing. In accordance with the standing orders relating to supplementary hearings, today's proceedings will be confined only to those matters for which senators have given notice. Senators are reminded that written questions on notice in respect of the supplementary hearings must be lodged with the secretariat by the close of today.

The committee has set 11 December 2009 as the date for the return of answers to questions on notice. Officers and senators are familiar with the rules of the Senate governing estimates. If anyone needs assistance, the secretariat will be happy to provide you with copies of the rules. Again I particularly draw attention to Senate order of 13 May 2009 specifying the process by which a claim of public interest immunity should be raised.

I welcome the Minister, Senator the Hon. Joseph Ludwig, and all members of the portfolio departments who are with us today. I also acknowledge that this is Mr Humphery's very last day of Senate hearings. Minister, do you wish to make an opening statement?

**Senator Ludwig**—No, thank you, Chair, other than saying may we make it a pleasant day for Mr Humphery.

**CHAIR**—Our committee will begin today's proceedings with matters relating to Indigenous housing. As you all have a program, we will follow that. Dr Harmer, welcome. Do you have an opening comment?

**Dr Harmer**—No, Senator.

**CHAIR**—We will commence with Senator Payne with issues around—

**Senator PAYNE**—It is Wallaga Lake.

**CHAIR**—I was not sure.

**Senator PAYNE**—Thank you very much, Madam Chair. Good morning, Minister and Dr Harmer. Dr Harmer, thank you very much for the department's response to my question on notice No. 256 in relation to the potential or possible engagement of community members at Wallaga in a CDEP project that may have been removing or demolishing asbestos-ridden houses. The department's answer said that the department is not aware of any information supporting these claims. Can you outline in respect of FaHCSIA—and, if it is possible, could someone outline in relation to DOHA—what efforts were undertaken to in any way investigate these claims of the engagement of potential CDEP program members?

**Mr Yates**—Senator, the allegations went to the possible involvement of CDEP workers going back 20 years or more on projects that could have involved demolition of buildings which could have contributed to waste, with allegations that that waste could include asbestos. We have sought to interrogate what information is available around that. It would go right back to the archives that would have preceded ATSI days, back to the Department of Aboriginal Affairs days.

Our assessment was that it was unlikely that the degree of detailed information about the projects and activity of any CDEP projects that were operating in that location at the time were likely to produce reliable information to shed light on these allegations.

**Senator PAYNE**—Mr Yates, when you say 'unlikely to produce reliable information', is that an assessment that was made after endeavours had been made to examine the material the department had, or was that just an assumption?

**Mr Yates**—It was an informed judgment on the basis of the type of information usually provided in the monitoring of the CDEP program at the time.

**Senator PAYNE**—What sort of information would that be? For example, would it indicate that community members were involved in the demolition of houses?

**Mr Yates**—There would usually be broad information about the projects which particular CDEP providers would have been involved with in the broad, but it usually would not go to details of the activities punch by punch, if you like, involved in the projects. Typically the



monitoring would have involved identification of the numbers of personnel engaged on CDEP and the broad projects in the community that CDEPs were sponsoring.

**Senator PAYNE**—What consultation, discussion or engagement of any nature was had with members of the community who have raised these concerns and who indicate that they were in fact participants in these programs?

**Mr Yates**—Senator, I have had drawn to my attention that in addition to the broad familiarity with the program, we have also taken efforts to examine as many files as we practically could—something like 180 CDEP files—looking at the history of CDEP activity in the area. We found no record in any of those files of CDEP recipients being engaged by contractors to work on the demolition of buildings that may have included fibro.

**Senator PAYNE**—I think that is very important, Mr Yates, and I appreciate that examination of those 180 files would go some way to assuring members of the community that some effort had been made. I must say that the answer to the question on notice certainly does not do that. That is why I am in the position of needing to pursue these matters now. It certainly did not enable me to go back to members of the community and provide them with any reassurance whatsoever. I appreciate your telling me about the examination of those files. In addition to that, do you know if there was any consultation with individual community members who identified—self-identified, if you like—and said, ‘Yes, this is me. I was doing this. This is the job I had and I was in a CDEP program.’?

**Mr Yates**—Senator, we understand that the New South Wales government departments have been undertaking an extensive assessment of health status of community members, including those who may have historically been involved in building activity.

**Senator PAYNE**—But the federal department has not?

**Mr Yates**—No. Senator, we have been careful to play an active interest in the monitoring of this situation—it is obviously one of concern—while at the same time trying to respect the responsibilities of the relevant jurisdiction.

**Senator PAYNE**—Right. I know the NSW Ombudsman also has been interviewing residents in the Wallaga Lake community. Has the federal government, through FaHCSIA or other agencies of which you might be aware, had any involvement with the ombudsman on that issue?

**Mr Yates**—Not to our knowledge. Not to my knowledge at this stage, Senator, but I will confirm that.

**Senator PAYNE**—On the last occasion we discussed this, I also asked whether it was possible to provide the committee with information on what approach the Commonwealth takes to involvement of individuals in federally funded projects that may have been impacted by work that they did in these communities. Dr Harmer, you indicated that you would get me some information on that. I am not aware of having received it. I may be in error myself—I am happy to be corrected—but if there is any indication you can give me about the approach the Commonwealth takes in terms of its obligations and liabilities in that regard in general terms—I understand that—I would be grateful for that. Dr Harmer, you did indicate you would do that.

**Dr Harmer**—If we did, we will provide it to you. I am sorry if we have not done that.

**Senator PAYNE**—That is all right. It was in the text of *Hansard*; the image becomes all-consuming.

**Dr Harmer**—We will regard that as a question that we need to respond to.

**Senator PAYNE**—Thank you very much. From correspondence from Minister Macklin, I have an indication that these matters also would be referred to the Minister for Health and Ageing, Ms Roxon. I do not believe I have had any communication back from the minister for health. I do not know if relevant officers are here in relation to that, but I would appreciate that being pursued as well.

The Katungul Aboriginal Medical Service is federally funded and runs a clinic in the New South Wales town of Bega and also has a presence in Narooma and a mobile presence in other areas of that part of New South Wales. I understand that they operate from a building in Bega which is contaminated by disturbed asbestos. They have raised that as well. They also applied on a number of occasions to the Department of Health and Ageing for support for their efforts for the removal of that asbestos to ensure that they have a safe working environment, both for themselves and for those people who attend the clinic. Are you able to give me any advice on whether the department is in a position to assist the Katungul AMS, or at least to respond in a constructive way to their applications?

**Mr Thomann**—We are aware of Katungul's concerns about occupational health and safety issues. Certainly we have been discussing with them for some time the capital works needs. Because of a lack of funding we were unable to respond to those capital works requirements. We funded a scoping study and the cost of the capital works which they scoped out certainly is well in excess of the funds that currently we have available. However, in terms of occupational health and safety, we are extremely concerned about those kinds of issues. We have provided a sum of money to the Katungul Aboriginal Medical Service to address those needs.

**Senator PAYNE**—Thank you very much for that, Mr Thomann. Are you in a position, since you are from the relevant department, to indicate when I might expect a response from the Minister for Health and Ageing to the material referred to her by the Minister for Families, Housing, Community Services and Indigenous Affairs, Ms Macklin?

**Mr Thomann**—I am not aware of that correspondence, Senator. I will have to follow that up to be able to give you advice.

**Senator PAYNE**—Thank you very much. Dr Harmer or Mr Yates, I would appreciate in relation to the ongoing issues around asbestos in Wallaga Lake, which include those publicised even more recently to the disturbances at the preschool in the community that is also in receipt of funding, any further advice or assistance your department can give me and the people of this community in relation to support for their efforts to ensure the contamination is clear. It is a problem that exists across the entire community. Although the Eurobodalla Shire Council and the New South Wales government are engaged, it seems to me that the federal government has had a presence in this community for a very long time, which why I sought information about obligations and liabilities in relation to that and I would be pleased to receive that information.

**Dr Harmer**—Sure.

**Senator PAYNE**—Thank you, Madam Chair.

**CHAIR**—Thank you, Senator. Are there any other questions on that issue? No. Senator Payne, would you like to move to the general discussion on housing?

**Senator PAYNE**—Sure. Thank you very much, Madam Chair. This is an ongoing discussion that we have been having for some time now, both through the parliament, Senator Siewert, Senator Scullion and other senators and I around SIHIP. I know Senator Scullion at least has questions and I am sure that Senator Siewert does, but I wanted to see if we could get some clear indication about numbers on a number of levels out of the noise, if you like, of media discussion, but in a rather ordered fashion here.

In the media at least, there have been significant claims and counterclaims about the use of funds under this program with reports of as much as 70 per cent of funds going to indirect costs, including contractors' fees and administration, and therefore a very significant reduction in the number of houses which can be built under the program. If it is possible to obtain this in clear terms, I would like to know what amount, in both percentage and dollar terms, of the SIHIP funds will go to home construction and to upgrades, and what amount, clearly in both percentage and dollar terms, will go towards anything else. That would include but would not be limited to consultants fees and administrative costs. Let us begin there.

**Dr Harmer**—Senator, what I would like to do, for the very reason you indicated in your introduction, is spend a little bit of time clearing up some of the confusion about the history and the nature of this particular program. I ask your indulgence to bear with me for a short time while I go through the history because it is quite important to understand how we got to where we are in this program. There has been a lot of discussion and media information about it. I would like to put on record the facts about the background and history of this program. I will get to your point. We have the information you want. But I would like to indicate the background. Is that all right?

**Senator PAYNE**—Yes. But we have limited time, of course, in which to discuss all these things, Dr Harmer.

**Dr Harmer**—I will try to be fairly brief. But some of your questions I hope will be answered by my introduction. I go back to the very beginning of the reform of Indigenous housing, discussions with the Northern Territory government in early 2007 on how to deliver a larger housing construction program in response to the high level of need in remote Indigenous communities in the Northern Territory. This discussion recognised that previous approaches had proved ineffective, delivering new housing in limited numbers, supported by limited repairs and maintenance programs and delivered through a variety of very small community based housing providers and builders.

We had a major review of the former program undertaken in 2006-07 by PricewaterhouseCoopers and they found very patchy rent collection, no substantially organised maintenance programs, very little attention to the provision of Indigenous jobs, non-transparent allocations of houses in the program and questionable value for money, given the small scale of the contracting projects that were provided.

In particular, construction of new houses was not reducing overcrowding. In many places conditions were worsening as a result of high population growth. There is very high population growth in Indigenous communities in the Northern Territory and very short life spans of the housing. The housing sometimes was costing up to half a million dollars to build and the life span of the house was about eight, nine or 10 years if we were lucky, compared to the public housing average, which was 30 or 40 years.

It was recognised then by both the Northern Territory government and the Howard government that housing investment in these communities was critical, underpinning the essential services delivered through government, and that improvement in housing standards was essential to achieving improved outcomes in areas such as health, education and employment. Since the new government's tenure began at the end of 2007 with significant closing the gap targets, the new government also has acknowledged the importance of housing in their closing the gap targets.

Both governments also recognised the importance of ensuring that any large-scale investment would deliver significant numbers of robust houses at a reasonable cost. Neither the Northern Territory government nor the department was convinced that we were getting good value for money. The value of maximising this investment was a significant opportunity for Indigenous people to secure real jobs—something that had not been a key feature of practice—with training and work experience that could lead to substantial employment outcomes and increased economic independence.

The governments agreed that an analysis of possible contract methodologies was warranted to identify a method that optimised outcomes and addressed the inefficiencies of existing program delivery methods for remote Indigenous housing. We selected a company using selective tender for the assessment of the appropriate way to contract significant remote Indigenous housing. We looked at various contracting methodologies in terms of how they could deal with the challenges in delivering remote Indigenous housing and deliver the best possible outcomes for Indigenous communities.

The clear recommendation was that an alliance contracting method was the best arrangement. This advice was accepted by the then Howard government and the Northern Territory government. Following that decision a memorandum of understanding was signed between the Northern Territory and Australian governments in September 2007 that committed over \$500 million in Australian government funding to a major capital works program which could be delivered under an alliance methodology. The Northern Territory government added \$100 million over the five years to the capital budget. They made a commitment of \$100 million and the Commonwealth put in \$500 million. Funding commenced in 2007-08.

The Australian government currently has provided \$44 million to support the establishment and delivery of the program. Just over \$20 million of this was under the Australian Remote Indigenous Accommodation Program, which ceased on 31 December 2008. The remaining funding has been provided under the National Partnership Agreement on Remote Indigenous Housing, which was negotiated by state and territory governments in November 2008 and commenced in January 2009. In that time, the Northern Territory government has contributed \$60 million of its own direct funding to the program.

It was recognised that establishing such a large capital program would take some time. Both the Northern Territory and Australian governments continued to build houses under existing programs while SIHIP was being set up. I will not go to it now but there is a table in the review of SIHIP, which was undertaken in August, that indicates that the building program in the Northern Territory continued at about the same rate while SIHIP was being established. I will go to the figures if we need to in a minute.

As stated in the SIHIP review, there were 102 community houses completed in the Northern Territory between December 2007 and June 2009—a number that is not inconsistent with new housing rates achieved in previous years. One of the things I wanted to clear up is the implication that no houses have been built in the Northern Territory. In fact there have been 102 houses completed in the Northern Territory between December 2007 and June 2009.

In April 2008 the government announced the Strategic Indigenous Housing and Infrastructure Program, or SIHIP. That was a labelling of the alliance partnership model that was agreed to by the Northern Territory government and the Australian government in September 2007—a \$672 million program by then—which would provide substantial capital works to 73 remote communities as well as to a number of targeted town camps over five years using alliance methodology. I will come back to the specific funding in that.

Major works, including new housing, would be delivered in 16 of these communities, with refurbishment work to existing housing in another 57. The targeted town camps would also receive major works, including new houses and refurbishments as well as the upgraded infrastructure services, such as power, water, sewerage, roads, drains and street lighting. These improvements are intended to bring these urban living areas up the same standard as other suburbs in the town.

In terms of this funding, the amount of construction work to be delivered and the number of communities where this work will occur is easily the largest Indigenous housing program ever undertaken in Australia. Following this announcement, the Northern Territory government began the procurement process for the alliance consortiums that would deliver the work under the alliancing model. This was an open process to run in two stages and was completed in October 2008.

Three consortiums were chosen, which included some of Australia's largest and most experienced construction companies. These alliance consortiums have spent the last 12 months working with Indigenous communities, scoping out initial capital works and commencing construction. They also have assessed the different housing solutions that could be used to provide large amounts of durable housing at reasonable cost. Recently, as you alluded to in your question, the program has been in the public eye, particularly around ensuring that it is achieving the targets set by government of constructing 750 new houses and providing 230 rebuilt houses and 2,500 refurbished houses by the end of 2013.

The review of SIHIP, conducted in August, examined these issues and put in place a number of arrangements to ensure the program will achieve these goals. This includes streamlined management arrangements and greater involvement by the Australian government on the day-to-day program management and delivery of the program. I can come back to that but I can assure you that we are now very actively involved in this program in the Northern

Territory. We are already seeing the impact of these changes, with program management costs reduced—and this responds to one of your questions—from 11.4 per cent to eight per cent—and alliance partners setting target costs for new housing, rebuilds and refurbishments. So there is a significant reduction in the overheads. The management costs are agreed down to eight per cent, which is a significant improvement already.

The capacity to work closely with the alliance partners to make the changes required to refocus the program on its key targets is an example of this flexibility and responsiveness of alliancing. The point there is that, because of the way the alliance arrangements are set up, we can go back to the alliance partners and make adjustments. We have a contracting arrangement with them which means that we are, together with them, setting the program. Capital works under the program are now gathering pace, with a number of new houses underway and 60 rebuilds and refurbishments now underway or completed. This is expected to increase to almost 50 new houses under construction and more than 180 rebuilds and refurbishments underway or completed by December 2009. I will just repeat those figures: almost 50 new houses under construction and more than 180 rebuilds and refurbishments underway or completed by December 2009.

Arrangements also are being made to transport materials and establish work camps in Northern Territory communities so that capital works can continue through the wet season in a financially responsible way. We all know, and Senator Scullion in particular would know, that there is not much you can do in Northern Territory remote communities in the wet season, which requires the transportation of materials. So we and the alliance partners are gearing up. They are doing a lot of the transportation in the dry, so that a lot of the construction work can continue during the wet. This is another example of the advantage of the alliancing partnership whereby we can negotiate these sorts of arrangements with the alliance partners.

The pace of the program will continue to increase. From 2010 for each year of the program, SIHIP will build more than double the number of houses built on average over the last five years. That is also an important fact or projection. From 2010, next year, for each year of the program, SIHIP will build more than double that of the best year in the past five years. As outlined in the SIHIP review, this would mean 150 houses will be built by the end of 2010. I repeat: that is 150 by the end of next year. However, the current estimate is that 200 houses will have been completed by that time. Given the changes we have made to the arrangements following the review, we do expect that we will exceed the original target and we will have 200 houses by the end of 2010.

An integral element of the housing delivery method is to require long-term secure tenure to underpin construction and ongoing housing management, repairs and maintenance. What we did under previous housing programs was basically gift housing to Indigenous housing organisations. We did not have control over the land and we did not have any control over the maintenance programs or rent collection. That is part of what we are fixing under the new program. Long-term, secure tenure ensures responsibility and accountability by government for the provision of publicly funded houses. These houses will be managed consistent with public housing standards and Northern Territory housing commission standards of rent collection, maintenance, et cetera.

Both governments have been working closely with the Northern Territory land councils to obtain long-term leases to secure substantial investment that the SIHIP will deliver. There are now 19 locations in the Northern Territory where long-term leases are required to underpin current allocations of SIHIP funding. As of today, leases to government of 40 years or more are in place in nine of those 19 locations. In principle agreement for release has been provided for several others, and negotiations are proceeding. We are working through those 19 communities; we have leases for 40 years or more in nine of them, and we expect to get leases in the others.

In short, secure tenure already is settled over sufficient locations—and this is important fact in the preparations—for SIHIP to operate at capacity for at least the next two calendar years. Effectively, while we are more optimistic than thinking it will need to take two years, we will have two years to complete the negotiations. We want to do it earlier but we can continue the building program on track with the commitments and without further leases for the time being. As the review of SIHIP noted, the 10-year requirements have not resulted in any delay in the construction program. Secure tenure is essential to not only ensure responsibility and accountability for the major public expenditure but also underpin the reformed tenancy management system, which is an essential element of ensuring lasting and well-maintained assets.

The next major challenge is for the Northern Territory government to bed down the new remote public tenancy management system over a large number of remote communities, frequently with limited services, infrastructure and housing stock which has often historically been, and remains, in poor condition.

**CHAIR**—Excuse me, Dr Harmer. Do you have much more to go?

**Dr Harmer**—Three little paragraphs, Senator.

**CHAIR**—Okay. It has been 11 minutes until now, and that is fine because it is like an opening statement, but I am sensitive to the need to reserve time for questions.

**Dr Harmer**—Indeed.

**CHAIR**—Go ahead.

**Dr Harmer**—I take your point, and I am sorry it has taken so long. But I thought it was important, for the reasons Senator Payne mentioned, to put as much of that on record as possible. There is one other thing I would like to clear up in terms of the comment, et cetera, that has been around.

**CHAIR**—Sure.

**Dr Harmer**—There has been a lot of linking the housing in SIHIP to the Northern Territory emergency response. It was not and has never been linked to the emergency response. When the emergency response was initiated by the previous government in the middle of 2007, that was focused entirely on measures aimed at protecting children. The only element of that that vaguely was related to housing was the community clean-ups. It was about restricting pornography, restricting alcohol, policing, government business managers, leasing over the land, welfare quarantining and a whole range of things that were all aimed at the protection of children.

**CHAIR**—Thank you.

**Senator SIEWERT**—Dr Harmer, is it possible for you to table the document from which you were reading?

**Dr Harmer**—It is indeed.

**CHAIR**—In that way, all the senators will have all of it, and that might stimulate further questions later.

**Dr Harmer**—Certainly.

**Senator SCULLION**—Dr Harmer, thank you for that opening statement. I did not actually smell any burning rubber, but some wheels were spinning in some directions. But it was useful, and thank you. I just want to clarify a couple of things. As I understood it, some of the motive for SIHIP was not only to build more houses but basically to fix an overcrowding problem. As we know, overcrowding is not only about too many people in a house; it is about the fundamentals of health and opportunities for an education. You certainly are not going to be able to get that with even 10 people living in a three-bedroom house, let alone 17 to 22. First of all, 102 houses have been built. I can recall in other estimates hearings when it was said that 60 had been built and I was saying that this is not part of the process that will increase the number of houses beyond the trickle that we have now.

**Dr Harmer**—Yes.

**Senator SCULLION**—Effectively the trickle was not catching up with overcrowding. The trickle has never caught up with the overcrowding, which is why the HAHS and IHANT programs effectively were set aside and this program was to be above and beyond. While it is useful for you to be able to clarify that there have been 102 houses built, those 102 houses were at the same rate at which houses had been built in the past. Dr Harmer, I would like an acknowledgement that that did not deal with any of the overcrowding because it simply was the same quantity of houses being produced.

**Dr Harmer**—Senator, I think your comment broadly is fair. The 102 is broadly in line. It is a bit higher than the normal annual rate, but I do not think anyone who is aware of the rapid population growth in remote Indigenous communities would claim that that will deal with the overcrowding at that rate.

**Senator SCULLION**—Thank you. That is a useful acknowledgement, Dr Harmer.

**Mr Tongue**—Can I just also dive in and say that the housing story in the Northern Territory is not just a story about SIHIP; it is also the Social Housing Growth Fund and the economic stimulus. NT will get \$59 million and see 252 dwellings constructed, of which 119, or nearly half, will target Indigenous people living in Darwin, Alice Springs and Tennant Creek. There is also funding under the national partnership agreement on homelessness, and there are specific commitments in the National Affordable Housing Agreement about the housing of Indigenous Australians in public housing, if you like. While SIHIP is focused on the remote component, there are other investments going in that will address issues, such as overcrowding and so on.

**Senator SCULLION**—Mr Tongue, and perhaps before you assist, Dr Harmer, the reason I thought your acknowledgement was useful is that all of these programs are out there. We will



sit here in estimates and talk about \$52 million, a brand new social program and all those sort of programs that come out that do not put a bloody roof over your head. This just has not translated in two years to a single house.

I am just reflecting the frustration of Indigenous communities. I think it would be useful just simply to acknowledge that, with the best in the world—and I know our department and everybody up there have been trying extremely hard under very trying circumstances and that there are all these other programs; I acknowledge that—it is important that we now focus on ensuring that we can actually start delivering shelter, which is just one of those principal parts of life, to our First Australians at the very earliest opportunity. Unless we can start changing the additional houses around, we are not going to fix the overcrowding. We are talking about the gap of opportunity, and that gap is not going to close.

I acknowledge that your normal task and role in estimates is sometimes defending whatever it is, and I appreciate that. But I think it is very useful in these circumstances to simply acknowledge that it has taken far longer than anyone would have wished, and, rather than trying to dodge around it, we should move on and have a better understanding of what the problems really have been and ensure that we do not make these problems again in the future.

**Dr Harmer**—Senator, I admit that it has, and I admit that there were some issues around the administration of SIHIP early on which needed to be remedied and now have been. I also just point out that when we recommended agreeing to this new arrangement we were well aware that it was going to take some time to set up. This is something quite new. We are involving big construction companies in an arrangement that had not been in place before. It was going to take some time because we were committed—genuinely committed—to getting Indigenous jobs, we were genuinely committed to having prior consultation with the community about the sort of housing they wanted and we were genuinely committed to a whole range of other things that were not present in previous programs.

The review of SIHIP admitted that there was a three-month delay. That was inexcusable and I do accept that. But there was no two-year delay, as has been implied. There has been a delay. We are back on track now. Let me assure you that while my department, which is the responsible Commonwealth department, has a funding arrangement with the Northern Territory and implementation is broadly their responsibility, we are in there up to our ears at the moment with people embedded in the Northern Territory who are working on this.

The minister could have taken the position that that is the Northern Territory's problem, but she has not. She has insisted that we put people up there, that we get on top of it and that we help the Northern Territory. We are now back on track to deliver in 2010. This goes to your point about the pace at which we have been building and the pace at which we have been able to put roofs over their head. Frankly, having been briefed on this, I think that is an underestimation. We will be careful not to over-promise.

At 200 houses in 2010, that will be double the rate of previous housing construction, and that is without the funding that Mr Tongue is talking about under the National Affordable Housing Agreement, the National Homelessness Strategy, the social housing stimulus package, et cetera.

**Senator SCULLION**—Without arguing the point at all, Dr Harmer, I think you can understand the frustration.

**Dr Harmer**—Yes.

**Senator SCULLION**—That will be three years before we fix the problem. A lot of money was provided for building houses. We build houses every day in the remotest parts of Australia. It beggars belief that it has taken three years to get to the point at which we can deal with the overcrowding. I know there have been a lot of new programs involved, but as I said that is simply a reflection of the community's view.

**Dr Harmer**—Senator, I am sorry, but can I just give you one more figure that I probably ought to have given you when I was talking about figures.

**Senator SCULLION**—I prefer another roof, Dr Harmer, but a figure would be great.

**Dr Harmer**—This figure is 1,000 other roofs. In addition to the 200 new houses completed, it will be refurbishments and rebuilds of 1,000 completed by the end of December 2010. In fact, many of those houses will be brought out of non-habitability into rental housing. So in fact there will be an additional 1,200 roofs by the end of 2010.

**Senator SCULLION**—In your introduction you made the point in response to someone saying we have to deal with this tenure issue and the notion of that slowing it down. Effectively you said that tenure has not delayed the program.

**Dr Harmer**—And it will not for 10 years, Senator.

**Senator SCULLION**—So the program is going ahead, rock'n'roll, in the communities where tenure has not actually been granted?

**Dr Harmer**—We are planning and negotiating. We are not starting anywhere.

**Senator SCULLION**—No, indeed.

**Dr Harmer**—We are not starting anywhere where we do not see tenure.

**Senator SCULLION**—So the program is not going ahead wherever tenure has not been resolved, which is perhaps a more accurate way to put it.

**Dr Harmer**—That is correct.

**Senator SCULLION**—Indeed. Thank you for that. I understand that among the allocations for services and utilities, we have 750 houses that are rebuilds and refurbishments are 2,500. They have average unit costs that meet the total of \$672 million. In that budget, there is no room for electricity, sewerage and infrastructure. Are we going to build these houses just on top of the old septic? Are we going to just hook up the old power lines? That certainly was not the intention.

**Dr Harmer**—No.

**Senator SCULLION**—It is like the 'I' has fallen out of SIHIP and is just sort of swinging in the wind. Where is that money going to come from?

**Dr Harmer**—SIHIP is the \$672 million, which will build the 750 houses, the 230 or 250 rebuilt houses, and the 2,500 refurbishments, is part of a \$1.7 billion National Partnership Agreement with the Northern Territory. That was signed up by COAG in November 2008 and

started on 1 January 2009. In that partnership there is provision to fund elements of the infrastructure for the housing. That is the first element. The second element is that the Northern Territory government has other funding.

**Senator SCULLION**—Who told you that? They are broke.

**Dr Harmer**—Senator, they have considerable other funding available from the Commonwealth.

**Senator PAYNE**—It is not theirs.

**Senator SCULLION**—Oh, okay.

**Dr Harmer**—I will tell you the end of the story. We are undertaking an audit of municipal service provision and the funding of infrastructure, which also will feed into future consideration of infrastructure. But we do not believe that with the \$1.7 billion national partnership money, which is available in part for the construction of infrastructure, particularly infrastructure linking mains to housing, that it will delay the program; nor will it compromise the target of the 750 houses.

**Senator PAYNE**—Dr Harmer, just to clarify that: that is \$1.7 billion from the NPA on remote Indigenous housing.

**Dr Harmer**—Yes.

**Senator SCULLION**—Dr Harmer, when we build the 750 houses and the rest of it, the budget for the average unit cost is \$450,000.

**Dr Harmer**—That is correct.

**Senator SCULLION**—So far we have overspent by \$100,000 on each house. We will not talk about that too much.

**Dr Harmer**—I can.

**Senator SCULLION**—Let us say that we have done it for average cost. It does not leave any money for this infrastructure. We have already had a blow-out of \$100,000 on all the houses we have built so far. Some of them are on island communities and we have a lot more to build there, so I am not sure how you are going to deal with that cost. But to say to me, 'Look Senator, I'm not really sure where the money is. Somehow the Commonwealth is going to give more money to the Territory for this infrastructure.'

Houses are being built now. I know, as you would know, that the plight of the infrastructure is part of the challenge. People have to lean in behind light switches and go out onto the main power switch because that is how you switch the lights on. Nothing works. It is dangerous. This is a major infrastructure issue. In some places we know that we are having an impact on the water table. We know that the current arrangements with the septic system, because it has grown without planning, is unsustainable in a health sense.

How are we going out there saying that we are building these houses and saying that we are building them at an average unit cost of \$450,000? There is nothing in the budget for infrastructure whatsoever. You have said the Territory has money, and they have not. Now you say it is the Commonwealth money. To give me any confidence, you need to specifically identify the money that is going to be there to connect infrastructure to the houses we are now

building. There are 50 new houses that we are building now, and there is no money in this budget to indicate how we are providing infrastructure for those houses. You will have to be more specific.

**Dr Harmer**—Senator, I have indicated already that we have a National Partnership Agreement worth \$1.7 billion.

**Senator SCULLION**—So how do we get money for those 50 houses for the \$1.7 billion? Is that being drawn out of a separate budget or account at the moment?

**Dr Harmer**—The Northern Territory government has funding. I know you might say they are broke, but they actually have funding and they are getting considerable funding from the Commonwealth under a range of measures. I want to give you one example, but I have to be very careful about naming.

**Senator SCULLION**—Dr Harmer, just for the sake of exercising caution, would you be able to take those on notice?

**Dr Harmer**—I can, yes.

**Senator SCULLION**—Can you give the range of other funding, if you could?

**Dr Harmer**—I will. But just let me give you an example. I will not mention the community. In one community we have arrangements. We are currently negotiating with the Northern Territory. I am in constant contact with the Northern Territory senior officials. We have a situation at one of our sites where the Northern Territory government is working with us on putting in additional infrastructure from its resources, not out of the SIHIP money. We have the community being prepared at least to talk with us about using some royalties to help improve the situation of the community, which is a very good thing.

It will not be much, but there is the Northern Territory government money and the money that is available under the \$1.7 billion National Partnership Agreement. As I indicated, it is unfinished business. There is an audit underway that will give us further information about the extent of the gap. But none of that compromises the commitment to achieve the 750 houses out of the SIHIP money, and we are very confident we will do it.

**Senator SCULLION**—In terms of the partnership, again we are relying on this Northern Territory government money. I have to say, based on my personal experience, that perhaps I do not have the same level of confidence as you do, Dr Harmer.

**Dr Harmer**—We are giving them a great deal of help at the moment, Senator.

**Senator SCULLION**—They would need it. We have a number of program targets. I know you did not expect it to go quite this long. You talked about a three-month break. Have they met the program targets? They were in charge of this until recently.

**Dr Harmer**—The targets up until now?

**Senator SCULLION**—Yes.

**Dr Harmer**—Clearly no. We are behind the original intention. In the year 2008-09, I think we will build less than the target, and that is clear. That is because of delays and problems that we had in the initial setup. I am not going to pretend that we are going to do that.

**Senator SCULLION**—It is just that we have had the minister who is responsible, Rob Knight, reporting on 7 July that the government had met every deadline for this target.

**Dr Harmer**—So far they probably have. It will not be until the end of June 2009 that the housing target will be determined. They may well make it. We do not believe we will make it, but by the end of next year, 2010, we believe we will probably be ahead of target.

**Senator SCULLION**—He has made the statement that they have met every housing target at the date of the statement. That is clearly incorrect.

**Dr Harmer**—That is not inconsistent with my statement that we do not expect we will make it by the end of June 2009.

**Senator SCULLION**—No. He made a statement saying that so far you have met all the program outcomes and the targets. You have told me clearly and honestly that that is not the case. Was that one of the precipitators of change in the running of the program? You have intervened again? It is another intervention?

**Dr Harmer**—I would not call it an intervention.

**Senator SCULLION**—I think it is probably an appropriate word. You have intervened to ensure that this happens by providing extra resources. Do you think it is tenable that you can continue to work with the Northern Territory government, given such broad failures by this particular minister?

**Dr Harmer**—Senator, I make absolutely no comment about the minister. We are working extremely well with the Northern Territory officials at the moment. We have recrafted the governance mechanism. We are in there with them. We are getting good cooperation from them. I am very confident we can work with them in this.

**Senator SCULLION**—I have to say we are all relieved and pleased that that intervention has happened. I look forward to having an identification out of that \$1.7 billion about exactly where that money is going to the Northern Territory.

**Dr Harmer**—I will provide it to you.

**Senator SCULLION**—Dr Harmer, the challenge with these arrangements is that this parliament has no opportunity, even if it is in a partnership, to track those funds that the Commonwealth gives to the Northern Territory government with the reasonable expectation of some contractual arrangement. We have no purview over that. When this money has gone, there is an expectation from you that it will provide infrastructure.

**Dr Harmer**—Yes.

**Senator SCULLION**—Do you have a letter of agreement? Do you have some sort of contractual agreement? Why are you satisfied this will happen?

**Dr Harmer**—We are very confident with the arrangement we have now with the Northern Territory—and we are in there with them—that we will achieve the target of the 750 houses and that we will have sufficient funds for infrastructure, which will be provided by the \$1.7 billion national partnership, Northern Territory funds, and any additional funds that may come out of some arrangement out of our audit.

**Senator SCULLION**—That contract was just pushing a sausage around the barbecue—‘G’day Paul, how’re you going? That will be right’—or did you have a letter or a document that reflects what we require?

**Mr Tongue**—Senator, perhaps I could dive in there and hopefully allay your concerns to some extent.

**Senator SCULLION**—That would be great.

**Mr Tongue**—Under the National Partnership Agreement, each jurisdiction produces an implementation plan under which there is a series of subplans that go to things like capital works, property and tenancy management, community engagement and so on.

**Senator SCULLION**—So it will say ‘infrastructure for housing’ in there somewhere, will it?

**Mr Tongue**—In the capital works element, each jurisdiction has to outline how it will achieve the targets. We think we have a reasonable governance arrangement in place.

**Senator SCULLION**—That is great. So that document exists somewhere?

**Mr Tongue**—Those documents exist for each of the jurisdictions.

**Senator SCULLION**—Excellent. Can we have a copy of those documents?

**Mr Tongue**—The implementation plans are public documents, Senator. We would have to talk to the jurisdictions about making available the rest.

**Senator SCULLION**—But you would have a copy of them, surely. This is your security that you have over the arrangement, so you would have a copy of them.

**Mr Tongue**—Yes.

**Senator SCULLION**—So can we have a copy, please?

**Dr Harmer**—As Mr Tongue said, they are a document which is an agreement between ourselves and the Northern Territory government. It would be reasonable to ask them if they agree.

**Senator SCULLION**—Absolutely, of course. Are you prepared to ask them and make it available to the committee?

**Dr Harmer**—We are prepared to ask them, Senator, but it depends on their answer, of course.

**Senator SCULLION**—And if they are not helpful, would you also be able to advise the committee of that as soon as is possible?

**Dr Harmer**—I will let you know.

**Senator SCULLION**—Thank you very much.

**Dr Harmer**—Senator, I just want to say to you in relation to this that we are much more heavily involved than we would have expected to be under the classic national partnership. I can assure you we are in there working with them. My minister is very insistent that these targets are met and that we achieve this because she knows how critical it is to, as you put it,

put roofs over the heads of people if we are going to close the gap. We will be requiring monitoring and will be quite insistent on getting information about achievement.

**Senator PAYNE**—Dr Harmer, in the recommendations in the review there is a focus on—and these are matters we are discussing today—the role that the Australian government is required to take. It talks about a number of rationalisations and so on. But I do not think, and I think Senator Scullion probably shares this view, there is a great deal of information available on what changes and improvements the Northern Territory government is required to take in its administration of the program. I note that you said that the management of the housing will be given to Territory Housing.

**Dr Harmer**—Yes.

**Senator PAYNE**—On the information I have had before, which I know Senator Scullion has had and other senators have shared, it does not fill me with confidence about how effectively that is going to work.

**Dr Harmer**—Senator, on that issue I agree. I have heard the same comments from communities about the Northern Territory government housing's reputation. They are well aware that to deliver the management of these houses in remote communities, they are going to have to significantly boost their capacity for management of the stock. This is going to be a big challenge for them.

Just to give you an indication, though, of some of the changes they have made in the arrangements—and one of the reasons that, had we allowed the early process to continue we would not have met the targets—a lot of the work that we would have expected would have been done by Northern Territory officials actually has been done by consultants. Following the review we now have a number of consultants out of the game and Northern Territory officials in the game doing those things.

**Senator PAYNE**—Doing the job they should have been doing in the first place, one expects.

**Senator ADAMS**—Are administration costs included within the document you are going to ask the Northern Territory to provide for us?

**Dr Harmer**—For SIHIP, as I said in my introduction, the administration costs will be reduced from 11.5 to eight per cent, which is a pretty comparable cost for such a big complex project to manage. We are quite comfortable with the eight per cent. We will be looking for the Northern Territory government not to go above it.

**Senator ADAMS**—Thank you.

**Senator SIEWERT**—Senator Adams, can I just check on that? When you say 'administration', what figures do you include in that? Do you include everybody's administration costs in that figure?

**Dr Harmer**—It will not include my costs for having people up there, but that is part of our program administration. Mr Tongue may have the breakdown. If he has not, we will get it for you.

**Mr Tongue**—Senator, I have not got the figures cut up that way, so I might have to take that on notice. I have them cut a slightly different way.

**Senator SIEWERT**—If you could, that would be appreciated, thank you.

**Senator PAYNE**—I want to go back to the question of costs and cost per unit to which Senator Scullion alluded. In the clarification of program parameters in the review, it looks at an average house price target of \$450,000 and notes that house costs in some locations might exceed that amount, but that it ‘will be offset by lower housing costs in other locations’. In answers to questions on notice that you have given me previously, the answer in relation to the Tiwis and Groote Eylandt was that houses were unexpectedly more expensive than first estimated. How can you make what I regard as a fairly broad general assumption with any confidence in that statement in the review that you will be able to address so that so simplistically?

**Dr Harmer**—Senator, we are really confident and it is not simple. The houses that were built in Groote and Tiwi compared to houses in the centre first of all have to be cyclone proof. It is more expensive to build on islands—they are both islands.

**Senator PAYNE**—Yes, I understand that and Senator Scullion was talking about that before.

**Dr Harmer**—There is additional transport, cyclone proofing et cetera. In Groote—and Mr Tongue might be able to help me here—there is a particular disease among many of the people on Groote that has them in a state of disability quite early in their lives. A lot of the houses have to be built with more accessible standards, which includes wider doorways for wheelchairs and things like that, which was one of the elements of the Groote Eylandt significantly increased cost.

**Senator PAYNE**—Yes.

**Dr Harmer**—Notwithstanding that, we believe that, even there, had we employed the process of consultation we are now employing we would have been able to reduce those costs, but we are now locked into those. The process I am talking about is appropriate consultation with the community. When we set up SIHIP and did the negotiations with the alliance partners, we made it clear that they were required to consult with the community. Unfortunately, and I think it is alluded to in our report, the consultations with the community were a little open-ended.

**Senator PAYNE**—What does that mean, Dr Harmer?

**Dr Harmer**—I will come back to that and you will get what I mean. They were a little open-ended and they were not conducted by government officials. They were conducted by the contractors, in which case they were not really experienced in making sure that the community understood that what we are talking about is building public housing.

**Senator PAYNE**—Who engaged the contractors?

**Dr Harmer**—The contractors were engaged by the Northern Territory government to implement the program.

**Senator PAYNE**—Right. I am filled with confidence.



**Dr Harmer**—Now we have a situation in which it will be ourselves, the Commonwealth and officials, who will negotiate and consult with the community on the nature of housing. That consultation will not be open-ended. We will be making it very clear that the purpose of the consultations with the community is about some of the nature of the construction. We want to give them a say in the sort of housing provided, but it is not an open-ended consultation such as, ‘What would you like?’ These are public houses we are building. We have a price constraint. We are confident that with those consultations and with the constraint of the knowledge that we are building public housing, we are not building most of the houses on the islands. We are building many of the houses not in areas where we need cyclone proof housing. We are very confident that we can get the average price to \$450,000.

**Senator SCULLION**—This is a very important issue, so can I provide some feedback on how you are going to deal with it. I have been to many of these communities. In one in particular there is a lady I have known for a long time who was quite excited by the colour of her lounge room. I had a discussion with her. Somebody who was consulting with her was saying, ‘What sort of colours do you want?’ There is a wonderful book I would commend to anyone in the room, *White men tell lies*. It is probably out of print now, but it was written by a lady who is one of the old timers who lives in Alice Springs. It deals with the whole issue of the complete language barrier. Principally, many people who would be listening to consultants who are not trained in this area would be leaving with the view that they are going to get a house.

**Dr Harmer**—Yes.

**Senator SCULLION**—It is a bit like if an Aboriginal person says to me, ‘If you go to town, can you give me a lift to town?’ I will say, ‘Look, I don’t know if I’m going to town, but if I go to town I’ll give you a lift.’ The next day he says, ‘Hey brother, you didn’t give me a lift.’ I say, ‘Well, I didn’t go to town.’ So white men tell lies.

**Dr Harmer**—Yes.

**Senator SCULLION**—The notion of ‘maybe’ really does not exist among many of the communities. You have a great challenge in front of you.

**Dr Harmer**—I understand that.

**Senator SCULLION**—Regarding fixing a perception that almost every community will be able to get houses, I had an interview with Senator Crossin, who was on the other side of the dial, and she said that she would be happy to provide a list of the communities—community by community—of how many houses in each community would be newly built, how many houses would be refurbished and, if you can, have an indicator of which houses they would be.

**Dr Harmer**—Yes.

**Senator SCULLION**—So far, we have not been able to get that. I allege no mischief on the part of Senator Crossin; perhaps she over-promised, or perhaps she was not able to. However, I think it would be very useful for the sake of clarity for these communities to be able to get that, if you could.

**CHAIR**—Could you put the date of that discussion so that we have it on the record?

**Senator SCULLION**—That would be very useful. I was about to say can you also take on record who were the consultants. You may have to ask the Northern Territory government, but it would be very useful if you could provide us with how helpful they have been, as well as the areas that were consulted and the issues that have been discussed. That would be very useful, Dr Harmer.

**CHAIR**—And the date of the discussion, Senator.

**Dr Harmer**—Senator, just to hopefully reassure you—I do not pretend for a minute that it is easy.

**Senator SCULLION**—No, I did not say it is.

**Dr Harmer**—It is not. I do not pretend for a minute that we will get it right, but we will do our best. We have people who are trained in culture and we do have people on the ground.

**Senator SCULLION**—Yes.

**Dr Harmer**—The people who will mainly do the consultation will be government business managers and their Indigenous engagement officers, who are people who are employed locally.

**Senator SCULLION**—Great.

**Dr Harmer**—We think we stand a lot better chance to do that than we did before.

**Senator SCULLION**—I agree.

**Dr Harmer**—But I admit that it is going to be hard, and I admit that the early stuff was not good.

**Senator SCULLION**—And if you can also ask about the cost of each of those consultancies, that would be useful. Thank you.

**Senator PAYNE**—Dr Harmer, in terms of the cost per unit, in the response given to me in answer to question on notice No. 293, which provides details around the Tiwi Islands package, the Groote Eylandt package and makes reference to Tennant Creek, the cost of houses there is described as not applicable. Why can we not be provided with the detail?

**Dr Harmer**—Possibly because they were part of a previous program, not a SIHIP program, I suspect.

**Senator PAYNE**—Okay. The number of new houses is to be determined in consultation with the community, so I presume that at the time of the provision of the answer that process was underway. Can I have an update on that for all of the relevant communities?

**Dr Harmer**—Which communities?

**Senator PAYNE**—Tennant Creek in particular, and then any further discussions that are proceeding.

**Dr Harmer**—We will give you an update, but I am pretty confident that the reason it said ‘not applicable’ is that the question was about SIHIP, and they are not SIHIP houses. I think that is why.

**Senator PAYNE**—But there will be SIHIP houses.

**Senator SCULLION**—One ‘i’ has gone.

**Senator PAYNE**—I cannot say it without the second ‘i’. There will be SIHIP houses built there?

**Dr Harmer**—Yes.

**Senator PAYNE**—So can we have an update on that in relation to the SIHIP money. I am going to go through some of this material, if some other senator wishes to ask questions.

**CHAIR**—Senator Siewert?

**Senator SIEWERT**—Thank you. Can I go back to the issues around the tenure process? You said it was nine of the 19 locations that had had tenure issues resolved.

**Dr Harmer**—We have got leases, yes.

**Senator SIEWERT**—What is happening with the other 10? What is the time line for that?

**Dr Harmer**—I will just give a brief introduction while Ms Edwards is getting her material. I indicated in the introduction that we were down the track in negotiations in some others. We are proceeding with the negotiations. We are working with the land councils. They have been pretty good working with us so far and we are pretty confident that we can get the leases, but we are not there yet for the 19.

**Senator SIEWERT**—Okay. In your comments I do not think you gave us the locations, did you?

**Ms Edwards**—Senator, I can do that. Of the 19 locations, there are 16 remote communities and three town camp areas in the forward program. There are township leases in place at Nguiu in the Tiwi Island and over Angurugu, Umbakumba and Milyakburra at Groote Eylandt, which makes four. There are housing precinct areas over the areas of all existing housing and the proposed new subdivisions at four locations. Those are in place and they are at Wadeye, Maningrida, Gunbalanya and Galiwinku.

There has been in-principle agreement for a similar housing lease in three communities. Those are Ngukurr, Gapuwiyak and Lajamanu. We are expecting final meetings to consider a final decision for similar leases at two further communities, Millingimbi and Numbulwar, and negotiations are in progress in relation to Yirrkala, Hermannsburg and Yuendumu. There are nine in place now, three in-principle agreements, two agreements which we are hopeful and perhaps confident will be agreed by the end of the year, and three in progress.

**Senator SIEWERT**—Okay.

**Ms Edwards**—Previously when Dr Harmer mentioned in response to Senator Scullion’s question that the program is not progressing in places where there is not tenure, we might want to characterise it as the program proceeding in all of the places in which it was scheduled to proceed, and that tenure is well and truly in place in all of those places.

**Senator SIEWERT**—Thank you. Dr Harmer, when you were making comments about tenure—and I will not go into the discussion that I habitually have with you about the need for tenure because fundamentally we disagree on how you are going about that and I will not reiterate that debate—you linked the issues around tenure and maintenance and rent, or you appeared to. Did you mean to?

**Dr Harmer**—No.

**Senator SIEWERT**—Okay.

**Dr Harmer**—The tenure issue is about being able to protect the assets. It is different.

**Senator SIEWERT**—But you are not linking the tenure with—

**Dr Harmer**—No. I was talking about the reforms we need to make.

**Senator SIEWERT**—Okay.

**Dr Harmer**—The problem before was that we had houses that were costing half a million dollars, or of that order, and lasting eight years. They were built on land that we do not have any control over. That just does not make any sense.

**Senator SIEWERT**—Okay. In terms of the issues around maintenance and rent, Territory Housing has been the responsible body in all those communities. Is that correct?

**Ms Edwards**—It has been in the process of implementing reforms to tenancy management, but in many of the places the existing five-year leases will now be run into the voluntary leases which have come into place. I think Dr Harmer mentioned that there is a process of bedding down the tenancy management agreements, and it is that process that is going ahead.

**Senator SIEWERT**—Okay. In terms of the issues around maintenance and it not having occurred in the past, one of the issues of course is the fact that there is significant overcrowding. As we have already discussed, it is impossible to maintain a house when you have 10 to 17 or more people living in a house. I realise that this program is intended to address that, but in some of these communities we are still not going to be providing enough housing to deal with the issue of overcrowding. How are you going to be dealing with that issue when you will still have a large number of people using houses? I acknowledge this will significantly increase the housing stock, but it will not address all the housing needs in the territory.

**Dr Harmer**—Senator, I am not going to pretend for a minute this is going to solve the housing problem in the Territory and bring about an average occupancy of all the houses. The growth of population is huge, but this will make a huge difference. Even with proper tenancy management, rent collection and maintenance, the houses lasting 30 or 40 years instead of eight to nine years will make a huge difference. Secondly, there are lots of houses, as you probably know if you have visited these communities, that are basically shells in which the floor, the walls and the roofs are okay but the kitchens and bathrooms are dysfunctional, and they are not occupied or are underoccupied. We are focusing on a lot of those and we are bringing those back into use. It is not a story of just new houses that we will build, which will be substantial—for example, by the end of 2010 we will have 200 new houses built—but 1,000 rebuilds and refurbishments that will be completed. That is a huge addition to the stock. It will all make a contribution.

**Senator SIEWERT**—I am not having a go about the number of houses. Ideally I would like more. My question is more around whether you are allowing for the circumstances in the maintenance agreements and the way that you are organising your relationship with the communities and Territory Housing to ensure that maintenance is dealing with the issues

around the number of people using a house. You will have seen the housing studies that have been done in terms of design.

**Dr Harmer**—Yes.

**Senator SIEWERT**—For example, it goes down to the use of doors. If you have 17 people in a house, it goes down to the basic things of 17 people using a house door and that means it has issues.

**Dr Harmer**—The answer to your question is that, yes, we are taking that into account into the design of the houses and it will need to be taken into account in the management of them.

**Senator SIEWERT**—Yes.

**Dr Harmer**—We know and you know that Aboriginal people in remote communities use houses quite differently in the mix of families.

**Senator SIEWERT**—Exactly.

**Dr Harmer**—In discussions with them and in discussions with the alliance partners, while keeping an eye on costs—and we will need to keep an eye on costs because we are determined to get the 750 houses for the \$672 million—we will be looking at how we can make them as flexible as we can to accommodate people coming and going.

**Senator SIEWERT**—Is it possible for you to provide us with a copy of a maintenance contract or the issues that you are dealing with in maintenance?

**Dr Harmer**—I should make it clear that we will be pressing the Northern Territory government, but the Northern Territory government will be the responsible authority for managing the houses.

**Senator SIEWERT**—Quite frankly, that is what worries me. You will be aware there have been a lot of issues with some communities with Territory Housing and the management of Aboriginal houses.

**Dr Harmer**—I am aware of that. Clearly this is a huge additional challenge for them and they will have to vamp up their efforts to do this job. We will be watching that. It is very important to us that we get, as Senator Scullion said, roofs over their heads and we maintain them.

**Senator SIEWERT**—Okay. I will continue to pursue. If you have not got those arrangements in place yet with Northern Territory Housing, I give notice that I will be continuing to pursue that.

**Dr Harmer**—We are working on it, Senator, but we have not got houses to manage yet.

**Mr Tongue**—I should also add that as part of the program we have doubled the repair and maintenance budget. We have worked with the Territory to significantly increase the amount of funding that we have to manage that.

**Senator SIEWERT**—The doubling is in the budget for how long?

**Mr Tongue**—For the life of the program.

**Senator SIEWERT**—For the life of the program—okay, thank you. Is it appropriate to ask about the Alice Springs leases here? Senator Payne may still have more issues around SIHIP.

**Senator PAYNE**—Yes.

**Senator SIEWERT**—I will come back to the issues around Alice Springs leases and an update on where we are up to there.

**Mr Tongue**—Can I just dive in in relation to Senator Payne’s question about question on notice No. 293?

**Senator PAYNE**—Yes.

**Mr Tongue**—It is about where we had ‘not applicable’ against Tennant Creek.

**Senator PAYNE**—Yes. I just wanted to clarify that.

**Mr Tongue**—Yes. At the time we provided the answer, no decision had been made about how many dwellings and at what cost per unit.

**Senator PAYNE**—Yes.

**Mr Tongue**—Consultation with the community is still underway. We will be able to provide an update to you when that consultation is complete.

**Senator PAYNE**—All right. Thank you very much. Do you know when that might be, Mr Tongue—a ball park figure?

**Mr Tongue**—No. I would have to take further advice.

**Senator PAYNE**—This year?

**Mr Tongue**—I would hope so.

**Senator PAYNE**—Thank you very much. Could we just go to some of the employment issues around SIHIP. In answer to question on notice No. 295 you indicated that in Tennant Creek there were six to 11 employees and there were 15 Indigenous employees at Groote Eylandt. Do they match the 20 per cent local Indigenous employment target? I assume that is as a percentage of the local workforce.

**Dr Harmer**—I am hoping Mr Tongue has found his brief before I have got to mine. I know mine is here somewhere.

**Senator PAYNE**—I do not mind who goes first.

**Dr Harmer**—Senator, I will try to find that. We have some information about employment. As I mentioned in my introduction, this is quite an important element, which is one of the reasons it is quite difficult to do and takes longer.

**Senator PAYNE**—I appreciate that. I refer to an article in the *Australian* on 7 August about local operators that states:

... after years of experience in the building industry, he—

that is, the operator concerned—

did not believe governments ever enforced the targets they set for Aboriginal employment.

“Local indigenous employment participation is mentioned in every contract and never audited” ...

“There has never been any penalty for those who say they are going to employ Indigenous people and don’t, or rewards for those who do.”

Dr Harmer, as you have said, the government is emphasising the importance of this in the context of SIHIP. Although you provided the numbers in that answer to the question on notice, I am interested in whether that meets the 20 per cent local Indigenous employment target. If it does not, what percentage figure does it represent? I have further questions after that.

**Dr Harmer**—I will hand over to Mr Tongue, but, just to make it very clear, the 20 per cent target, which is an important target that we intend to hold the contractors accountable for, is over the life of the program. So it is 20 per cent on average over the life of the program.

**Senator PAYNE**—So it is cumulative?

**Dr Harmer**—It is on average over the program. It may be, for example, in the early stages that, as they are training et cetera, we might not get quite as much Aboriginal employment as we do in the later stages. I will let Mr Tongue add to this.

**Senator PAYNE**—I will come to the question after Mr Tongue.

**Mr Tongue**—The latest information on total Indigenous employment at Tennant Creek since commencement is 21 people; current Indigenous employment is 14 people; and the current FTE, which is the percentage of Indigenous people as a percentage of the workforce, is 71 per cent. At Groote, total Indigenous employment since commencement is 42 people; current Indigenous employment is five; and the current percentage of employees who are Indigenous, as a percentage of FTE, is 21 per cent.

**Senator PAYNE**—I was trying to take notes as you were saying that.

**Mr Tongue**—I am sorry.

**Senator PAYNE**—That is all right. At Tennant Creek, the total over the period has been 21.

**Mr Tongue**—That is right.

**Senator PAYNE**—There are 14 that are current—

**Mr Tongue**—Yes.

**Senator PAYNE**—and that represents 71 per cent of the workforce.

**Mr Tongue**—Of the current FTE—yes.

**Senator PAYNE**—Of the current FTE.

**Mr Tongue**—Yes.

**Senator PAYNE**—And in Groote there are 42; there are five current—and that represents 21 per cent of the current FTE.

**Dr Harmer**—Yes.

**Senator PAYNE**—Okay. How do you, for want of a better term, audit that? How do you check that? What processes are in place?

**Dr Harmer**—Because of the nature of this program and because we are now heavily involved in the direct management of this, we are getting regular information from each of the alliance partners about their Aboriginal employment targets, and they are meeting them.

**Senator PAYNE**—So regular information. What is the department's approach if, for example, you come to a point where they are not meeting the targets?

**Dr Harmer**—I am not aware of the details of the contracts.

**Senator PAYNE**—We asked for those but you would not give them to us.

**Dr Harmer**—There must be a very good reason, Senator.

**Senator PAYNE**—The PDRs, I think you called them. It is just no reason, commercial-in-confidence.

**Dr Harmer**—In the contract we will have either penalties or commitments and, if they are not met, there will be some financial or other penalty through the contract. This alliance partnership is not common in Australia, I think, but it is quite common elsewhere. We have used the model recommended by our international consultants to basically formulate their contracts. We intend to hold the contractors to those contracts.

**Senator PAYNE**—Recognising that you indicated on a previous occasion you could not provide the PDRs to us because they were commercial-in-confidence, is that still the case?

**Dr Harmer**—I suspect that is still the case, but I will take advice.

**Senator PAYNE**—I understand that. But perhaps you could provide on notice more detail of what the provisions are in relation to meeting the employment targets and what occurs if they are not met.

**Dr Harmer**—Sure. I should say we will, but at the moment we are reasonably confident because in both locations they are just above target.

**Senator PAYNE**—I appreciate that, and the figures are interesting.

**Senator SCULLION**—Perhaps when you are getting that information you could provide us with the actual process of validating and whether it is over a year, and not just someone saying, 'Yes, and I've got this many people.'

**Dr Harmer**—Senator, I can assure you we will be doing that because, in addition to the people, we have now embedded with the Northern Territory government to manage the project. I have, as you know, a government business manager in each of these sites where we are building houses and an Indigenous engagement officer working with the government business manager and part of their role will be managing some of this for us.

**Senator SCULLION**—If you could provide on notice the formalised process, including those aspects, thank you.

**Mr Tongue**—We will also put a senior staff member in each of the three alliances.

**Senator PAYNE**—The only other question I have in relation to employment at this stage is, if it is the case that the 20 per cent targets are not being met, will that have any capacity to delay the construction process? Is there somewhere you could say, 'Okay, this is not good enough. Let's pull up tools until we actually get the right people on the job.'?

**Dr Harmer**—We would not do that for two reasons. One is that the 20 per cent is an average over the program and we would be backing our chances using their contract to get them back on track. The second is that we have a very high priority in keeping the momentum



in the construction program going. It would be only in an extreme situation if they were nowhere near it that we would probably bring to bear other elements of the contract to change it. But because of the urgency and importance of meeting the targets we would not want to be holding it up entirely on a particular projects for one year if they were not getting exactly 20 per cent, as long as we could be convinced and confident that over the life of the project they would meet 20 per cent.

**Mr Tongue**—One of the advantages of the alliance methodology is that, because we are operating at a bigger scale across a greater range of sites, hypothetically, there would be opportunities to try to address the issue by moving people to other work sites, or changing the pattern and flow of work or the nature of the work over the life of the project to try to reach the target.

**Senator PAYNE**—When you say it is 20 per cent over the life of the program, I understand those numbers but I am not sure what you expect the outcomes to be. What have you identified as the desired outcomes for that component of SIHIP—training, certificates, being qualified?

**Dr Harmer**—We expect training, certificates, experience. We would hope, but we can never guarantee this because we have a program with a finite length, that those Aboriginal people who have gained training, experience and have been building skills in the program will be able to be employed, for example, by the Northern Territory government for maintenance programs, et cetera, or they would get jobs with other building companies that are building elsewhere. In addition to housing being critical to meeting the *Closing the gap* report target, so is employment. We have to get more Aboriginal people employed, and this is one of the strategies we are using.

**Senator PAYNE**—You have the ironically enviable capacity to identify achievement in the construction area by pointing literally to, hopefully at some stage, physical houses.

**Dr Harmer**—Yes.

**Senator PAYNE**—But in this area I see less.

**Dr Harmer**—It will be harder to monitor the long-term benefits and numbers, that is true.

**Senator PAYNE**—Have you thought about building in some more formal measurement processes to ensure that you can do that? For example, the review states:

A strong focus from government in transitioning employees under SIHIP into ongoing employment is required.

How will that strong focus manifest itself? How can we, as members of this committee who have an abiding interest in this particular area, know what outcomes have been achieved for the individuals?

**Dr Harmer**—Senator, for a start, as you would be aware, there is considerable investment in employment and training related programs, not in this department but in the Department of Education, Employment and Workplace Relations. Aboriginal people will be a key target group for that. There are other initiatives around improving employment for Aboriginal people. We would hope that some of those programs external to SIHIP will come into place and be effective for those who get their initial training and initial jobs in SIHIP. We cannot do

all of the heavy lifting in this one program, but let me assure you that it is a long way in advance of where we have been in the past in building in remote communities without any targets and without any contribution of the contracting partners to a specific target for Indigenous employment.

**Senator PAYNE**—I appreciate that. You have lined yourself up for some heavy lifting so let me flag that in terms of the employment outcomes. We will be taking a strong ongoing interest in actuals in this, not some sort of generic description about how we got 20 per cent over the life of the program and we intend to meet that.

**Dr Harmer**—That is absolutely fine, Senator.

**Senator SCULLION**—Just to touch on another aspect. You are a man with a lot of confidence, obviously, Dr Harmer.

**Dr Harmer**—I am a rampant optimist, Senator.

**Senator SCULLION**—Indeed. You would have to be to rely on the Northern Territory's public tenancy management system. Obviously this is a fundamental part. Unless some of the social determinants change, just putting perhaps fewer people into a house without some roles and responsibilities being clear, in terms of the infrastructure, which is one of the issues, we will still be behind the eight ball a bit. What sort of oversight and scrutiny are you putting over this new public tenancy management system that the Northern Territory government is proposing to implement? Do you have some purview and oversight over that? Would you be validating that the property and infrastructure is in fact being looked after and maintained?

**Dr Harmer**—Senator, the first thing I would say is that I do believe that the Northern Territory government, senior officials and the housing people are well aware that this will require them to make a significant step up. That is a start. In my contact with the senior people and the minister's contact with the Northern Territory minister, she has made it very clear that this is a really important element. We have certainly made it clear and they are well aware of the reputation they have in some communities at the moment. They know they have to do something which is above what they have been able to do so far. We have someone in the department who is working on this as well. Without being able to guarantee it, I am reasonably confident because of, firstly, the recognition by the Northern Territory government that they will have to take the step and, secondly, we are there with them. That will make significant improvements. We know how critical it is.

**Senator SCULLION**—But would you have access, again with the same caveats as before, since it will be their documents? We would be interested to see what the process would be. For example, housing tenancy—whether it is real estate inspection once every eight weeks and then the next one will not be for three months or something, and you get a week's notice, or whatever the process is.

**Dr Harmer**—Yes.

**Senator SCULLION**—These are the circumstances under which the tenant is responsible for replacing, and these are the circumstances under which it has to happen—bond arrangements are like this. It is very clear, but they differ.

**Dr Harmer**—Yes. There will be a tenancy agreement.

**Senator SCULLION**—I think it will be very useful to have an understanding about their intentions. Is it just the same as they have always done, or do they have a clear program. I can ask them, but in the past I have not been very successful. Perhaps you could again ask them and tell us about how helpful they were in that regard, Dr Harmer. Thank you.

**Senator SIEWERT**—Can I ask a question about the 20 per cent employment across the program. Is it going to be difficult to monitor given that it is across the program and you have so many different projects through the alliance?

**Dr Harmer**—It probably will not be easy, but I do not think it will be impossible. We have been able to manage, so far, to get pretty good data on the number of Aboriginal people being employed on particular projects et cetera. I think we will be able to continue to do that.

**Senator SIEWERT**—The project is only just winding up though.

**Mr Tongue**—We are tracking pretty tightly, and as a result of the changes to the management of the program we will have a staff member working in each of the alliance partners.

**Senator SIEWERT**—Who will be responsible?

**Mr Tongue**—Who will be monitoring their performance against, among other things, the employment target?

**Senator SIEWERT**—And who will be responsible for doing what we have been talking about in the context of what we are trying to achieve through the program in terms of employment and training outcomes.

**Dr Harmer**—Our person will be monitoring all the key elements of the success of the program.

**Senator SIEWERT**—Monitoring, or will they be responsible for that?

**Dr Harmer**—And, of course, as I mentioned earlier we will have not only that but also a government business manager on the ground in each of these communities, with an Indigenous engagement officer who is a local working with them and also with eyes and ears about how the program is going.

**Senator SIEWERT**—Okay. Thank you.

**Mr Tongue**—Senator, I would not want to paint a picture that the alliance partners are lax in their attitude to the employment target. They are making genuine efforts and are committed to the outcomes.

**Dr Harmer**—They are actually going very well.

**Senator SIEWERT**—Okay. How many additional staff have you put in since you have taken on increased involvement in the delivery of the program? How many staff have you now? Have you located additional staff in the Northern Territory?

**Dr Harmer**—Yes, we have.

**Senator SIEWERT**—How many?

**Dr Harmer**—I will just go through that. We may need to take this on notice because I am operating just from memory. But, for a start, we have created a new division in Canberra which is focusing entirely on remote Indigenous housing.

**Senator SIEWERT**—That is not just for SIHIP though; it is for across the board remote Indigenous housing?

**Dr Harmer**—Yes, it is. But let us just take the territory. We will have a senior executive service officer, an executive, in the Northern Territory whose entire responsibility is remote Indigenous housing in the Northern Territory and SIHIP. They will be supported by three EL2 officers, which is just below the SES—very senior officers—in each of the partners. They in turn will be supported by a range of people. These are not new, but they will be given an additional reference for their role, and they are the government business managers and the Indigenous engagement officers in each of the key locations.

**Senator SIEWERT**—Okay.

**Dr Harmer**—So we will have quite a significant investment and a significant capacity to involve ourselves in the projects.

**Mr Tongue**—And there also will be additional EL2 staff working in the Northern Territory government on issues such as property and tenancy management, communication and community engagement. So it is quite a significant effort by the Australian government.

**Dr Harmer**—It is not usual for the Commonwealth to be heavily involved in a delivery program which is basically a state or territory government responsibility. But the Northern Territory government has accepted extremely well the fact that we have poked our way in there and are building ourselves. In fact, we are working extremely well with the Northern Territory government in doing this.

**Senator SIEWERT**—Okay. Could you take on notice the actual specifics.

**Dr Harmer**—We will give you the specific details of them. We will not give you names.

**Senator SIEWERT**—Sorry?

**Dr Harmer**—We will not give you names, of course.

**Senator SIEWERT**—No. I do not want that. I want the levels. Maybe you could give it to me, to save me from asking it later on, as part of a table of the overall staff numbers and positions you have now to deliver the Northern Territory intervention.

**Mr Tongue**—Yes.

**Dr Harmer**—This is a significant enhancement of our capacity in focusing on the Northern Territory.

**Senator SIEWERT**—Thank you.

**CHAIR**—I thought we were talking about asbestos.

**Senator SIEWERT**—I have done employment as part of SIHIP.

**Senator PAYNE**—I have dealt with the employment issues that I wanted to deal with on SIHIP. That is good. Did you want to go back to SIHIP?

**Senator SCULLION**—No, I think that just about does it. The only short question I have, Dr Harmer, is that in February this year the minister announced \$48.7 million for Maningrida, \$33 million for Galiwin'ku, \$28.7 million for Gunbalanya, and \$48.7 million for Wadeye. You take Wadeye and Gunbalanya out in issues. The other two locations are not issues about the wet season and roads. There is no road, so access is not a problem. In terms of critical mass, this may be an opportunity to get in cheaper because if you are building so many houses you just go and hire the equipment and just go and do the business. What is the situation there with the announcement? Are those locations a part of the push to have materials in place before the wet season—not that it matters before the wet season. But given that there is now an expectation in these communities, later on, because they do not have the wet season, are they going to become issues? When would we expect some action and houses built in those areas?

**Dr Harmer**—That is a reasonable question. I do not have the specifics of those communities with me. It may be that some of them are still subject to lease negotiations; I am not sure. But, if that is the case, that will be an issue before we can start.

**Senator SCULLION**—The minister would not make an announcement that there are X number of houses to be built and put up a budget line and an amount if there are no lease arrangements in place? I am just asking the question.

**Dr Harmer**—There are all leases. I have just been advised that there is no issue. You are right; the leases are clear, and they will be built into the program. Precisely I think your question is: do we intend to move ahead with those because they are not subject to issues around the wet? I will need to take advice, Senator.

**Senator SCULLION**—Okay. Thank you very much. Again, I am not sure we can prioritise those questions on notice, but I think one of the very important ones, just in the public sphere, is community by community how many houses will be provided. Then we can work on the expectation of when they will be completed. I would be sure that the alliance partners, given the confidence that you have in them, will be able to provide that information.

**Dr Harmer**—They are doing very well at the moment and they are really gearing up. The other element of the SIHIP review, which was produced in August, indicates that we are going to make the progress quite transparent and we are going to put information on our website about the numbers of houses and the stage. We are going to be much more publicly accountable than we have ever been in the past on this program.

**Senator SCULLION**—We will ensure that. I have no further questions on that area.

**Senator PAYNE**—When we were discussing the NPA progress at budget estimates, I think the response that came back to me about when construction would start—separate from the discussions we have just been having—was, 'We will be consulting with state governments over the next couple of months to design the program in each of the jurisdictions.' Can you tell us where that is up to? Can you provide us with a timetable for work in each of the participating jurisdictions in the NPA?

**Dr Harmer**—You are talking about the operation of the National Partnership Agreement in Queensland, New South Wales, Western Australia and South Australia?

**Senator PAYNE**—Yes.

**Ms Hawgood**—I am able to give you information on the results of the discussions that we have been having with the other jurisdictions. I am able to confirm the number of new houses and refurbishments for those jurisdictions that we have agreed through discussions on capital works plans, if that is helpful. Starting with New South Wales, New South Wales will build 50 new houses in 2009-10. I am sorry, I should say that is a mix of acquisition of houses and build in New South Wales. They will refurbish 50 houses. In Queensland there will be 65 new houses. They had a target of 150 refurbishments. They have confirmed to us that that is more likely to be around 493 refurbishments.

**Senator PAYNE**—May I just go back to New South Wales. Do you differentiate it from the 50 new by saying ‘acquisitions and new’? Is that the same for each of the jurisdictions?

**Ms Hawgood**—No, it is not, Senator.

**Senator PAYNE**—Okay. That is fine. Thank you.

**Ms Hawgood**—In South Australia, there will be 40 new houses in the APY lands this year, plus four of what they are calling transitional houses that will be built in the community to house people while their houses are being refurbished and will then be available longer term in the community.

**Senator PAYNE**—I am not sure that I understand that. Why are they not just new houses?

**Ms Hawgood**—They are going to build 40 new houses that people will go into straightaway on an ongoing basis, but they also are going to build four houses that will be available for people who are having their houses refurbished to go into while those refurbishments are being done. The likelihood, as we understand it from them, is that those houses will be mobile houses that will be able to be moved from community to community as there is a need with refurbishments.

**Senator PAYNE**—I see.

**Ms Hawgood**—But they will then stay in the APY lands and become public housing.

**Senator PAYNE**—Thank you for clarifying that.

**Ms Hawgood**—In South Australia they are scheduling 63 refurbishments this year. The Western Australian new construction target is 75. For refurbishments, their target is 150. They are optimistic that they may be able to do more than that—potentially around 170. In Tasmania, there will be two new house constructions and 12 refurbishments.

**Senator PAYNE**—That is for the 2009-10 year?

**Ms Hawgood**—That is for the 2009-10 year.

**Senator PAYNE**—Are there any figures further ahead of that? You have not gone beyond that? It does not matter if you have not. I am just asking.

**Dr Harmer**—I do not think we have.

**Ms Hawgood**—I am happy to take that on notice. We are in discussions about the five-year targets now.

**Senator PAYNE**—Sure.

**Ms Hawgood**—I am happy to take that on notice and come back to you.

**Senator PAYNE**—All right.

**Ms Hawgood**—I have some estimates, but I do not know that they are accurate enough yet to give you.

**Senator PAYNE**—All right. I appreciate that. Is it the intention to use the same sort of contracting model that you have used in the Northern Territory for SIHIP? Is it going to be an alliance model?

**Ms Hawgood**—Not necessarily. In fact, I am not sure that any jurisdiction is using that precise model. Most jurisdictions are talking about having a panel arrangement and then being able to use companies from that panel arrangement.

**Senator PAYNE**—What engagement does the Commonwealth have with the determination of the panel arrangement? What oversight and engagement does the Commonwealth have in this process?

**Ms Hawgood**—As Mr Tongue said earlier, one of the plans required under the implementation plan of the National Partnership Agreement is a procurement plan. That sets out the arrangements for each of the jurisdictions.

**Senator PAYNE**—Can you tell me what the Commonwealth's role is?

**Ms Hawgood**—We will monitor that along with a lot of the other plans as we go through the process.

**Senator PAYNE**—Monitoring did not go so well in the Northern Territory, so is there going to be a chance of any greater engagement than monitoring?

**Dr Harmer**—Yes, there is—

**Senator PAYNE**—Do we have double sound in here at the moment?

**CHAIR**—Yes, we do. We are checking that at the moment.

**Senator PAYNE**—Thank you.

**CHAIR**—It has just started and we will have to find out what is happening.

**Senator PAYNE**—That is fine. I was just trying to work out which conversation to listen to. Dr Harmer, can you say that again, please?

**Dr Harmer**—We are in the process of organising positions to put an additional senior housing person in either our office or the office of the state housing authority just to support the monitoring and the progress of these targets. We are jumping in. In the case of the figures you have been given by Ms Hawgood, the states have committed to meeting them, but Minister Macklin, on the back of experience in the Northern Territory, has determined that we get around in front of that and make sure it happens. So I am putting a senior person responsible for housing in each of the state offices, and probably will be working quite closely, in some cases, with the state housing authority.

**Senator PAYNE**—I appreciate that clarification, Dr Harmer. The reason I asked about the alliancing model was because I think that is what was suggested to me on the last occasion.

So what you have said to me is quite different from the answer I received on that occasion, I think.

**Dr Harmer**—It is probably because at that stage they had not made a decision about which model they were going to use. It could be, because that was before the beginning of the year.

**Ms Hawgood**—It is true that some jurisdictions were considering the alliance model earlier on.

**Senator PAYNE**—Yes, but have they changed their minds?

**Ms Hawgood**—They have tended to move to the other model.

**Senator PAYNE**—Okay.

**Dr Harmer**—One of the possible reasons is that there is a vastly different scale.

**Senator PAYNE**—Or that they did not want to get it written up in the *Australian*!

**Dr Harmer**—I think the alliance model will prove to be a very good model, but there is a very different scale and a different capacity by the building industry in the other states and territories too.

**Senator PAYNE**—In part, I agree with that. I am not sure that that applies across all of the states and territories, given some of the challenges in Western Australia, for example, and Queensland in terms of where I assume construction is proposed—which is in fact my next question, Ms Hawgood. In the breakdown that you have given me for the new and refurbished dwellings in those five states, can you also provide me with details of what area those constructions are proposed for?

**Ms Hawgood**—I can for 2009-10, yes. It is quite a long list.

**Senator PAYNE**—Can you table it?

**Ms Hawgood**—I could.

**Senator PAYNE**—If you table it, that might be helpful to the committee.

**Ms Hawgood**—I am just tabling it now.

**Dr Harmer**—I just want to have a look. Yes, we will table that.

**Senator PAYNE**—I understand, Dr Harmer.

**Senator Ludwig**—We might have a look at it and then provide it after the break, Senator Payne.

**Senator PAYNE**—Thank you, Minister. I did not want to take the committee through all of those locations. The implementation plans for these are available on the website, are they not?

**Ms Hawgood**—Not yet.

**Senator PAYNE**—When will they be?

**Ms Hawgood**—We do not have date. We expect it to be in the very near future.

**Senator PAYNE**—Before the end of the year?

**Ms Hawgood**—I would expect so.



**Senator PAYNE**—All right. Thank you very much.

**Senator SIEWERT**—Yesterday in estimates my colleague Senator Ludlam raised issues around Jigalong. Dr Harmer, we were asked to ask those questions today, which hopefully gave you a little bit of time to follow up on the questions that Senator Ludlam was asking.

**Dr Harmer**—Senator, can you remind me of the question again?

**Senator SIEWERT**—The Jigalong issue particularly was about the fact that people were trying to move out of communities around Laverton, for example, and move back to the community at Jigalong. Jigalong is a dry community, and people are trying to get away from Laverton. With all of Laverton's problems associated with alcohol, they wanted to move to a dry community, and there are huge issues of overcrowding et cetera.

**Dr Harmer**—Okay. I remember.

**Ms Hawgood**—I have some information on that, Senator. In Jigalong, the Western Australia government will build five houses by June 2010. I should say that they are going to be houses that are more for older people but they will be there by the end of the financial year. They are also at this stage proposing over the life of the NP, which is 10 years, to build 15 houses but not until 2017-18.

**Senator SIEWERT**—As somebody just said here, that is quite a long way away and the problem is very immediate, and it is about communities and families trying to address the underlying causes of some of the disadvantage. It seems to me that providing houses by that date is quite a long way down the track.

**Ms Hawgood**—I appreciate that, but I think probably many remote communities in WA would say the same thing. So the program of works has been done across a large number of communities in WA. I am happy to have some further discussions with WA about this particular issue. I was not able to do that when I realised this issue had been yesterday. But I am happy to take that on notice and come back with more information to you.

**Senator SIEWERT**—Thank you. The other issue is one that I am sure Senator Adams will want to raise when we discuss the Kimberley. It reiterates an issue that you are probably aware of—the gross overcrowding issue in the Kimberley and how we are going to address it. I will not get you to go through the list now, but if you could provide on notice where houses are going and the time lines, that would be greatly appreciated.

**Ms Hawgood**—I could do that for the Kimberleys, Senator, for at least the next four to five years. I can give you confirmation of that on notice this year and I will do what I can in relation to the next four to five years.

**Senator SIEWERT**—If you could do the out years, that would be really appreciated.

**Senator PAYNE**—Just before we go off the NPA, I wanted to ask what guidelines there are in the implementation plans in relation to community consultation in each of the jurisdictions. Are they specified?

**Ms Hawgood**—Again, that is the subject of another plan.

**Senator PAYNE**—Another plan?

**Ms Hawgood**—Another engagement and consultation plan. In each of those plans, the jurisdictions are required to spell out how those engagement and consultation processes will work.

**Senator PAYNE**—Can we have a copy of the plans?

**Ms Hawgood**—Again, I think we would need to ask the jurisdictions.

**Dr Harmer**—It is the same answer as before. We have a plan that was not intended to be made public; it is like one of the agreements. It is a matter between the New South Wales minister and Minister Macklin. As long as they both agree, we will make it available, but we need to ask.

**Senator PAYNE**—Okay.

**Ms Hawgood**—And I should add that some of those are still being finalised.

**Senator PAYNE**—I would appreciate as much information as can be provided to the committee, thank you. Madam Chair, that concludes questions I have at the moment on the NPA. I know Senator Macdonald has some questions on Indigenous housing in Queensland.

**Senator IAN MACDONALD**—Thank you. It is about Queensland housing. Of course housing in remote Queensland is very dependent upon activity in those areas. I just wonder as a general part of the housing in Cape York if someone could tell me whether the Commonwealth department has an attitude? Does it have an involvement or attitude to proposals for wild rivers legislation, which is Queensland legislation, but which Indigenous people in Cape York are furious about, as you see reported in the papers. Again from Queensland but requiring Commonwealth involvement are proposals into World Heritage listing for Cape York. Does the department have a view, a comment or an involvement in that in view of the very severe impact that will have on Indigenous people, their lifestyle, their futures in Cape York and consequently their housing and other needs?

**Dr Harmer**—The Commonwealth probably has a view but it would be more appropriate coming from the environment department about the wild rivers legislation and the heritage stuff. We have a very keen interest in the four Cape York welfare reform trial sites, though, I can assure you. We have people in there. There are also sites that will be part of the Australian government-Queensland government remote service delivery priority locations for activity over the next five years in the National Partnership. We keep in very close contact with those four communities in the cape.

I personally am on the board of the Family Responsibilities Commission with Ken Smith, who is the head of the Premier's department in Queensland, and Mr Noel Pearson, who is a senior Indigenous leader from the Cape York Institute for Policy and Leadership. We are in regular contact. I know the strength of feeling of Aboriginal people in that community. So far I think it is fair to say that I do not think we believe there has been any negative impact on our activities. Ms Hawgood may have better information.

**Ms Hawgood**—Dr Harmer, that is correct; not at this point.

**Senator IAN MACDONALD**—You cannot fail to see Noel Pearson in particular, but other Indigenous leaders too, angry at both the wild rivers and the proposed heritage because it takes away the future of Indigenous people in Cape York. I just thought perhaps the

Commonwealth department or the Commonwealth government might have a view either that Mr Pearson is over the top and not accurate or that there is a genuine concern there. I appreciate the jurisdictional issues.

**Dr Harmer**—It is not really an issue for this department. We are aware of the issue. We understand the sensitivity but we would be well out of our depth of responsibility in making comments on that.

**Senator IAN MACDONALD**—Okay. I will just very briefly mention another matter at Laura. I am pretty certain I have written to Ms Macklin about the issue with the cultural centre in Laura. Is there anyone here that could elucidate that? It was built with a lot of Commonwealth money. Unfortunately through whoever's fault, which is not relevant I guess, we did not get the lease fixed up. Now the Gngangara people are not giving a lease and there is a huge brawl there. This may or may not be the right place in which to raise this, but are you aware of the issue? Is there any light at the end of the tunnel?

**Ms Hawgood**—I am broadly aware of the issues but not enough to go into the details. I would need to take any questions you have on notice.

**Senator IAN MACDONALD**—Yes. I think I have written to the minister. Again, it is a difficult situation between the board of the cultural centre, which was funded with quite substantial Commonwealth money, and the local people. It also involves housing trusts around Laura as well. Perhaps you could just take on notice this question: where is it all at from the Commonwealth's point of view? You might find that there are letters from me around the minister's office that perhaps it would be useful to be answered. They are all the questions I have, thank you.

**Senator PAYNE**—I will put my questions on notice because I know Senator Siewert wants to talk about the leases.

**Senator SIEWERT**—Thank you. Can I ask about where we are up to for the Alice Springs lease negotiations, please?

**Ms Edwards**—I think when we discussed this at some length at the last estimates in June the lease had been rejected by the Tangentyere council and the housing association. The minister had indicated a preparedness to consider compulsory acquisition and we were in the middle of that process. That was a process that was due to expire in terms of notice in the first week of August.

On 29 July, the minister was happy to announce that leases had been agreed in relation to 16 of the 18 town camps and steps were being taken quickly to finalise those leases in anticipation of the commencement of works early in August. Senator, you would be aware the legal action was commenced by a number of town camp residents shortly after that time, bringing an action which sought to restrain both the execution of those agreed leases and any decision as to compulsory acquisition. Interim injunctions were obtained pending the resolution of a hearing of the full proceeding on those issues. The hearing was held on 31 August and 1 September and we are eagerly awaiting a decision.

In the meantime, we had to abandon plans to commence work in the Little Sisters camp and elsewhere in early August. I continue to be ready to do those the moment we are able to

do so, should the court decision allow either the leases or any consideration of a compulsory acquisition to proceed. In the meantime, a lot of work has been put into the other elements of the Alice Springs transformation plan. You would recall that the \$100 million for the camps was a very important element, not the only one. Recently the minister announced together with the Northern Territory government three temporary and managed accommodation projects in Alice Springs which are part of the transformation plan to provide 97—close to 100—new beds for a variety of visitors or managed accommodation at three different locations.

There is also very advanced work that has been going on at a couple of sites to have an additional managed accommodation facility. Of course, all of these projects are proceeding in collaboration with the Northern Territory government as a joint project but also have regard to the views of a high-level steering committee, which has been appointed. A lot of work is also proceeding in relation to the social services aspect of the plan in order to ascertain exactly what gaps there are in services for Aboriginal visitors and people in Alice Springs, particularly those at risk of homelessness and suffering concerns with alcohol and other issues. There are two really important issues that are happening already. One is a very intense case management project being done by Centrelink; it is basically sure that we know exactly what situation people are in and making sure we are actually identifying the real gaps that need to be filled. The communities for children project is also happening in Alice Springs as a new site. The tenders for that are out and are expected to be let later this year.

One of the other things that the department and the government are looking at closely is dog control in the Alice Springs town camps. You would be aware that there is an inquest proceeding at the moment in relation to two very distressing deaths which involved dogs, either pre or post mortem, in the camps and that the Commonwealth had stepped in to provide some funding to the Alice Springs Town Council for a program. The minister is now considering a continuation of that program. We are hoping a decision on that issue is imminent.

**Senator SIEWERT**—Thank you. I will ask some questions very quickly in the time I have left. Could you tell me when the steering committee was formed and who is on it?

**Ms Edwards**—Yes. It was formed at a time very shortly after the transformation plan was announced, which I think was 2 May this year. It involves Northern Territory and Commonwealth officials but also the Alice Springs Town Council, the Lhere Artepe Aboriginal Corporation, which represents the native title holders of Alice Springs, and the Tangentyere Council. It also has a lot of involvement with other relevant organisations in Alice Springs who may provide information from time to time.

**Senator SIEWERT**—Thank you. You mentioned the three locations for the temporary accommodation. How did you make the decision on those locations?

**Ms Edwards**—These were projects under the Nation Building Economic Stimulus Plan.

**Senator SIEWERT**—Okay.

**Ms Edwards**—So it was done within that process, so you will forgive me if I am not totally across every detail. But I think—and Mr Tongue may be able to help me—it is similar

to the other projects under that partnership with regard to proposals submitted by the Northern Territory government and considered by, I believe in this instance, Minister Plibersek.

**Senator SIEWERT**—Senator Scullion knows more about this than I do, but you will be aware that there have been ongoing concerns about location of temporary accommodation in Alice Springs.

**Ms Edwards**—Yes.

**Senator SIEWERT**—Have those issues been resolved for these locations?

**Ms Edwards**—Depending a little on exactly which issues you are talking about. I suspect the ones that Senator Scullion raised with me last time were to do with a lot of controversy several years ago about a proposed temporary accommodation. There were two potential sites in Alice Springs and a lot of community concern. These projects are not actually a follow-on from that issue. That is the additional managed accommodation which is now being looked at again.

**Senator SIEWERT**—Okay.

**Ms Edwards**—We think that, of those two sites, the one which caused the major concern—I think there were sacred sites issues as well—is no longer being considered. The other site, the Tyeweretye Club, is still in contention, but it is not the only site in contention and very great attention has been given to exactly the community concerns that were expressed last time. At this stage we think there is less concern about this issue than there was then, but it certainly is something that we are watching carefully.

**Senator SCULLION**—What were the three locations?

**Ms Edwards**—The three locations under the Nation Building Stimulus Plan partnership—whose name alludes me—were in relation to the refurbishment of the Lodge, which is unused and is being refurbished to have 40 new beds for renal patients; a new facility at Connellan, which is just south of the Gap, to accommodate up to 49 people; and an extension of the existing Salvation Army facility.

**Senator SIEWERT**—They are the stimulus ones?

**Ms Edwards**—They are the stimulus ones.

**Senator SIEWERT**—And the second lot of managed accommodation is going back to the discussions that you have held previously.

**Ms Edwards**—Similar. The model is now looking at permanent accommodation and permanent arrangements, but looking at similar sites and working through those issues. At the time the transformation plan was announced there was \$25 million set aside for social services, which is where I mentioned we are getting that; there was \$11 million provided for the managed accommodation, which is the one we are looking at at the Tyeweretye Club and elsewhere; and there are additional amounts of moneys—no amount is specified, because contracting obviously is going ahead out of the economic stimulus package—and that relates to those three new projects.

**Senator SIEWERT**—Okay.

**Ms Edwards**—So the \$138 billion transformation plan is actually much larger.

**Senator SIEWERT**—I know I am about to get pinged, but I just want to ask about the community for children. You said there is a new site in Alice.

**Ms Edwards**—Alice itself is nominated as the site.

**Senator SIEWERT**—It is the new site.

**Ms Edwards**—That is right.

**Senator SIEWERT**—You are calling for tenders for running that program.

**Senator SCULLION**—Madam Chair, I wonder if I could put one last question on notice?

**CHAIR**—No, Senator Scullion. You can only put it on notice.

**Senator SCULLION**—Just as a point of clarification, I thought it might be useful if Dr Harmer may be able to answer it just straightaway. It is a very small point of clarification. It is just that we will be moving away from this area—if I could, Madam Chair.

**CHAIR**—Dr Harmer?

**Senator SCULLION**—Thank you. Dr Harmer, I am not sure if it is 11.4 per cent or the eight per cent, depending when it happened, but it provided the management arrangements for the Northern Territory government. Could you tell me if they were required to pay the consultants from that, or was that actually taken out of the larger SIHIP process?

**Dr Harmer**—We should be able to give that to you after the break.

**Senator SCULLION**—Thank you.

**Dr Harmer**—I can give it to you then.

**Senator SCULLION**—Thank you very much. Thank you, Madam Chair.

**Dr Harmer**—I am sorry to do this, but I just want to make sure that my comment about the importance of leasing for the protection of the property was not misunderstood.

**CHAIR**—Yes.

**Dr Harmer**—I did not mean to imply, although I think I may have, when Senator Siewert asked. It is clear that the secure tenure over the site is also important for the enforceable tenancy agreement. So there is a link between the leases and the tenancy agreements as well as securing the tenure. Thank you.

**CHAIR**—Thank you, Dr Harmer. That concludes the morning session. I thank the officers for their participation and their attendance.

**Proceedings suspended from 11.06 am until 11.20 am.**

**CHAIR**—We will reconvene to look at the second list of items we have on the agenda. The first issue is the National Indigenous Representative Body. Senator Payne has questions in relation to that area.

**Senator PAYNE**—I would like to begin with the Blank Page Summit, if I might. Do we have the right officers? I thought perhaps Senator Siewert might have questions on the representative body, so I did not want to begin those while she was not in the room.

**CHAIR**—I do apologise. I called the wrong one.

**Senator PAYNE**—No, no. I should be the one apologising. I wonder if the officers could advise me what contact, engagement, involvement, support or any other aspects of the relationship the department or the government had with the Blank Page Summit, which was held in Western Australia in late July this year.

**Ms Curran**—In terms of actual participation in the summit, I believe there would have been a representative from our department at the summit.

**Senator PAYNE**—You believe there would have been, or there was?

**Ms Curran**—I believe that there was. I actually do not know for sure, I am sorry, but we have been working with the community as a department following the summit.

**Senator PAYNE**—Dr Harmer, given that was on the list for today—

**Dr Harmer**—Would you like me to answer that?

**Senator PAYNE**—why would you not be able to tell me?

**Dr Harmer**—We will get you an answer during the time. I am pretty sure there was someone there, but Ms Curran is not just—

**Ms Curran**—I do not want to mislead the committee.

**Senator PAYNE**—I appreciate that. That is important.

**Ms Curran**—We have just confirmed Richard Aspinall was there at the summit, and health was there as well.

**Senator PAYNE**—Thank you very much. Was any funding extended from your department to the operation of the summit?

**Ms Curran**—No.

**Senator PAYNE**—Do you know if there was any funding extended otherwise from the Commonwealth to the operation of the summit?

**Mr Thomann**—Yes, Senator. We provided \$20,000 for the production of the DVD.

**Senator PAYNE**—That is health?

**Mr Thomann**—Yes, health provided \$20,000 for the production of the DVD of the event.

**Senator PAYNE**—Is that the only federal government funding of which you are aware to the summit?

**Mr Thomann**—I am only aware of our funding.

**Dr Harmer**—I am not aware of any other.

**Senator PAYNE**—Thank you very much. Did the federal departments have any conversation, discussion or engagement with the Western Australian government on the operation of the summit?

**Ms Curran**—I imagine they would.

**Dr Harmer**—Ms Curran has just said she imagines they would. So do I. I imagine they would, but I do not know for sure. We could take that on notice if you like. It is hard to

imagine that we would have been involved in something like that in a community in Western Australia without some involvement with Western Australian government people.

**Senator PAYNE**—Could you take that on notice?

**Dr Harmer**—Sure.

**Senator PAYNE**—Could you also take on notice for me, Dr Harmer and Mr Thomann, the costs of attendance of any representatives of the departments. Did health have a representative there as well?

**Mr Thomann**—We had a representative, Senator.

**Senator PAYNE**—Do you know who that was?

**Mr Thomann**—Yes, I know who that was. That was the director of our OATSIH area in our Western Australian office.

**Dr Harmer**—Senator, our person was our ICC manager in Broome, so it would not have been a big distance to travel.

**Senator PAYNE**—No; quite. But an estimate or an indication of those costs would be helpful. One of the reasons that I have raised these questions is because—while absolutely acknowledging the great importance of the summit itself and most particularly of the work of the coroner in Western Australia in the lead-up to the holding of the summit, and also particularly the members of the community who had the motivation, commitment and engagement after their own tragic circumstances to pursue this—it has been raised with me in the course of doing my job that there were concerns about people who were not able to attend; whose applications for attendance were rejected, and so on.

There was some concern that the federal government may have been supporting an activity with not insignificant amounts of money—\$20,000 for a DVD is not a small amount of money and there were two officers, at least, in attendance—for an event around which there are some concerns. That is what has prompted me to raise these issues. Did the federal officials attending have to pay the cost of registration, which I understand was about \$2,450?

**Dr Harmer**—Senator, I do not know the answer to that but I can get you an answer to that fairly quickly.

**Senator PAYNE**—Thank you.

**Dr Harmer**—Given I have the floor, I was not aware of significant concerns about that event—certainly not from my people. So I do not know.

**Senator PAYNE**—They have been raised with me by individuals and community organisations who I think were very keen to be supportive and engaged and to have the opportunity to attend, but they may have felt themselves to be less than welcome and in some cases excluded.

**Dr Harmer**—I was not aware of that.

**Senator PAYNE**—Thank you. I appreciate any further information you can provide me in relation to the Commonwealth's contact. Were reports provided to either of the departments



by those officials who attended? If they were, could the committee possibly have a copy of those?

**Dr Harmer**—I think it is quite unlikely, from our perspective that the ICC manager, who just travelled down from Broome for the day primarily to support our minister, who attended, would have written a report on such an event. I will check, but I should say it is quite unlikely. I do know that he gave me an oral report when I was over there in Broome and in Beagle Bay about three weeks ago. That is why I was reasonably confident in saying I was not aware of the anxiety about it—because he did not report that.

**Senator PAYNE**—I suspect that was because it was from people who were not there.

**Dr Harmer**—Indeed. Probably.

**Senator PAYNE**—It would be difficult for it to be passed on.

**Ms Curran**—Senator, as you know, there was a communique issued after the summit.

**Senator PAYNE**—Yes.

**Ms Curran**—So there is work being done at a cross-agency level about the three elements of that communique. That will be reflected in the local implementation plans for the RSV sites in that area. That is the mechanism by which information is being shared about what arose in the summit and then engagement more generally with people across the area going forward. If there were specific concerns about attendance or perceived exclusion of organisations, perhaps one way forward is for them to contact the regional operations centre or the ICC and make themselves known to Commonwealth officials.

**Senator PAYNE**—All right. I appreciate that advice, Ms Curran. In terms of the ongoing work, if there any update you can provide to the committee and work of either FaHCSIA or DOHA in relation to the decisions taken at the summit, the communique and whatever plans are in place, we would appreciate that information as well. I once again reinforce that I am not criticising or diminishing in any way the importance of the summit and the issues with which it dealt—not in any way.

**Dr Harmer**—Sure.

**Senator PAYNE**—Thank you. Thanks, Madam Chair.

[11.28 am]

**CHAIR**—We will move on to the National Indigenous Representative Body?

**Senator SIEWERT**—If we could have an update of where we are up to on the representative body that would be appreciated, as well as the commitment of resources available to complete the process.

**Ms Tim**—Senators, you will be aware that the report was completed at the end of August. The report is currently under consideration by the government.

**Senator SIEWERT**—Yes.

**Ms Tim**—It made a number of recommendations, including the role of the steering committee, towards the end of the year. So we are awaiting the government's decision on that.

**Senator SIEWERT**—How soon do you expect that? Is there a time line on when you are expecting the government's decision?

**Mr Yates**—Senator, no; we do not have a definite time line.

**Senator SIEWERT**—Okay. I will push my luck and ask: do you think it will be by the end of the year?

**Dr Harmer**—Senator, you can push your luck!

**Senator SIEWERT**—But I am not going to get anywhere! Could you outline any resources that are available for the process from here?

**Ms Tim**—The report recommends the funding process. Again, I can take you through that recommendation, but we are waiting for the government's decision on that.

**Senator SIEWERT**—The report makes some recommendations. Has the government earmarked money for implementation, for want of a better word?

**Ms Tim**—That is under consideration by the government at the moment.

**Senator SIEWERT**—Okay, Thank you.

**Senator PAYNE**—A number of those were similar to questions that I had, although I was not sure whether I heard Senator Siewert ask if the government is actually making a formal response in a parliamentary sense or in any other way.

**Dr Harmer**—I do not think we know yet exactly how the government will respond to the report. It would be unwise for us to comment. I do not think they have made a decision about exactly how they are going to respond.

**Senator PAYNE**—The *Hansard* suggests that, I think optimistically on the last occasion, Mr Yates, you might have been hoping that this was going to be operational by the end of this calendar year.

**Dr Harmer**—He is also an optimist.

**Senator PAYNE**—I understand that he is also a glass-half-full person. I understand that. But I imagine, given the discussions we have just had and the fact that we continue to await the government's response, that that timetable might be slightly different now.

**Dr Harmer**—We cannot say anything more than the fact that the government has the report, they are considering it and we await the outcome of that consideration.

**Senator PAYNE**—I think on the last occasion you provided me with a breakdown of costs for the first phase consultation and the second phase consultation. In the answer to the second sum in the question on notice you said an itemised breakdown was not yet available of the amount expended by the Australian Human Rights Commission. Is that available yet?

**Ms Tim**—No, Senator. Under our standard term of conditions, as part of our funding agreement, they will provide that to us when they acquit the grant.

**Senator PAYNE**—When should that be, Ms Tim?

**Ms Tim**—We think that will be either the end of this month or early next month. It is due soon. I can take you through the kinds of things they have spent it on, but we would need to confirm the allocation of the budget against the acquitted grant.

**Senator PAYNE**—If it is due soon, then in terms of the time in which answers to questions on notice are due, perhaps I could place on notice again a request to have that itemised breakdown provided to the committee.

**Ms Tim**—Yes.

**Senator PAYNE**—Thank you.

**CHAIR**—We now move on to the Northern Territory response. Thank you, officers.

**Senator ADAMS**—I would like to start on the position of the commander of the Northern Territory Emergency Response, Mr Mike Zissler. Did his contract finish or did he resign?

**Dr Harmer**—His contract finished. He was employed on a fixed-term contract. That was deliberate because there were lots of things happening in the space that meant we are transitioning from the need for a specific operations commander to a more normal business to run the emergency response. I would like to put on record that he did a great job while he was there. There has been some speculation about why he left. He left because the contract was terminated as it was intended to be. So, he did the job that we asked of him for the period he was required to do so.

**Senator ADAMS**—So it was only six months?

**Dr Harmer**—Yes. It was actually less than six months, I think.

**Senator ADAMS**—I think it was less than six months. That is the reason I asked.

**Dr Harmer**—He took over from Major General David Chalmers and took us through to the end of the year. The department had committed to fund it through to the end of that year. We were given funding for the operations centre for only one year. We continued on for the second year because it was an important part of the transition. We are have now transitioned into the new stage.

**Senator ADAMS**—Who is in charge of the new stage?

**Dr Harmer**—Northern Territory state manager. As you would know, we now have a coordinator general appointed for this year who is looking at the remote service delivery activities. As you know, many of those are in the Northern Territory.

**Senator ADAMS**—I note in your report on closing the gap, which we received just last evening, that you are doing an annual survey of the general business managers.

**Dr Harmer**—I apologise that you did not get that earlier. That is an important document and I know you like to get it. I apologise that it was late.

**Senator ADAMS**—It is good to have it now, but unfortunately I have not been able to get through the whole document. You say that surveys of government business managers are undertaken annually. How many have been in place for a year and would be surveyed?

**Mr Yates**—We would have to take that on notice to provide the specifics because there will be some turnover through the course of a year and there will be new GBMs put in place.

We would have to have the details of their term with us to be able to say how many will have been with us for a year. But it would be the overwhelming majority.

**Dr Harmer**—The major will have been with us for a year.

**Senator ADAMS**—Do you have the results of the survey now?

**Mr James**—Yes, we do have the results and a report from the consultants who did the survey for us. It was an online survey that government business managers responded to. We have not had a chance to review the report. We need to check the accuracy of it and make sure it is written up in an understandable way and that sort of thing. We are looking at putting it out in the next couple of weeks.

**Senator ADAMS**—Thank you. So the committee will be able to get a copy of it. You state that between January 2009 and June 2009 there were 59 GBMs servicing 72 communities. How many general business managers do you have currently?

**Ms Moody**—As at 30 September, there were 61 government business managers servicing the 73 prescribed communities and town camp areas in Darwin, Katherine and Alice Springs.

**Senator ADAMS**—So they are increasing, not decreasing. That is good.

**Dr Harmer**—We are finding that the government business manager is a very important concept.

**Senator ADAMS**—I am sure it is. We are finding in the communities that we have visited recently that they are being accepted far better than they were 12 months ago when we visited. They are certainly fitting in a lot better than they were.

**Dr Harmer**—I think what is helping a lot is that with many of them now we have Indigenous engagement officers, who are locally employed Aboriginal people, working with the government business manager. I think that has made quite a difference.

**Senator ADAMS**—I am sure it has, especially with interpreting local conditions. I would like to go now to the youth diversion projects. In your report you state that from June 2008 to June 2009 there were 61 youth diversion projects implemented, and then from January to June of this year there were 33 youth diversion projects implemented. Are those 61 still going and are the 33 in addition to that, or have we dropped to 33?

**Ms Moody**—There is a range of different projects in this space.

**Dr Harmer**—What page is that?

**Senator ADAMS**—It is page 12 of the overview of measures—part 1.

**Ms Moody**—I read that as an overlapping number.

**Senator ADAMS**—I hope it is.

**Ms Moody**—That is, the 33 were part of the 61 from the dates.

**Senator ADAMS**—I do not read it that way. You state that 61 youth diversion projects were implemented and then in the January to June period, 33 were implemented. Hopefully that would be added on to the 61.

**Ms Moody**—I will need to check the dates because the two date periods actually overlap.

**Senator SIEWERT**—Would not some of those be the short-term holiday programs?

**Senator ADAMS**—They do, too.

**Ms Moody**—Some of them would be short-term holiday programs. Last financial year and the year before we had single-year funding for a number of the NTR measures, including this one. As a result, there were a lot of short-term things. We have now moved into a period of having three-year funding and we are actually working and have recently just approved a series of project or programs that will cover the next three years. With funding over the three years, we are now moving into a longer-term situation with the program. I will confirm for you on notice if the two numbers are added together or if one is a subset of the other.

**Senator ADAMS**—Our experience with this committee and the Select Committee on Regional and Remote Indigenous Communities indicate that youth diversionary projects are absolutely essential. I would hate to see them diminishing. Regarding night patrols, page 13 of the part 1 report states that on 30 June there were 80 active night patrols and 72 emergency response communities. But it also states that from 1 January to 31 March 2009 the total number of people transported was approximately 39,000. That is an awful lot of people to be transported in three months.

**Mr Yates**—We will need to take that on notice and refer it to the Attorney-General's Department personnel, who had been advised by the secretariat that they would not be required.

**CHAIR**—That is true. But this is a follow-up question on your report.

**Mr Yates**—We would be happy to refer those questions to them.

**Dr Harmer**—They will be right people. This is a straightforward matter, so we will refer that to them.

**Senator ADAMS**—It may be a typo. They do a great job, but I do not know that they would be doing it quite as well as that.

**Dr Harmer**—I think it may be a typo.

**Senator ADAMS**—Are you going to answer questions on health? I am referring to page 10.

**Dr Harmer**—We have some senior officials from the Department of Health and Ageing here.

**Senator ADAMS**—Thank you. There have been 1,556 audiology checks provided to 1,208 children. I would like to know about the results of those checks. Also, how many have seen a specialist? I am referring to part 1, section 3, 'Key information—improving child and family health'.

**Mr Thomann**—Are you asking for the results of the specialist intervention?

**Senator ADAMS**—No. It states that 1,208 children have had checks, but they would probably have had to have two or three. I would like to know what main issues found and whether these children have had access to specialists.

**Ms Savage**—You are referring to the monitoring report about the 1,556 audiology checks provided to 1,208 children.

**Senator ADAMS**—That is right.

**Ms Savage**—I do not have particular numbers in terms of the more detailed analysis of that. But I can make some comment about the children who have had audiology checks—and in some cases more than one, depending on their treatment regime—and the number of surgeries that have occurred in the Northern Territory. Audiology checks continue, as does the availability of surgery for those children. A detailed analysis and categorisation of individual's treatment regimes is a bit difficult for us to provide at present. On the hearing services provided in the Northern Territory, there have been 1,869 ear, nose and throat outreach consultations; 416 ENT hospital consultations and 342 ENT surgical procedures provided. As you would appreciate, audiology is part of, firstly, primary health care. It involves checking children's ears, referral to an audiologist, an audiology report, a report to a specialist for review, the ENT consultation and subsequently the treatment prescribed by the ENT practitioner.

**Senator ADAMS**—I do not want to take up too much time. Would you be able to provide the committee specifically with the types of ear and hearing problems that have been discovered? I am asking because this committee is doing an inquiry into hearing services at the moment.

**Ms Savage**—Of course.

**Senator ADAMS**—This would really help, because it would give us another overview of hearing difficulties.

**Ms Savage**—I can provide a bit of a summary if time permits.

**Senator ADAMS**—Yes.

**Ms Savage**—As at 29 June 2009, 42 per cent of children with a referral for audiology have been seen. Many children who did not necessarily have a child health check referral have also been seen. A total of 4,495 occasions of service have been provided. This will increase the numbers from those in the monitoring report due to the different reporting periods. We have had 3,165 children receive occasions of service. We know that 57 per cent of children with an ENT referral have been referred on as a result of a child health check. There has been infrastructure in the form of hearing booths provided, and these have aided the availability of audiology.

**Senator ADAMS**—On the infrastructure, does FaHCSIA provide any money to schools for their special audio classrooms or for the aids that the teachers wear in this respect?

**Dr Harmer**—FaHCSIA does not. Ms Savage is from the Department of Health and Ageing.

**Mr Thomann**—We would have to ask our DEEWR colleagues as to whether they provided any funding for that purpose.

**Senator ADAMS**—It was purely related to FaHCSIA. I can find that out later.

**Ms Savage**—There is a process through the Office of Hearing Services in the health department. My colleagues from that division are not here, but I can say that as part of the Australian Hearing Services provision, the audiologists who undertake tests, certainly in remote communities, make hearing aids available to eligible children under the Australian Hearing Specialist Program for Indigenous Australians.

**Senator ADAMS**—We have found from other evidence that unfortunately Indigenous children do not like wearing their hearing aids, so the schools are having to go to other measures. There was the reason for my question.

**Senator SCULLION**—I have a couple of similar questions in terms of numbers. As a result of the intervention, how many Indigenous Australians in the Northern Territory have been identified as in need of dental treatment?

**Mr Thomann**—In terms of the intervention, are we talking about children?

**Senator SCULLION**—Let us start there, because it was a specific process as part of the intervention.

**Ms Savage**—In terms of oral health, the demand has been quite high and there have been significant numbers of referrals from child health checks, with 5,106 dental services having been provided at this point to 3,363 children, resulting in 38 per cent of the children who received a dental referral being seen at least once.

**Senator SCULLION**—So 38 per cent of children who were identified as having a dental problem have had treatment?

**Ms Savage**—They have had at least one treatment, right. Those dental services continue.

**Senator SCULLION**—What is happening with the remainder? A large proportion of people have been identified as needing some oral health care. What is happening to them and why have they not had any action taken yet, given that they have been identified?

**Ms Savage**—In the last federal budget, funding was provided for this year and the following two years for dental services. We continue to fund, as a major provider of those dental services, the Department of Health and Families in the Northern Territory and a small number of AMSs that have the necessary dental infrastructure. Referrals continue to be monitored and we collect that data. We are providing you with the latest data we have available that has been verified. We continue to provide those services both through the Department of Health and Families and the small number of AMSs that, as I said, have infrastructure. The provision of service continues to be available for those children who have had child health checks and where dental has been identified as a priority.

**Senator SCULLION**—I appreciate what you say about the numbers. That was the last time you could actually verify those numbers. My concern is that 62 per cent of Aboriginal children living in the intervention area have been identified with an oral health issue of some form and have not yet visited someone and had that fixed. I am looking to what that may be. I acknowledge that it is a very different area. Is this because it is a follow-up issue or because there are potentially no facilities in their community or they have not been visited yet? Can you try to encapsulate that? That is a pretty horrific number. How long has it been since the original health checks were conducted?

**Ms Savage**—We commenced the health checks on 10 July 2007. Dental services continue to roll out. You are quite right, Senator, there is a range of issues, particularly in the provision of a fairly specialised service particularly in remote communities. Firstly, there are issues of fixed infrastructure in communities. Over the life of the intervention up until now we have provided mobile dental services—mobile vans—and have bolstered and/or repaired existing infrastructure that was not in use because of technology or issues associated with outdated dental equipment. Where there were dental facilities, albeit very basic, we have updated those and we have provided mobile dental vans.

**Senator SCULLION**—I noticed the mobile Indigenous dental service budget. Has that been fully expended? How many units did we get from that?

**Ms Savage**—I think you are referring to the specific \$11-million measure in the federal budget. I cannot give you a complete update on that. That is actually managed by another division. We can certainly take that on notice.

**Senator SCULLION**—I am more interested in how many dental units we have out there. Where it comes from is not so much the problem.

**Ms Savage**—I do not have an exact audit of all of them available here, but we can certainly give you that information about fixed services.

**Senator SCULLION**—Perhaps on notice you can provide us with where that came from and how much of the budget line—I think it was the \$11 million; I cannot recall—for mobile Indigenous dental services has been expended.

**Mr Thomann**—The \$11 million over four years was a measure in the last budget. It is currently the subject of a consultancy process—

**Senator SCULLION**—Oh dear!

**Mr Thomann**—to identify areas for the deployment of those particular mobile arrangements. We are thinking of aligning with remote service delivery locations. That measure has not started to roll out.

**Senator SCULLION**—So the ones you are referring to are other mobile dental facilities that you have.

**Mr Thomann**—We are referring to the Northern Territory specific arrangements as a result of the Northern Territory emergency response follow-up. As Ms Savage explained, we have been rolling that out through the Northern Territory Department of Health and Families and through the capacity of some large Aboriginal medical services. We are necessarily constrained by the infrastructure and workforce constraints, which sadly is a recurring theme in the delivery of Indigenous health services. The government has made a commitment in the follow-up to the Northern Territory emergency response through this new \$131-million measure to continue to provide funding to those agencies for this year and another two years. The government recognises the scale of the problem and is committed to getting a 100 per cent completion rate.

**Senator SCULLION**—Mr Thomann, you can perhaps understand my cynicism. We have had this discussion before. The \$131 million is fantastic—big mobs of money. Sixty-two per cent of the children were looked at. It is now 18 months later. You look like a fine young



healthy specimen and perhaps you do not have bad teeth. These are not small issues; they involve pain and whole health. Eighteen months later we are not talking about building houses. One would have thought it is about basically getting a dentist, some equipment and a kid in the same room for a period of time. It does not seem particularly difficult to me. I am looking for something more specific than: 'We've got this budget and we're really moving heavily ahead.' Clearly, this is a monumental failure. I do not expect you to make a response to that, but, given that, do you have a specific strategy to ameliorate that? Clearly, if you had a KPI on this you would not say that a 62 per cent failure in having a very first meeting with a dentist is acceptable. No-one loves dentists. They are fine people, but kids certainly do not like them very much. It is a fundamental element of expectation. Each person in that 62 per cent demographic have had an expectation that, because they have been referred, their teeth will get fixed. Over two and a half years ago, a huge number of kids were told: 'We're going to fix your teeth.'

It is a difficult question, but I need more certainty than a story about there being a budget or money coming. We have had a lot of the money and stuff. You might want to take this on notice. I am not trying to badger you. What are the particular blockages? You say it is difficult to get professionals in the bush, and I acknowledge that. Perhaps you can give us a little scoping document about what the real blockages are, line by line, and explain what you are doing at the moment to deal with that. I am not sure whether you have a KPI with regard to these matters, because they are all measurable. You might want to respond generally. If you cannot, I accept that you might want to take those questions on notice in that format.

**Dr Harmer**—Could I comment on that. To keep it in perspective, Mr Thomann has talked about funding being allocated for dental health, and we have done health checks. We could not accept that it is a monumental failure. In perspective, if you think about the last 10, 20 or 30 years, we have at least got some assessment about how many children in these remote communities need assistance. It appears that it might be taking longer than you would like, and probably longer than they would like, but at least we have some momentum and potential solutions to the problem in this space. I just want to put it in that context. We are in a very different space to where we were, say, five or 10 years ago.

**Senator SCULLION**—I know that I should start to be positive about this. But one of the things I have decided to do is to benchmark my Indigenous Australians against my kids, not say, 'We've got a bit of momentum and it's getting better.' I acknowledge how difficult it is, but I think it is important that we now start saying that something should happen once we have had a health check. If it is an issue, we can identify as a parliament that we simply do not have enough dentists there. For example, retired Defence Force dentists have an association and are dying to help. What is their role in this? I am sure that the government, having been able to identify some of the challenges, can focus on that. I accept what you are saying and I am trying not to be too negative about it, but I hope you understand that my philosophy is to provide a similar level of amenity.

**Ms Savage**—What we have been able to do over the past two years is actually to put in place the necessary infrastructure that allows the ramping up of services. We have also provided some flexibility with the provision of health professionals being recruited on a short-term basis through the remote area health corps to provide dentists to the Northern Territory. It

was slow to start. I think what we have been able to do is harness at least a much more substantial dental workforce and now have the infrastructure in place to roll out those services. I would expect that the rate of dental service provision to those children will continue, but the rate of reaching those children will continue now that a lot of that ground work—foundational work, if you like—has commenced.

**Senator SCULLION**—You would expect it now to increase at a geometric rate rather than the way it has in the past.

**Mr Thomann**—Senator, we welcome your scrutiny. We work in this area because we are also concerned about these health issues. As Dr Harmer suggested, we are starting from a deficit position. We have plans in place and we are confident that each time each time we come back to these hearings we can show progress against our indicators. That is quite different from the past. We have the data and the indicators and we will be able to show progress. We will certainly have advanced from the figure we have quoted today. Each time we sit down here we will be able to show progress and you will be able to see that progress.

**Senator SCULLION**—I am looking forward to that, Mr Thomann. As I said, perhaps you can deal with those areas in your answers to question on notice. We would like to know what plans you have. I know that the committee would be very interested to know about the physical mechanisms in terms of blockages—whether it is infrastructure, mobility or personnel. We were not sure about that, and I am sure you will have those in your plans. That will be very useful to us if you can have that on notice.

**Senator SIEWERT**—When you talk about indicators, I have notice generally throughout this report we are talking about numbers. Just because people have been checked does not mean their overall health is improving, even if they see a specialist. Seeing an audiologist does not mean your overall hearing is addressed. What I am interested is in looking at outcomes and indicators that provide those outcomes. For example, when we are talking about dentistry, yes, kids may have seen a dentist once or twice. We all know that you have to keep going back to dentists. Underlying dental hygiene is a huge issue that also needs to be addressed. I am interested not only in the area of dental hygiene but across all the health issues. What are you using in terms of outcomes and when are you going to start reporting against outcomes rather than numbers?

**Ms Savage**—The third progress report on child health checks, which is the numbers— notwithstanding the fact that you are talking impact—is set to be released later this year, in December. You will see the latest data. As you can appreciate, there are always data lags, too, in numbers. We have very much sought to provide data as it is available and to put it in the public domain. We have an evaluation currently underway. It will actually evaluate the impact of the child health check.

**Senator SIEWERT**—That is what I am looking for.

**Ms Savage**—We will also do a formative evaluation of the expanding health service delivery. That evaluation is currently under way.

**Senator SIEWERT**—When do you expect that to be available?

**Ms Savage**—We expect the evaluation design shortly. As you would appreciate, it is a very complex area as an evaluation. That will be done within the short term. The ultimate report I think is due in June 2010. We have unit level data on child health checks and the follow-up that is being held by the AHW over the first two years of the Northern Territory Emergency Response. We also plan to have some case studies of a number of communities that the evaluators will look at. They will look at both the impact of the child health check and the roll out of our reforms.

**Mr Thomann**—We are equally concerned about the longer term capacity. The government has made a commitment to improving the basic capacity of the primary health care system in the Northern Territory. Regional reforms are going on to ensure that we are able to provide consistent service delivery at a regional level. We have been working over some years with the Northern Territory Department of Health and Families and the Aboriginal medical service sector to develop agreed clinical KPIs. That consistent regional service delivery and collection of data is where we will be going over the longer term. We can provide this information in the short term in terms of what has been achieved as a result of the child health check and the follow-up activity, but we recognise that that is an immediate intervention. Over the longer term, there needs to be a longer-term investment.

**Senator SCULLION**—Have you done any work on how many cataract operations will be cut for Indigenous Australians as a result of the government's decision to reduce the funding for this service?

**CHAIR**—I am not sure whether that relates strictly to the Northern Territory intervention.

**Senator SCULLION**—I think having 28 per cent of the Indigenous population it is a significant issue. I can tell you now, Madam Chair, had I asked this in any other output in any other room, they would have told me to ask it on Friday.

**CHAIR**—Senator, we agreed with these areas before we came here. There were no general health questions. If I known that, the officers would have been presented. I suggest that you put the question on notice.

**Senator SCULLION**—How many Indigenous Australians living in the intervention area will not have cataract operations as a consequence of the government's decision to reduce funding for this service?

**CHAIR**—My statement remains, Senator.

**Mr Thomann**—Sorry, Senator, I am unable to answer that question.

**CHAIR**—It will have to go on notice.

**Senator SCULLION**—You can provide that answer on notice; that is fine.

**Senator SCULLION**—According to eye specialist Hugh Taylor, 23 per cent of Indigenous children in Katherine have trachoma. Is anything specifically being done in the area around Katherine to deal with that?

**Mr Thomann**—We are in the process of implementing a new measure, which has a long title. The short title is the 'Indigenous eyes and ears measure'. As part of that \$58.3 million commitment, \$16 million has been allocated for the treatment of trachoma. We are in the

process of discussing with our Northern Territory, Western Australian and South Australian colleagues the increased activity that can be put in place with those government health departments. Certainly, we will be looking at Katherine as a priority as a result of that information.

**Senator SCULLION**—As you would be aware, there is a very high incidence of rheumatic heart disease in the intervention area. As we did with the demographic of young people, we did a specific health check. I understand that it has not been conducted across the intervention area. I have had feedback about that and I have had discussions with the medical organisations that move through the area and it still seems to be a particular ailment. Is there any particular program to deal with rheumatic heart disease?

**Mr Thomann**—There is a specific program. Ms Saastamoinen will provide the detail.

**Ms Saastamoinen**—Under the ‘New Directions—an equal start in life for Indigenous children’ program there is a specific strategy and funding for rheumatic heart disease. It is managed by another division within the department. The rheumatic fever strategy has a total of \$10.8 million in funding over five years commencing in 2007-08. The strategy includes making rheumatic heart fever a notifiable disease. There is also some other aspects to it that I would need to get back to you on. There is the national coordination unit with the Menzies School of Health Research, for example. We have an agreement with them that was executed on 21 May. However, it is managed by another division, and if you want more detail I would have to get back to you on that.

**Senator SCULLION**—Do you have any details on the number of notifications made since the strategy was introduced in 2007?

**Ms Saastamoinen**—I would have to take that on notice.

**Senator SCULLION**—When you are providing that on notice, can you attach the number of people who have been identified? I know that it must be notified, but is there any follow-up? You have not provided the materials, but I am assuming the program would then ensure that that individual got access to some intervention. Can you provide those numbers? I am not sure if somebody who just sneaked past then has those details.

**Ms Saastamoinen**—We are inviting our medical adviser from the Public Health Advisory Unit to answer about the numbers.

**Dr Isaac-Toua**—Since the screening program started in 2008-09, 1,944 people have been registered with acute rheumatic fever or rheumatic heart disease. Your next question was about management?

**Senator SCULLION**—I do not have the technical details to ask the question correctly. What I am looking for is, now that they have been identified, what level of medical intervention they would all be receiving. Obviously they saw the medical practitioner who identified the disease, but, post that identification and notification process, how many would have received assistance?

**Dr Isaac-Toua**—I cannot specifically answer that question, but the process for the national coordination unit is to improve screening and to set up registers, even within the other territories such as Queensland and South Australia. When people are picked up through a

screening process, one of the things we do is to provide them with monthly antibiotic treatments so that they do not progress further and develop heart disease. The registers are an important process in being able to monitor and to provide that treatment. Whoever is registered will be followed up and that monthly benzyl penicillin will be provided to them.

**Senator SCULLION**—Would you be able to, on notice, confirm that the treatment you have described, or whatever treatment, is actually being provided to all those people? Of course, there are issues with mobility and traceability. Perhaps you could provide me with some of the tracking and tracing processes, given the mobility of that demographic. That would be very useful.

**Dr Isaac-Toua**—That is something would be on the register within the areas where this information was collected. We will follow up how the data process are managed. Acute rheumatic fever and rheumatic heart disease are not national notifiable diseases, so we do not actually get the information to our national notifiable diseases register. But the local registers would be collecting them. The national coordination unit would have a system to provide us with information because of the funding.

**Senator SCULLION**—All I can ask for is the provision of information that you have access to.

**Dr Isaac-Toua**—We will look into that.

**Senator SCULLION**—I very much appreciate that; thank you very much.

**Mr Thomann**—This would be subject to follow-up process of each medical service and clinic. So there would be a process of communication between the registry and those medical services.

**Senator SCULLION**—How many Indigenous Australians have been immunised against swine flu in the Northern Territory? You might want to take that on notice.

**Dr Isaac-Toua**—I will take that question on notice. That is a difficult question to answer at this point in time—

**Senator SCULLION**—I acknowledge that.

**Dr Isaac-Toua**—because the vaccination program started its rollout on 30 September 2009 and the information we have relates to the vaccines that have been delivered to the AMSs and other practices that provide services to Indigenous Australians. Every Indigenous service has the capacity to collect that information it needs to. But it will be collated on a state and territory level. As we get information, we may be able to collate that on a national level. But you asked about the NT—currently we do not have that information.

**Senator SCULLION**—Okay, but that would be very useful. Perhaps you can provide what information you have on notice.

**Dr Isaac-Toua**—Just to clarify, we do not have a set register to get the numbers of people who actually get the immunisation. We do have information about how much vaccine has gone out. Whether that information about uptake is being collected varies from service to service.

**Senator SCULLION**—I should have referred not to ‘the Northern Territory’ but to ‘the intervention area’. There is a government business manager in each community, and they would usually facilitate or be aware of that. I just wanted to find out how far down track we are with that vaccine with Indigenous Australians, particularly those with other presentations who have been acknowledged as the most vulnerable. I know other people here may be able to take on notice whether or not we have a capacity to know how far down the line we are in our goal to immunise all the Indigenous people in the intervention area. I am not sure that that is a goal, particularly, but it would be useful to know how far down that road we have gone.

**Mr Thomann**—It would be fair to say that we have given Aboriginal and Torres Strait Islander people quite a priority in distributing the H1N1 vaccine. We have worked with public health officers throughout the Aboriginal community controlled health sector, through a network that has been meeting regularly to organise the logistics. At this stage, we would be able to give you information on the distribution of the vaccine to services and locations. As to the actual—

**Dr Isaac-Toua**—Uptake of the vaccine.

**Mr Thomann**—uptake, the injection of the vaccine—I am struggling for the right technical word—I do not think it would be possible at this stage.

**Senator SCULLION**—You and me, Mr Thomann!

**Mr Thomann**—That is right—it can be a highly technical area. I think you can be assured that we have distributed substantial amounts of the vaccine to where it is needed in remote parts of Australia, where, we recognise, there are vulnerable communities that need to be protected.

**Senator SCULLION**—Perhaps I can flag that I will be asking that question at the next set of estimates. You might have a better understanding about how that can be answered by then.

**Dr Isaac-Toua**—Can I just add one point. All Indigenous Australians have been given access to the vaccine at this point in time and all services that are providing the vaccine to Indigenous Australians have got the vaccine. Some of the feedback we have got back is that some services have actually reordered. So the uptake seems to be good, but the actual numbers of people who have had the vaccine is dependent on each service collecting that information. At this point in time, we are not sure. So, even if we give you information, it may not be complete for all areas.

**Senator SCULLION**—I understand that. Perhaps you can provide some indicators by the next set of estimates. That would be very useful.

**Dr Isaac-Toua**—Okay.

**Mr Thomann**—Another issue is that uptake is dependent upon Indigenous Australians asking for the vaccine. This is not a compulsory vaccination process. We are making it available and it is available for Aboriginal and Torres Strait Islander people to make the choice to take it up.

**Senator SCULLION**—I was just interested in the number. I would like another little benchmark—I am not expecting instant answers. I would like a list of the 10 communities in the intervention area that have highest level of diabetes type 2? I am trying to find out what

programs and services are currently being conducted in those communities to reduce the incidence and to manage it, given that, as you would be aware, some larger communities have dialysis chairs but those in communities who do not have to travel a great distance. Galiwin'ku to Darwin is a very long way. We have a large number of diabetics in the communities and this affects the whole social system. It is also very expensive. I would like to get a better handle on that. A list of the top 10 communities would be very useful.

**Mr Thomann**—I think it is going to be very difficult for us to give you the top 10.

**Ms Savage**—On the efforts under the Northern Territory emergency response in the prescribed areas, we only have data on children—on the measures around child health checks and follow-up. We would have to seek the information on diabetes from the Department of Health and Families in the Northern Territory. I presume you are talking about the whole population within communities.

**Senator SCULLION**—Within the intervention areas.

**Mr Thomann**—We are extremely aware of the very high rates of end-stage renal disease in the Northern Territory. It has been a focus for some time. We are funding regional dialysis facilities in partnership with the Northern Territory government. But the real response to this is going to be more effective and consistent primary health care. That comes back to my answer to Senator Siewert about the substantial investment we are making in comprehensive primary health care at a regional level and prevention measures, in terms of lifestyle and also in terms of chronic disease management and follow-up upstream.

**Senator SIEWERT**—I want to go into two key issues: the consultation process that has been undertaken around the emergency response and some of the child prevention, which crosses over to the next issue, that are contained in the Closing the Gap report. I have lots of other questions and I will put them on notice.

**Dr Harmer**—Thank you, Senator. We have some people from the Department of Education, Employment and Workplace Relations. They were here because they may have been required for some questions on education in relation to the Northern Territory Emergency Response. It sounds like we probably will not need them. If we do not, can we let them go?

**Senator SIEWERT**—I thought we were supposed to deal with that the day before yesterday, but I was not able to attend. I do have a couple of questions about specific figures and attendance.

**Dr Harmer**—In relation to the NTER?

**Senator SIEWERT**—Yes.

**Dr Harmer**—Do you want to ask them now?

**Senator SIEWERT**—Yes. I will try to be quick because I know we have very limited time.

**CHAIR**—Dr Harmer, I know I am in the hands of the committee—this is not my agenda, it is the agenda of the members of the committee—but we specifically have the officers from the Department of Education, Employment and Workplace Relations after 1.30 pm.

**Dr Harmer**—That is the employment side.

**CHAIR**—That is the only listing I have on my program for officers from the Department of Education, Employment and Workplace Relations. I am pleased they are here, but my program did not have them there. If senators have got questions, I am very conscious that this session goes until 12.30 pm. It is up to the committee member which questions they wish to ask of whom in the next 10 minutes.

**Senator SIEWERT**—I have short questions that relate directly to the Closing the Gap report, which you circulated yesterday. I refer to the figures around enhancing education. You say that attendance has improved by 2.1 per cent. I am having trouble interpreting that from the table at 2.1.1, where you highlight the percentage point changes from 2007 to 2009. Can you explain what the percentage growth in attendance has been?

**Mr Hoffman**—The information in this section was provided by the Northern Territory Department of Education and Training. I need some clarification of the question.

**Senator SIEWERT**—The table at 2.1.1 says the percentage change from June 2007 to June 2009 is 0.3 for primary and 0.3 for secondary. Yet in the achievement it says 2.1 percentage points.

**Mr Griew**—The table at 2.1.1 that you refer to is comparing June 2007 figures to June 2009 figures.

**Senator SIEWERT**—I see.

**Mr Griew**—There appears to have been a drop between the June 2007 and June 2008 figures and then an increase. You are comparing one year of changes against two years of changes.

**Senator SIEWERT**—But overall, over the two-year change, we have actually seen only a 0.3 per cent change.

**Mr Griew**—That appears to be correct in this table.

**Senator SIEWERT**—I just wanted to clarify that. I am very conscious of the time. I have some other employment questions that are for later. I apologise for the time constraints. As I said, I did have a lot of other questions that I understood I had missed because I cannot be in two places at once from the previous committee.

**Mr Griew**—We might let the Indigenous education people go at lunch time and keep the employment people here for this afternoon's session.

**CHAIR**—That is fine with me.

**Senator SIEWERT**—Dr Harmer, I would like to go into the status of the consultation process.

**Dr Harmer**—We can.

**Ms Moody**—I would like to clarify with Senator Adams the issue about the 61 youth diversion services and the 33. The 61 is for the full year. There were 28 in the first six months of the year and 33 in the second six months, giving a total of 61.



**Senator SIEWERT**—I am sure you recall that we had quite a lengthy discussion during the last estimates hearing about the consultation process and I remember all the different tiers. Can you update the committee on progress with the consultation process.

**Ms Curran**—The consultations proceeded from late June to the end of August. Across tiers 1 and 2, which were at the community and regional level, we had over 500 consultations, which we think is a fairly extensive exercise in that time. People attended multiple consultations, particularly in the community context, but we are confident that we touched several thousand people during the consultation process.

**Senator SIEWERT**—So the 500 is in—

**Ms Curran**—Tiers 1 and 2. In addition to that, we had tier 3 and tier 4 consultations, which were at the advisory or peak body level. The consultation process has been completed. The government is now considering the views that were expressed during consultations.

**Senator SIEWERT**—Presumably you have collated all that material and presented a report to government.

**Ms Curran**—We have provided advice to government and government is considering it.

**Senator SIEWERT**—Is there a time line when the government—

**Ms Curran**—That is a matter for government.

**Senator SIEWERT**—I was not clear whether that had been stated previously. I am not asking for it now, but would it be possible to provide a list of where consultations took place?

**Ms Curran**—We can provide that to the committee.

**Senator SIEWERT**—With attendance numbers? I am not after a list of who attended but the numbers.

**Ms Curran**—We would not be able to give you numbers in all cases, but we can certainly provide a list of the communities where the consultations occurred. We can tell you how many people attended the tier 3 consultation process.

**Senator SIEWERT**—That would be appreciated. I am very sorry that I am rushing, but I know I am going to get pinged in a minute. I want to ask a specific question about the Closing the Gap report with regard to child abuse numbers. You indicate that the incidence had risen. I cannot find the figures in the report. This is what comes from getting the report fairly late and trying to assimilate a lot of information.

**Dr Harmer**—I offer a second apology.

**Senator SIEWERT**—The number of child abuse reports had risen from 66 to 227.

**Dr Harmer**—I am told that it was not late.

**Senator SIEWERT**—I do not mean late in terms of you meeting your time lines, I mean for us in terms of when we got it prior to this hearing, particularly when we are involved in other hearings during the week

**CHAIR**—Dr Harmer, this time we got it.

**Dr Harmer**—We do our best.

**Senator SIEWERT**—The number has risen from 66 to 227. I am interested in a breakdown of those figures, because child abuse obviously relates to neglect and a range of other issues in terms of what people traditionally regard as child abuse. As I understand it, the figures cover a range of issues—neglect, disability, failure to thrive and so on. Do you have a more direct breakdown of those figures?

**Mr James**—I refer you to page 38 and part 2, which breaks it up into the categories you are talking about by financial year.

**Senator SIEWERT**—Thank you. I do not think I got that far.

**Mr James**—The biggest single category is what is referred to by the Northern Territory police as child welfare, which would normally be thought of as neglect.

**Senator SIEWERT**—Thank you. How many of the 227 resulted in action against carers or parents?

**Mr James**—As we mentioned in the report, we have reported that in the latest child protection data we can get. There is an issue in terms of child protection data in the Northern Territory in that we are unable to get that data broken down for the NTER communities. We can get the police data at that level, but not the child protection data. We have asked for it many times, but we are unable to get it at that level.

**Senator SIEWERT**—When you say you have reported it in here, are you talking about the number of people who have been convicted for child assault?

**Mr James**—No, it is what is called a confirmed incident to the police. As to whether that results in the child protection authorities doing something about it, that is another issue.

**Senator SIEWERT**—Not all issues of child neglect end up as reports to police; they go to child protection.

**Mr James**—That is right. These are the ones that go to police.

**Senator SIEWERT**—So we do not know how many have resulted in action against the parents by child protection authorities?

**Mr James**—No, as I said, we cannot get that data just for the NTER communities.

**Senator SIEWERT**—Why?

**Mr James**—My understanding is that it is to do with the way that the data is recorded in the Northern Territory department's figures. I might be wrong and I will correct it if I am. My understanding is that they record it against the address where the complaint is lodged and it is hard for them to find out where the actual incident occurred. They could if they went to their paper records and did an extensive exercise, but they have not done that.

**Senator SIEWERT**—Okay. Are you talking to them about improving their record keeping?

**Mr James**—Yes.

**Senator SIEWERT**—It seems to me it would be a relatively simple thing to record that sort of data.

**CHAIR**—I am going to stop you there. Dr Harmer, Mr Yates and particularly people who are involved in the BasicsCard, I have had a proposition from the committee members. This will mean amendment to the program that we agreed to, but they have proposed that we shorten the break and commence after lunch with discussion on the BasicsCard for 15 minutes because there are questions on that. I know the officers have been with us all day. I acknowledge that and I am sorry to put this to you at this late time. We will discuss the BasicsCard for 15 minutes when we resume and then follow the agreed agenda for the rest of the time. We are in your hands.

**Mr Yates**—I am sure people are happy to accommodate that.

**Dr Harmer**—I am sure they will. Outback stores is also included. Will we do that or not?

**CHAIR**—No. Everything is on notice. I apologise, the hour was allocated and members used it. I have a particular request about BasicsCard.

**Senator ADAMS**—So child protection is on notice.

**CHAIR**—Yes.

**Senator BOYCE**—I want to put some questions on notice about the longitudinal study Footprints in Time. I will direct that to FaHCSIA.

**Mr Yates**—Yes.

**CHAIR**—We will now suspend the hearing for 45 minutes and come back with questions on BasicsCard at 1.15 pm.

#### **Proceedings suspended from 12.33 pm to 1.15 pm**

**CHAIR**—Senators Siewert and Adams have questions on the BasicsCard.

**Senator SIEWERT**—At the last estimates we were talking about some of the issues that had come up with people buying goods on the BasicsCard and then taking them back. I want to know about that and about the rollout of the BasicsCard to stores. We talked at length about being able to use the BasicsCard in stores beyond the fairly limited spread of stores that were available until fairly recently. I would like to know how you have been dealing with those issues.

**Ms M Wilson**—There have been quiet few compliance activities occurring within Centrelink in terms of the BasicsCard. I will talk in general terms about that. The compliance framework is designed to ensure that some of the things that you mention do not occur. Of course, there are occasions when those things do happen. Centrelink has undertaken some compliance activities and some merchants have had their BasicsCard approval revoked in cases there have been serious breaches of the terms and conditions that apply to the BasicsCard.

**Senator SIEWERT**—How many stores have had their approval revoked and for what reasons?

**Mr Tidswell**—Until 25 September 2009, we have conducted 164 compliance reviews across stores and merchants. My information is that we have revoked the approval for two stores as a result of that.

**Senator SIEWERT**—What does a compliance review entail?

**Mr Tidswell**—We look through exactly how they are administering the BasicsCard in terms of the transactions, the recording, the exclusion of prohibited goods, no lay-by et cetera. We go through the full gamut of things that are part of the terms and conditions of them being BasicsCard providers.

**Senator SIEWERT**—But only two have been revoked.

**Mr Tidswell**—That is right.

**Senator SIEWERT**—Last time we discussed the issue of people buying things from some of the bigger department stores and then taking them back. Have you reviewed that issue?

**Ms Cartwright**—Most of our larger stores do not allow customers to get a cash refund when a card has been used. The refund is given back to the BasicsCard. I know that one of our very large merchants, which sells clothing, actually stamps the receipts when goods have been purchased using a BasicsCard. That store will only give a refund back to the card. If the receipt is not available, they will give a store value card for that particular store.

**Senator SIEWERT**—A store value card?

**Ms Cartwright**—A refund for that particular store so the customer can spend that money at that store again at a later stage.

**Senator SIEWERT**—Thank you.

**Senator ADAMS**—So that credit goes onto the card. Does that happen everywhere—no cash is given as a refund?

**Ms Cartwright**—If there is no receipt at the time of return and the customer disputes that it was purchased using their BasicsCard, most stores have a policy that they will not give cash refunds. They will put the refund onto the BasicsCard, and one of the merchants will give them a store credit note so that they can use that at the store at a later stage.

**Senator ADAMS**—Has a ruling been made on that? When the BasicsCard first came in the committee was getting evidence of people buying things and then getting a refund in cash.

**Ms Cartwright**—The merchant terms and conditions specifically state that no cash refunds can be given.

**Senator ADAMS**—Thank you.

**Senator SIEWERT**—The NT closing the gap report says that 95.9 per cent of those on income management have a BasicsCard. I am not sure who I should ask about this.

**Dr Harmer**—We will work it out. You just ask the questions.

**Senator SIEWERT**—What is happening to those people who are on income management who do not have a BasicsCard?

**Mr Tidswell**—You will have people in communities who will continue with the system we had previously, where they get their goods and service from the community store. The arrangements we had at the outset of this intervention in communities where we did not have the store value cards apply. We will apportion that amount of money for their basic necessities at the community store.

**Senator SIEWERT**—So that is going straight to the community store, instead of them having a—

**Mr Tidswell**—That would be the general rule of thumb. As you said, the majority are on BasicsCard.

**Senator SIEWERT**—About four per cent are not.

**Ms Cartwright**—In addition, a number of communities across Arnhem Land use the Arnhem Land Progress Aboriginal Corporation card—the food card. Some people opt to have that instead of the BasicsCard if they do not need to travel to make purchases.

**Senator SIEWERT**—We have had lengthy discussions in the past around the 1300 number. Is that process now in place in terms of people being able to dial in? We have had discussions about people not being able to get access when something goes wrong with the BasicsCard. Have you resolved that issue and how many complaints have you had recently about problems with the BasicsCard not being able to be accessed and the system going down?

**Mr Tidswell**—Since July this year we have put in place that 1300 number so that customers can ring 24/7 and get access to information about their BasicsCard balance. They can also inquire through a customer service centre or through our dedicated phone lines. In that sense, we think we have a good approach to that. The call line has been pretty well patronised. We can give you figures about the numbers of people who have made phone calls. I do not have any complaints about people getting access to their BasicsCard amounts.

**Senator SIEWERT**—Is the 1300 being used?

**Mr Tidswell**—Yes, it is. We have some figures here.

**Senator SIEWERT**—That would be appreciated.

**Mr Tidswell**—Approximately 27,000 people have used the 1300 number. But there are other ways in which people can make contact with us—through the Indigenous call line and the dedicated BasicsCard line. In 71 communities we have hotlines straight through to the income management line so that people can get access and understand what they have in their account before they go and purchase goods and services.

**Senator SIEWERT**—That is 71 of the 72 communities?

**Mr Tidswell**—Yes.

**Senator SIEWERT**—What is the situation with complaints about use of the BasicsCard? What are they like at the moment? Have they dropped off?

**Mr Tidswell**—In what sense?

**Senator SIEWERT**—I must admit that I did not get a chance to ask the Ombudsman, but I understand the most common complaint has been made about Northern Territory intervention access and problems with the BasicsCard. Are you still receiving a large number of complaints?

**Ms Cartwright**—No, the number of complaints has declined since we introduced the 1800 number, which is a free-call service for our customers. We have implemented quite a few

different options for people to get their balance. In one of our communities we have a self-service kiosk so that customers can swipe their card and get their balance. We are looking at other options with the implementation of the new card.

**Senator SIEWERT**—What is the process for the finalisation of the implementation of the new card?

**Ms Cartwright**—Of the balance inquiry?

**Senator SIEWERT**—No, getting the new card.

**Mr Tidswell**—I will ask my colleague Mr Olson, from the Department of Human Services to come to the table to give you some advice in that area.

**Dr Harmer**—While he is coming to the table, I just want to put on the record the fantastic job Centrelink has done in this really difficult area. From the policy department's point of view, responsible for the various measures of income quarantining, Centrelink has been outstanding in this job.

**Mr Olson**—We are well advanced in a procurement exercise at the moment for the replacement card. At this stage we are scheduled to have new terms and conditions signed up with the merchants in April next year. In conjunction with Centrelink we will be transitioning customers and merchants to the new card processes in the three months at the end of the financial year. So we are looking at moving to the new card in April, May and June next year.

**Senator SIEWERT**—What advantages does the new process have?

**Mr Olson**—Some of the issues are being thrashed out in contractual arrangements at the moment, so they are commercially sensitive. But we will be thermally printing the customer's name on the new card this time. At the moment it is written on the card at the time of issue. We are also looking at some additional balance inquiry options. The issue with balance inquiries for customers is that we want to get it as close to the point of sale as we can.

We are in discussions with ASIC, which looks after the electronic funds transfer code, and the Privacy Commissioner to see what we can do in terms of things like getting balances on receipts for BasicsCard customers. It is not exactly a simple process because the software and the hardware varies between merchants depending on their acquiring bank. But we are looking to see what we can do. Even if we cannot get to all of the particular banks and merchants; we might be able to do it with some of them. When one makes a BasicsCard transaction, if they choose to opt into this mechanism then they could get a balance on their receipt. So they would know there and then exactly how much they still had.

**Senator SIEWERT**—So everybody would not necessarily have to have that process; you could choose as to whether you wanted to do that?

**Mr Olson**—From our discussions with the Office of the Privacy Commissioner that would be state of play. It would be an opt-in or opt-out situation. We would not compulsorily require someone to have a balance on their receipt. It is quite a departure from the current arrangements on a debit card. For instance, if you made a transaction now with a debit card, you would not get a balance on your receipt. It is a little different for store cards issued by some of the major retailers. That is a privacy mechanism.

When you go to an ATM, because you are the only one interacting with the machine, of course, you can get a balance. However, according to the rules of the electronic funds transfer code, they do not want merchants and others to actually understand what a person's balance is on their debit card. Our colleagues in the US run a similar program. Certainly, the ability to have someone understand there and then once they make a purchase what is left on their card, particularly if they are moving from store to store, can be a real benefit to help them to understand the balance they have on the card.

We are also discussing what we can do in terms of more kiosks. For instance, if we have a shopping mall where we know we have quite a few BasicsCard merchants, it would make sense to talk with the centre management to see whether we could put some sort of kiosk in the middle at which people could just swipe their card to understand exactly how much is on their card. We are working on those things at the moment in terms of the new arrangements for the new card.

**Senator SIEWERT**—You may need to take this on notice. How much is it costing to transfer to the new process?

**Mr Olson**—There is a project cost and obviously there will be a new card cost with a transaction provider. That is still being negotiated. I have the project costs if you would like those.

**Senator SIEWERT**—That would be good.

**Mr Tidswell**—I can provide some information about the ombudsman's investigation inquiry in relation to the work we are doing in the NTER. For 2009, I am pleased to say there were modest numbers in February, March and April and we have a declining data set here with zero for September and so far October. It seems as though getting on top of that balance inquiry issue through that dedicated number has helped.

**Senator SIEWERT**—Thank you.

**Mr Olson**—In financial year 2008-09—and this includes Centrelink and the Department of Human Services costs—\$7 million was allocated to the project. The project runs in four phases. We have requirements collection; we run the tender exercise; we do the evaluation of the tender; and then we have transition activities, which take us up to 30 June next year. These costs cover that. The costs for 2009-10, taking us to the end of transition, where we will have a new card in everyone's hand and merchants signed up to the new agreements, will be \$10 million. Of that, \$5.9 million is for Centrelink to cover its part of the transition and also the IT cost of linking in the Centrelink systems to the card provider, and \$4.3 million for the department.

**Senator SIEWERT**—That is the Department of Human Services?

**Mr Olson**—Yes. That is a total of \$10.2 million this financial year and a total of \$7 million for the previous financial year.

**Senator ADAMS**—Is this project going to be rolled out to Western Australia?

**Mr Olson**—This is perhaps more a policy question.

**Dr Harmer**—We will take that question on notice.

**Ms Cartwright**—The BasicsCard is already rolled out to areas of Western Australia where the current trial of the child protection for income management and voluntary income management is in place. It currently includes the metropolitan areas in Perth and will be soon rolled out across the entire metropolitan area of Perth. There are also some areas in the Kimberley where the BasicsCard is rolled out as well.

**Senator ADAMS**—The reason I ask is that there is quite a lot of confusion because there are certain areas where it can be used and when people travel to funerals they expect to be able to use their cards and they cannot. That is the reason I asked the question.

**Ms Cartwright**—There are certainly many merchants set up for the BasicsCard outside of the Northern Territory and, indeed, Western Australia. There is a number of merchants this Queensland, obviously for the Cape York welfare reform trials, but also in places like Mount Isa and in South Australia there is a number of BasicsCard merchants as well.

**Senator ADAMS**—Good. Thank you.

**CHAIR**—Thank you very much. I particularly thank the officers. I know that we asked you to stay back, so we do appreciate your cooperation. We now move to the last two sections. The first one is health issues. I intend to let this run until 2.00 pm and then go for the last half hour on the second heading of employment and welfare reform. I welcome officers from the Department of Health and Ageing. I know that some health issues were raised this morning, but in this sessions we will address the specific questions you have in your papers.

**Senator SIEWERT**—I want you start off with the issue of petrol sniffing so I make sure I get that done before we run out of time.

**Mr Learmonth**—You want to start at the bottom and work up.

**Senator SIEWERT**—Yes. I have experience that things at the end of the list potentially fall off and I particularly want to ensure that we deal with issues around petrol sniffing. I have some communication and correspondence about Yalata. I know that we have talked to you about it before, but I want to follow it up and check on progress because I think there is some confusion. I am certainly confused, but I do not know about anyone else. Where are we up to with rolling out the program to Yalata?

**Ms Saastamoinen**—A business plan has been developed between the Office of Aboriginal and Torres Strait Islander Health, the South Australian government, the indigenous coordination centre and the local community. Some good progress has been made. They have identified a site near the main highway for the bowser. The Yalata council chose that because of the passing tourism trade and the commercial prospects that that offers. At the moment they are working through the licensing arrangements and the arrangements to put in place the tank—the facility. We extended the project to June 2010 to make sure that the community's requirements were able to be met around how to actually roll it out. But my understanding is that it is progressing well and that we are up to the stage of working through some of the arrangements around licensing and getting some of the work done how to put in a tank facility.

**Senator SIEWERT**—Is it expected that it will be in place by June 2010?



**Ms Saastamoinen**—I will have to double check that. My understanding is yes, but I will double check on that.

**Senator SIEWERT**—Where are we at in terms of rolling it in other places—for example, in Western Australia? I am specifically interested—and I am sure Senator Adams is too—in Halls Creek and also some of the centres further south, for example, Laverton. Can we start with Halls Creek, please?

**Ms Saastamoinen**—We have three outlets in Halls Creek offering Opal fuel. A fourth retailer is still closed for renovations. However, they have offered an in-principle assurance that they would be willing to put on Opal once they re-open.

**Senator SIEWERT**—In other words, at this stage all the fuel outlets in Halls Creek are supplying Opal fuel?

**Ms Saastamoinen**—I would have to double check whether that is all. As I said, I have information that three are offering it and one that is temporarily closed but will offer it when it re-opens.

**Senator SIEWERT**—Thank you. That is good news. Has there been in progress in getting Opal fuel into Laverton?

**Ms Saastamoinen**—The negotiations are ongoing. We have made some movement. The issues that we still need to sort out with Laverton are distribution and storage. We can only guarantee a monthly supply of Opal fuel to Laverton because of the issue about the fuel distribution routes. BP Australia has given us a proposal that we have to consider about how we might be able to open some storage in Kalgoorlie. We are working with Laverton and the broader Goldfields area and trying to get agreement from across the region for everyone to convert to Opal. One of the issues raised by the Laverton service stations was that they would be adversely affected if the other service stations did not move. We are negotiating with the other retailers now as well.

**Senator SIEWERT**—That is good news. Do you have a timeline? It sounds like you are putting in place a strategy. Do you have a timeline for the implementation of that strategy?

**Ms Saastamoinen**—It is already being implemented. An officer from the Office of Aboriginal and Torres Strait Islander Health has been in regular communication in the communities. We have in-principle support from a number of the retailers in the Goldfields region to convert to Opal—again, if everyone converts to Opal. We have managed to get that degree of community engagement. In terms of the storage solution, as I said, we have recently received a proposal around Kalgoorlie. That will take a little bit of time for us to assess and it will probably need to go to government for a decision.

**Senator ADAMS**—Would you be able to supply the committee with a list of those communities you are consulting with?

**Ms Saastamoinen**—I will have to consult with my outposted officer. One of the reasons we are sometimes hesitant to give a list of the communities is the shame in being identified as having a petrol-sniffing problem. As I said, I will go back to my OATSIH officer and see how the consultations have been going. If it is at that level of engagement where there is not that sensitivity about sharing it, I will do so.

**Senator ADAMS**—That is the area around the Goldfields and northern Goldfields.

**Senator SIEWERT**—I will ask the inevitable question. Where are we with Rabbit Flat?

**Ms Saastamoinen**—Rabbit Flat has written to the department indicating that they plan to close and not sell their business. I gather that they are planning to close some time over the next 12 to 15 months. They are not planning to sell the business. Obviously we are monitoring it and continuing to negotiate with them, but that may not be an issue if the petrol station no longer exists

**Senator EGGLESTON**—I am interest in Balgo. My colleague Senator Siewert tells me they already have Opal there.

**Ms Saastamoinen**—Yes, they do.

**Senator EGGLESTON**—I suppose their petrol largely comes from Rabbit Flat. I am not quite up with the Rabbit Flat situation. Are they selling Opal?

**Ms Saastamoinen**—No, they are selling regular unleaded petrol plus other forms of fuel, such as premium unleaded petrol. We have been approaching them consistently for quite some time now and they have indicated each time that they are not interested in selling Opal fuel. We do have an Opal fuel outlet at Balgo, but Rabbit Flat has refused to stock Opal.

**Senator SCULLION**—Does Rabbit Flat have access to the BasicsCard as a merchant?

**Ms Saastamoinen**—That is something for FaHCSIA rather than us.

**Senator SCULLION**—I just thought you may know.

**Ms Saastamoinen**—No, I do not.

**Senator EGGLESTON**—A lot of the fuel in Balgo would come from Halls Creek, which does have Opal.

**Senator SIEWERT**—Have Tilmouth Well Roadhouse and Ti Tree Roadhouse both indicated that they will take Opal now?

**Ms Saastamoinen**—Tilmouth Well Roadhouse is still not interested in supplying Opal. The Ti Tree Roadhouse has indicated that they are still not interested.

**Senator SIEWERT**—So those two are still not stocking Opal.

**Senator SCULLION**—When was the last communication with Tilmouth Well Roadhouse?

**Ms Saastamoinen**—I would have to check. Earlier this year, Ministers Roxon and Macklin wrote to a number of the recalcitrant service stations. I cannot recall date of that and I would have to check with my OATSIH officer what the last contact was from her.

**Senator SCULLION**—I actually spoke to the owners not long ago—probably about nine weeks ago—and obviously I was there not being nice about it. They indicated that they were in negotiations but they were moving along to get that done.

**Ms Saastamoinen**—Okay. As I said, I would have to check with my OATSIH officer to see when the last contact was from her. We have a couple of outposted officers who are

largely out and about negotiating with communities and retailers. I do not have a schedule of their visits, but I can certainly follow up.

**Senator SIEWERT**—Thank you. I want to move on to the diversionary program side of petrol sniffing. Is that okay with you?

**Ms Saastamoinen**—Yes, and that would be FaHCSIA as well.

**Senator SIEWERT**—I refer to the Goldfields as an example. As we all know, rolling out Opal is only part of the process. Are you also discussing and budgeting in diversionary programs for those areas so that we have both areas covered?

**Ms Saastamoinen**—FaHCSIA will have to answer the questions about diversionary programs. As a general comment, we do consult widely with DEEWR, FaHCSIA and the Attorney-General's Department on the rollout of Opal fuel to let them know where we are scheduled to roll out as well.

**Ms Moody**—Outside of that immediate Central Australia area we do not have specific petrol-sniffing youth diversion funds in the same way that we do, particularly in the southern part of the Northern Territory. However, our local officers work with communities and there is some flexible funding available. I do not have up-to-date information about the situation in Western Australia and whether something is planned or whether they are working with other programs to try to make them relevant in the area. I will have to take that question on notice.

**Senator SIEWERT**—If you could, that would be appreciated. You will have heard—and a number of us have spoken about them in the chamber—about the issues around Balgo. A number of us were in Broome with a different committee and we heard of the situation in Balgo where they had lost its diversionary officers.

**Ms Moody**—I will take that on notice as well.

**Senator SIEWERT**—If you could provide us with an update, that would be good. We heard that the youth officers there were funded by the Catholic Church. I think that was the most recent. I would be very interested—and we all would be, I am sure—whether here are youth workers back in Balgo and whether there is both a male and a female youth officer there. That would be much appreciated.

**Ms Moody**—I will do that.

**Senator SIEWERT**—Thank you. Can I move on to the review of the CAPSSU. Could you let us know about progress? I am after the process, the cost and the timeline.

**Mr Thomann**—We need to refer that to FaHCSIA. CAPSSU is their unit.

**Senator SIEWERT**—Sorry. That is right.

**Mr Roche**—In response to the report of the Senate committee we commissioned Urbis consulting following a process of a selected tender. They were commissioned in June and provided a final report earlier this month.

**Senator SIEWERT**—The 'selected tender' means you released it to a restricted number?

**Mr Roche**—Yes. We invited two terms to submit a bid. The other one was a firm called Courage. These two were already on our—ours as in FaHCSIA's—social research panel, as

both firms previously had experience in relation to petrol sniffing issues. In light of the urgency of the committee's recommendation and, of course, or wish to get a response to the committee as soon as possible, we thought we would save a considerable amount of time by going to firms who were already across the issues, understood and had met a number of the players previously.

**Senator SIEWERT**—Thank you. I have another couple of questions around there. Is it true that somebody who used to work for CAPSSU has been involved in that review?

**Mr Roche**—I can check that but not to my knowledge.

**Senator SIEWERT**—If you can take that on notice, that would be appreciated.

**Mr Roche**—I will do.

**Senator SIEWERT**—When do you expect to release the review?

**Mr Roche**—That is a matter for government.

**Senator SIEWERT**—I always want to know when these reports are going to be released. It was handed to government at the end of September.

**Mr Roche**—It was earlier this month.

**Senator SIEWERT**—Sorry; I misheard you.

**Senator ADAMS**—In our committee report, one of our recommendations was that merchants who were refusing to stock Opal should not have access as merchants to the BasicsCard. Has there been any discussion about that?

**Mr Roche**—We have done some work internally in relation to that issue.

**Senator ADAMS**—So that is 'watch this space'?

**Mr Roche**—It is under consideration.

**Senator ADAMS**—It seems a very practical thing if they are not prepared to do it. They are getting the advantage of having that extra patronage because of the cards, but those are the people who are suffering through the unleaded and the other premium fuels are being sold. I know that was one of our priority recommendations.

**Mr Roche**—Yes.

**CHAIR**—Moving on to another section. We did hearing health this morning, so there will not be anything in hearing health.

**Senator SIEWERT**—I have some questions about some specific communities, if that is okay. You may need to take them on notice. There have been some issues about access, and it may be a purely Western Australian issue—although we have been getting the run-around in Western Australia. There has been the usual backwards and forwards. Do you make funding available to the health service that covers Tjuntjuntjarra?

**Mr Thomann**—Yes, we do. The Office of Aboriginal and Torres Strait Islander Health this year has provided \$476,823 for the provision of services by two nurses and two Aboriginal health workers. Their health care is supplemented by the visit of a GP through the RFDS. They have now made a commitment to visit once a fortnight.

**Senator SIEWERT**—I think there has been some trouble, has there not, in getting a GP into the community?

**Mr Thomann**—There was a workforce supply issue, so they had some problems meeting that once a fortnight commitment. But that has been fixed and I understand they are now getting there once a fortnight.

**Senator SIEWERT**—So the past problems have been not being able to find a GP to be able to visit the community?

**Mr Thomann**—My understanding is that the RFDS was having some problems meeting that commitment. But they have fixed that and there is now a regular, once a fortnight visit by a GP.

**Senator SIEWERT**—That is much appreciated. Thank you. I think that takes care of the questions I had there.

**CHAIR**—Senator Adams has one question about medical services and then we will come back to you.

**Senator ADAMS**—This question is in relation to salaries for medical practitioners working in Aboriginal medical services. This question is about the salary parity for medical practitioners working in Aboriginal medical services compared with doctors working in other health services. There appears to be quite a lot of evidence in many places that salaries paid to doctors working in Aboriginal health and medical services are lower than those of doctors working in other settings. Of course, this is having a large impact on attracting doctors into Aboriginal medical services. Has the department completed its project on the cost structures of indigenous health organisations, especially the component on health professionals' salaries?

**Mr Thomann**—No, we have not.

**Senator ADAMS**—Does the project include an audit of doctors' salaries in Aboriginal health and medical services? If it does, what has the audit revealed regarding the salary levels?

**Mr Learmonth**—The project is collecting information about staffing structures and costs in relation to staffing profiles of organisations. We are now in the analysis stage, so we do not have any result of that analysis at this stage.

**Senator ADAMS**—So you do not have any recommendations as to how you can prevent this salary disparity?

**Mr Thomann**—I think we need to recognise more broadly that Aboriginal medical services are autonomous organisations. They receive a grant—in some cases substantial grants—from the department. They are also able to bill Medicare for their services, and Medicare is traditionally one way of paying for medical services. We are aware that in remote areas there are disparities, and the disparities seem to be at the remote area allowance end. We have done some preliminary analysis, especially in Western Australia, where this issue has been brought to our attention. For some of those remote services, which have been in a particularly difficult situation in attracting and retaining GPs, we have provided some

supplementary assistance through the grant available from OATSIH in recognition of the higher cost of delivering medical services in remote areas.

**Senator ADAMS**—When do you think you will finish your project?

**Mr Thomann**—We will be finishing it in the first half of next year.

**Senator ADAMS**—Does that mean you will have it completed by the end of June?

**Mr Thomann**—We will have it completed by June next year, but I would certainly be hoping to get preliminary results before that. That is an issue we are particularly interested in.

**Senator ADAMS**—Will the results of that project be made public?

**Mr Thomann**—That decision will obviously need to be taken once we have discussed the results with our minister.

**Senator SIEWERT**—I want to go back in general to Closing the Gap funding and the increase in funding specifically to meet health objectives. I want to explore the issues around how funding is going to community controlled organisations and what the process is for enhancing further resources going to community controlled health organisations versus more traditional mainstream health organisations. Can you take us through that process and explain what the current division of funding is, and whether you still intend to move towards more cooperation with community controlled health services?

**Mr Thomann**—I take it that you are referring to the chronic disease package?

**Senator SIEWERT**—Yes.

**Mr Thomann**—The chronic disease package is made up of a number of elements. Some of them are grant funded and some are increasing the funding available through Medicare—through MBS and the PBS—and through PIP incentives. There is some funding through grants which will directly fund Aboriginal community controlled health organisations for more practice managers, more health professionals and for their share of Indigenous outreach workers to be deployed. In addition to that, the Indigenous-specific practice incentive payment will be available to all accredited practices that sign up, and we expect a number of Aboriginal medical services to be among them. That will substantially increase their revenues, given that a number of those organisations are already providing comprehensive primary health care, and so they are well placed to get those incentives and also to bill Medicare through the enhanced arrangements.

**Senator SIEWERT**—Are you able to give me an overall percentage of the funds that will be delivered through community health care services?

**Mr Thomann**—It is not possible to do that, given that a lot of that funding through Medicare will be activity driven. But they will certainly get access to grants. There are a number of grants in relation to the smoking measure and deploying community-based strategies around that. There are going to be community based healthy living campaigns and workers working in communities. We expect Aboriginal community controlled health organisations to be well placed to apply for this grant funding.

**Senator SIEWERT**—What percentage of the funds is going to the grants program, for example?

**Mr Thomann**—I have not done that analysis. We would have to take that question on notice.

**Senator SIEWERT**—If you could give us a breakdown, that would be useful. That leads me to my next question, about the Overburden report that dealt with the issues around red tape and the number of grants that community health organisations are juggling.

**Mr Thomann**—Are you talking about the CRC for Aboriginal health report?

**Senator SIEWERT**—Yes.

**Mr Thomann**—Which was released recently?

**Senator SIEWERT**—Yes. Are you going to look at that and respond to it? Most of us are members of the Select Committee on Regional and Remote Indigenous Communities as well, and everywhere we go one of the most common complaints is the number of grants that health organisations have to juggle. As you well know the report articulates that pretty clearly.

**Mr Thomann**—Yes.

**Senator SIEWERT**—Are you making it a priority to address that issue?

**Mr Thomann**—We have made it a priority for some time to address that issue. We have been well aware of that process and have had discussions with the CSE ever since they started the project a couple of years ago. We have certainly moved to rationalise the funding received from the Office of Aboriginal and Torres Strait Islander Health. In terms of the recurrent funding, we have created one funding line rather than multiple funding lines, which organisations are expected to report against. We have been trying to rationalise the reporting processes, and we are in the process of developing a web based reporting arrangement that will simplify the reporting that is expected of organisations.

**Senator SIEWERT**—Did you say one reporting process?

**Mr Thomann**—Yes. We are in the process of rationalising those reporting processes and focusing on some key clinical indicators. Earlier in the hearing I referred to the clinical indicators we have been developing in the Northern Territory. We are going to develop national ones based on those discussions with our stakeholders in the Northern Territory and other parts of Australia, including Queensland, where work has been done. We certainly intend to rationalise the myriad reporting arrangements we have had in the past. We are in the process of doing that now.

**CHAIR**—We have to end now. There will be numerous questions on notice.

**Ms Savage**—Senator Adams asked what we found in terms of the analysis of the audiological services. Out of an analysis of 3,165 children, 54 per cent have either bilateral or unilateral hearing loss, 21 per cent have mild hearing loss in the better ear, 11 per cent have more moderate hearing loss and 0.4 per cent had severe to profound hearing loss.

**CHAIR**—Thank you, Ms Savage. No doubt we will be talking to you again.

**Senator ADAMS**—I think so.

**Mr Thomann**—We need to correct the record on something we said about petrol sniffing.

**Ms Saastamoinen**—It relates to the question about Halls Creek and how many outlets we have delivering Opal. I have double checked and it is around the Kimberley itself, not just in Halls Creek. The Halls Creek petrol station is the one that has shut down for renovations and has given us in principle approval to roll out Opal once they re-open. I do not have the detail of the location of the other petrol stations. They are in that same region, but in the Kimberley.

**Senator SIEWERT**—Can you take that on notice?

**Ms Saastamoinen**—Certainly.

**Senator SIEWERT**—I am pretty certain Halls Creek has another petrol station.

**Senator SCULLION**—There are three.

**Ms Saastamoinen**—Perhaps I can take that on notice.

**Senator SIEWERT**—I was quite pleased to hear that it sounded like we had coverage, but it now it looks as though we may not.

**Ms Saastamoinen**—As I said, the advice is about the Kimberley. I will have to take on notice the question about how many petrol stations there are in Halls Creek itself.

**Senator SIEWERT**—That are actually stocking Opal?

**Ms Saastamoinen**—Yes.

**Senator SIEWERT**—That would be appreciated.

**CHAIR**—Ms Savage, I have been asked to check whether you can provide on notice numbers as well as percentages for that last answer you gave about the percentage of different categories of hearing loss—if we could get numbers as well as percentage on notice that would be useful.

**Ms Savage**—Most certainly.

**Mr Roche**—You asked also for some information in relation to diversionary activities at Balgo?

**CHAIR**—We did, yes.

**Mr Roche**—I have been informed that the Attorney-General's Department funded Wirrimanu Aboriginal Corporation in March this year to employ a male and a female youth worker to provide regular activities to divert Indigenous children and youth away from crime and substance abuse, including petrol sniffing. Currently a male youth worker is in Balgo, and a female youth worker was scheduled to commence on 19 October.

**CHAIR**—Can we get on notice some more detail about when that funding was provided and when they started?

**Mr Roche**—Will do.

**CHAIR**—That is a significant gap. We will move into the last section on employment and welfare reform with the employment people from the Department of Education, Employment and Workplace Relations. We have some questions around a particular Aboriginal cooperative, and also some questions about CDEP.



**Senator SIEWERT**—My question relates to a specific organisation, but that organisation is only one of a number of organisations I have heard from about the Indigenous Employment Program. When we were in Broome—again wearing our other committee hats—we visited an organisation there and heard similar concerns about what was happening with IEP. Could you fill us in about where you are up to in implementing that program, and have organisations now been notified about whether they have been successful or not?

**Ms Caldwell**—It is important to look at the context that we are looking at here. On 1 July there were reforms to the Indigenous Employment Program, to CDEP and also to the mainstream services which cater for the majority of Indigenous job seekers.

**Senator SIEWERT**—I am fully aware of that.

**Ms Caldwell**—In terms of the distance that we have travelled since then, just to give you a little context, since the new Job Services Australia commenced on 1 July there have been job placements for over 6,600 Indigenous job seekers, in particular in remote areas. You mentioned Broome, for example. In the remote employment service areas we have had job placements for 1,388 Indigenous people. If we look at similar mapping under the old Job Network, that is about 200 more than in the similar two months under the mainstream programs in the remote employment service areas last year. So we have some very encouraging signs in terms of the rollout of those services, and some very positive feedback about that particular transition. Obviously it is a very large logistical exercise.

I should also mention that in addition to those job placements these are placements for Indigenous people. We have had 228 education commencements in remote areas specifically to assist connections with education as well. The Indigenous Employment Program is a rolling program, so we provide funding to a range of projects as well as some direct funding to employers who may be looking for wage assistance to engage cadets, trainees or young people. It is a mix of projects, each with their start date, end date and design parameters very much tailored.

Those projects come from a range of sources. They may come direct to us from employers. We may have engagement with them and be looking at their own recruitment, retention, career development and training strategies, in-house capabilities, and mentoring and support for increasing opportunities for Indigenous people.

We also have the two panels which are organisations which are not recruiting the job seekers themselves but are there to provide services to help Indigenous people to become more job ready and skilled and to help to connect them with employers. In terms of the reformed IEP, to complete the overall picture, since 1 July we have had 4,251 Indigenous Australians overall helped into employment and training. That is 4,251 under the Indigenous Employment Program. That is a mix of projects that had been rolling before 1 July. But, very encouragingly, 652 of those jobs were for projects that did not exist until the reforms of 1 July. That covers, for example, 76 projects already up and running with new panellists who came into being from 1 July.

**Senator SIEWERT**—How long ago did you selected those panels?

**Ms Caldwell**—The panels were selected in time for 1 July. There were previous consultations with organisations. We first started consulting back in May 2008 in 70 locations

with more than 2,000 interested organisations present and 120 written submissions. That was going right back to immediately post the May 2008 budget. We had further rounds of consultations in locations both remote and metropolitan in October 2008 and in February and March 2009. We had 53 information sessions at 49 sites, eight Northern Territory remote sites and two dial-in sites for people who would rather pick up the phone and be able to do it that way. So there was quite a lot of dialogue around discussion papers describing how the new panels would operate around the lead-up to the actual tender document, which again described how the panel and the new program operate. In terms of your specific question, all applicants who wanted to join the panel were formally notified of that at the beginning of July.

**Senator SIEWERT**—What about the project based element? It is a rolling process. How long after putting in a tender or an application are organisations notified?

**Ms Caldwell**—It depends on the nature and scope of the project. We do try to do it within a maximum of 45 days. But what typically happens, and what our external guidelines do say, is that we encourage organisations to talk to us. Panels can work three ways. If we identify a community with a need, we—the department—can approach a panel member or a group of panel members and say, ‘Who might be interested? Give us some proposals, and we’ll fund the best fit for that.’ The second way—and this is a very common way, and this is very clear in all those information sessions and dialogue—is that once you are on the panel you can approach us formally or informally at any stage and say, ‘I’ve got an idea. Can I talk to you about whether it has legs or if it’s something you’re interested in?’ We have a lot of preparatory work between proponents. We find that organisations may come to us with some very well-fleshed-out ideas or some very innovative ideas in their very early days. Therefore there is a little bit of variation in the amount of time. Of course, if we are proceeding to looking at a formal decision as to funding, we do need the organisation to put in writing what may have been the subject of preliminary discussions and say, ‘This specifically is what we would like to proceed with at this price,’ and then a formal decision is made.

**Senator SIEWERT**—That is the third element. You said there are three elements. There is you approaching the panel proactively; panel members coming to you with proposals which they then flesh out with you—

**Ms Caldwell**—And the third one is that under the reforms the panel is more flexible. So, if there are other organisations who are not on the panel, we will accept people to join the panel on a progressive basis. Prior to the reforms, if you missed the boat that was the end of it.

**Senator SIEWERT**—That was the rolling project idea. Somebody could come to you and say, ‘We got this you-beaut proposal,’ and you work with them. If they are not on the panel you work with them, and if you think it is a good proposal you put them on the panel. Is that right?

**Ms Caldwell**—Yes.

**Senator EGGLESTON**—I was recently in Broome and visited Radio Goolarri. Do you know of the Goolarri media organisation in Broome, which has been established a long time and provides radio and television services across the Kimberley and perhaps even into the Northern Territory and into Queensland? They had a program which trained Indigenous youth in media techniques and technologies, which was funded through CDEP to the extent of \$1.4

million, so they told me. They are finding it very difficult to continue this program following the cessation of CDEP funding. I wondered, since this is a particularly good training program, what possibilities there may be for accessing grants from other sources to maintain this program.

**Dr Harmer**—I am not aware of that one. Ms Hawgood might be.

**Ms Hawgood**—I have been up there recently, and I was not meeting with Goolarri. But I heard something about that. My understanding is—and my DEEWR colleagues might want to comment on this—that DEEWR has been working very closely with Goolarri looking at what opportunities there might be through some of the programs that they run. I think they already fund Goolarri significantly. I know some intensive work has been done with Goolarri by the DEEWR representative on the ground up there.

**Ms Wood**—Yes, there have been discussions with Goolarri by the DEEWR people in the Broome office. They have been working through the different available training funding sources that can be brought together to support Goolarri's program. The thing that is difficult and the thing that they have been trying to work through with Goolarri is that there is not a source that can provide the kind of wage subsidy that CDEP used to provide, so we need to look at other sources that specifically fund traineeships or training. Where there are employment outcomes, then we can look at the ways in which it can connect with the Indigenous Employment Program as well. So it is looking at the range of sources, some of which will be state government, not Commonwealth. It is trying to package that together to support what Goolarri wants to achieve.

**Senator EGGLESTON**—As I said, they have done a very good job over quite a long time. How optimistic are you that this funding need can be met through the various sources you have just outlined?

**CHAIR**—It is a difficult question for the officers to answer, but they can have a go.

**Dr Harmer**—It is difficult, but I suspect that it sounds reasonably positive. What it will require is a bit of a shift in the emphasis of the people who were previously supported by CDEP to more of a training work-readiness type of program. Without making any commitments on behalf of DEEWR, they have a range every programs that may fit. They might not fit exactly, and that is why we have to be a bit careful about filling in precisely what the radio operators want.

**Mr Griew**—I have just been advised that the discussions that Dr Harmer is referring to are of exactly that nature and have gone very well. I do not have the figure, but we will be providing some funding to that organisation.

**Senator EGGLESTON**—That is very good. As I said, they do a very good job. I am sure they would be flexible in meeting the requirements of whatever other programs might be able to assist them.

**Mr Griew**—From what I understand, we have been pleased with the conversation too.

**Senator EGGLESTON**—Thank you very much for that information.

**Ms Caldwell**—I would like to clarify something I said when referring to that third stream. Because of the reforms, organisations can approach us at any stage. They are technically not

on the panel, but they can be funded in the same way. It is the same point I was making, but I wanted to clarify that technically they do not have the badge of panellist.

**Senator SIEWERT**—I refer to the IEP program. You talk about the proactive approach of putting needs for priorities out to the panel. How do you go about developing those priorities or a project that you want people to tender for?

**Ms Caldwell**—I will hand over to Ms Wood, who can give you an example of some good work that we have been doing in that regard.

**Ms Wood**—To help provide some guidance for the range of DEEWR officers in state offices, who are the primary people developing specific projects, we have been looking at industry trends, growth industries, the spread of Indigenous employment across industries and marrying that with regional analysis to pull together a picture of where the opportunities might be in employment over the next period and also in the longer term. That can help inform the kinds of training and pathways in the projects that we support. Obviously, there is always flexibility around local opportunities. So there will be a whole range of opportunities at a local level that stem from a particular employer, a particular development or a particular investment in infrastructure, and we can be very flexible about ensuring that projects can support those as well.

**Ms Caldwell**—In bringing those together, we are also very mindful of the importance of communication and consultation. We have had a number of activities in various regions, specifically around the CDEP reforms. We have spent a lot of time with our colleagues at the other end of the table at two very major roadshows that were all about engaging with communities, important stakeholders, CDEP organisations, Job Services Australia and potential panellists. Everyone participated in the same dialogue and we were able to genuinely listen to the communities and then sit down with service providers and talk about how they could work collaboratively with them.

We have collected similar information, worked together and held joining-up sessions where we have gone into regional or metropolitan areas and said, 'Let's have a workshop for the day and let's invite a range of people who are interested in helping to brainstorm opportunities to get used to working together very collaboratively as well.'

**Senator SIEWERT**—I am seeking some clarification of the process and whether there has been a misunderstanding of the process. Two previous STEP providers have contacted me. They did not say whether they had applied to be panel members—they were not that clear—but they had put in applications and they had not heard back. When one organisation did hear back, it was for a proposal that they did not feel it was appropriate for them to take on because their clients were not ready for it. How could that have happened? Was there a misunderstanding of the process or unreal expectations?

**Ms Caldwell**—That is certainly not generally our experience. It might be best if we take the details on notice. Obviously, closing the gap is hugely important to all of these programs. We certainly would not normally expect that. I would not speculate about why that was the perception in that case.

**Senator SIEWERT**—I would prefer to talk to you offline about the specific organisations, because in both cases they were keeping staff on and in fact were still working with young

people to try to find placements, but this was effectively outside the previous process. I might take it up with you separately to see whether there was a misunderstanding about the process or just what did happen.

**Ms Caldwell**—We are really focused on what will deliver results that are appropriate to the job seekers at the centre—the Indigenous Australians at the centre of this picture. It is important to us not only that we are funding good works but also that there is a clear destination for a job at the end of it. Sometimes those sorts of discussions can lead to the conclusion that the clients are not ready and that what is important is how we get them there. I will not speculate further.

**Senator SIEWERT**—I am particularly interested in the south-west of Western Australia and the CDEP. I presume you will need to take this question on notice. I want to know the number of people who came off CDEP in Western Australia, the number who transitioned into job placements and the number that went on to New Start or any other income support.

**Dr Harmer**—I suspect we will need to take that on notice.

**Ms Hawgood**—We will need to take that on notice. We have more of a national picture but not that breakdown. I am happy to provide that.

**Senator SIEWERT**—Anecdotally, I have been told there are a number who came off and have gone on to income support and have not found job placements. It is particularly hard in the south-west of Western Australia because of the loss of employment through the NRS scheme crashing et cetera.

**Ms Hawgood**—We will find out and come back to you.

**Senator SIEWERT**—If you could take that on notice that would be very much appreciated. Thank you.

**Senator SCULLION**—I have a couple of questions about the Work for the Dole program and whether we keep separate statistics for mainstream Australia and Indigenous Australia.

**CHAIR**—Do we have the appropriate officers for that question?

**Mr Griew**—We can provide a general answer to that question, but if there is a specific question we might have to take it on notice.

**Senator SCULLION**—That would be a great process. At the moment there is an issue with some of the compliance processes. We know from the intervention statistics that the national participation rate is 60 per cent, but the NTER was only 30 per cent, and that was measured by appearing only once a fortnight, which is obviously pretty disappointing. That is why I am interested in whether you have a separate set of statistics. You will tell me in a moment or you will take that on notice.

The other aspect is how we deal with compliance action. The NTER report states that there is evidence to indicate that compliance action actually has little impact as an incentive for ongoing participation in other employment programs. Does that flag doing some work around perhaps having difference compliance models in different environments? That is a pretty wide gap between the 30 per cent and 60 per cent.

I understand that a new compliance model was introduced on 1 July that gives the provider greater flexibility. That policy does not indicate whether the flexibility means you will not be relying as much on participation reports—in other words, not applying strict liability and being more flexible. I do not have any idea of what the change in policy means. Can you enlighten me?

**Ms Caldwell**—I will make some very brief remarks on that, and we may need to take the specifics on notice. A new compliance framework was introduced on 1 July. It had a couple of features that go to the issues that you have raised. The department certainly has data that can give us visibility over Indigenous and non-Indigenous and the impacts across both of them.

I will mention three facts, just to give you a bit of triangulation. I am advised that in the Northern Territory communities, in particular, in the three months between July 2009 and 30 September 2009 there were no serious failures or compliance failures that resulted in an eight-week non-payment period. However, there were nine people who, because they declined or left a job that was available to them, were in scope of having a non-payment period. Four of those were waived under the hardship provisions. I mention those key statistics that I have with me because they show that under the changes some discretion is being exercised. We are not seeing huge waves of penalties being applied to people in very difficult circumstances. However, where warranted—for example, with those individuals that I mentioned—some people needed to serve and others not because of their individual circumstances, having hardship.

The new compliance framework, as well as being firm and fair, has new alternatives—in particular, a contact request. You mentioned the exercise of discretion and it is in a similar vein. A provider of employment services can exercise discretion if they think somebody has failed to turn up for an appointment but they should not be taking drastic action. They can use that and focus on engagement. Similarly, they can ask Centrelink to wait until a person comes in for their next payment to raise with them that they really do have to reconnect. Again, that is an alternative to leaping to the most drastic action in all cases.

You also mentioned Work for the Dole. I am advised that as at 30 September in remote areas 4,709 job seekers were placed in work experience activities, training or working for the dole.

**Senator SCULLION**—I realise that this is a big request, and no doubt Dr Harmer will find a balance for me. If the information is available on the public record do not worry about it. I would like the types of activities and perhaps by region the number of people participating. That would be very useful. Dr Harmer may respond with regard to where we are up to in the assessment of the new process that was introduced on 1 July.

As I indicated earlier, one of the big challenges in Indigenous communities—according to some, we always tell lies—is that we say to them, ‘If you don’t come to work you will be breached.’ They say, ‘Righto.’ Then they do not come to work and they are never breached. Pretty much whatever we tell them is rubbish. That has happened over many years. I am concerned that we have a national policy that says something will work very well in some demographics but perhaps sends the wrong signals in other demographics. I will be very

pleased to hear, perhaps on notice from Dr Harmer, about how that particular policy may be developed to with regard to Indigenous people specifically.

**Mr Griew**—We will provide an answer on notice.

**Senator SCULLION**—Thank you.

**Dr Harmer**—Chair, I have an answer to a question Senator Payne asked about the Blank Page Summit in Western Australia. We have sought out information from the ground in Western Australia. The first part of the question was whether we had discussions with the Western Australian government. The answer is yes, in the lead-up to the summit. We also understand that the Western Australian minister and officials attended the summit. Several Commonwealth staff attended all or some of the time. As we said before, the FaHCSIA state manager in Western Australia and the ICC manager attended. The minister together with two other ICC staff, a Department of Health and Ageing officer and a DEEWR officer were all present.

We do not have the full details of the cost, but we will get them on notice. We understand that all of our participants paid the registration fee. We have also been able to confirm that, together with the Department of Health and Ageing's contribution to the DVD, FaHCSIA made a significant contribution to the cost of the summit. It contributed \$100,000—including \$50,000 in the financial year 2008-09. I will clarify that. I understand that the state government made a financial contribution to the summit, but I am not sure what that was. We have taken other parts of the question on notice.

**CHAIR**—Thank you very much, Dr Harmer. That brings this session of our Senate estimates to a conclusion. I thank officers, most particularly those who were cooperative in changing their times. Thank you, Minister. I also thank Mr Yates for his help in pulling together the format for today. It was most helpful. This is Mr Humphery's last day of involvement in our estimates process. He has attended 55 sessions of estimates.

**Dr Harmer**—A magnificent effort.

**CHAIR**—Congratulations, Mr Humphery.

**Committee adjourned at 2.34 pm**