



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

SENATE

COMMUNITY AFFAIRS LEGISLATION COMMITTEE

ESTIMATES

(Additional Estimates)

THURSDAY, 11 FEBRUARY 2010

CANBERRA

BY AUTHORITY OF THE SENATE

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SENATE COMMUNITY AFFAIRS**LEGISLATION COMMITTEE****Thursday, 11 February 2010**

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, Carol 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 Boyce, Crossin, Fierravanti-Wells, Fifield, Furner, Humphries, Ludlam, Lundy, Marshall, McEwen, Moore, Parry, Payne, Scullion and Siewert

Committee met at 9.36 am

FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS**In Attendance**

Senator the Hon. Christopher Evans, Minister for Immigration and Citizenship

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

Dr Jeff Harmer, Secretary

Mr Barry Sandison, Acting Deputy Secretary

Mr Sean Innis, Acting Deputy Secretary

Mr Andrew Tongue, Deputy Secretary

Mr Bruce Hunter, Deputy Secretary, Chief Operating Officer

Mr Rob Heferen, Deputy Secretary

Mr Bernie Yates, Deputy Secretary

Dr Nick Hartland, Acting Group Manager, Pension Review Taskforce

Group Managers

Ms Cate McKenzie, Group Manager, Women and Children

Mr Evan Lewis, Group Manager, Community Engagement and Development

Ms Robyn Fleming, Acting Group Manager, Families

Mr Tony Kwan, Group Manager, Information Management and Technology

Mr Anthony Field, Group Manager, Legal and Compliance

Ms Peta Winzar, Group Manager, Housing

Ms Frances Davies, Group Manager, Disability and Carers

Dr Nick Hartland, Group Manager, Disability and Carers

Mr Steve Jennaway, Group Manager, Business and Financial Services

Mr Chris Lamont, Group Manager, Social Housing Initiative

Ms Alanna Foster, Acting Group Manager, Social Policy

Ms Donna Moody, Group Manager, Program Performance

Ms Julia Burns, Group Manager, Corporate Support

Cross Outcomes

Ms Kim Vella, Acting Branch Manager, Budget Development

Mr John Shevlin, Branch Manager, Procurement and Risk Management

Mr Kurt Munro, Branch Manager, Financial Accounting

Mr Scott Dilley, Branch Manager, Financial Management and Governance

Mr Dave Agnew, Branch Manager, Property, Environment and Protective Security

Mr Andrew Lander, Branch Manager, Communications and Media

Ms Susan Black, Branch Manager, Ministerial, Parliamentary and Executive Support

Ms Lynette MacLean, Branch Manager, People Branch

Mr Allan Groth, Branch Manager, Strategic Policy

Mr Ty Emerson, Branch Manager, Social Security Policy

Ms Michalina Stawyskyj, Branch Manager, International

Ms Christine Williams, Branch Manager, Performance Management and Modelling

Ms Andrea Lanyon, Acting Branch Manager, Research and Analysis

Mr Phil Brown, Branch Manager, Compliance

Mr Simon Taylor, Branch Manager, Public Law

Dr Loucas Nicolaou, Branch Manager, Audit

Ms Fiona Smart, Branch Manager, Program Frameworks and Support

Ms Jo Wallis, Section Manager, Property, Environment and Protective Security

Outcome 1 - Families

Ms Tracey Mackey, Acting Branch Manager, Children's Policy

Ms Lee Emerson, Branch Manager, Family Policy and Research

Mr Andrew Whitecross, Branch Manager, Family Payments

Mr Mark Warburton, Branch Manager, Paid Parental Leave

Ms Allyson Essex, Branch Manager, Child Support Policy

Ms Nicole Pearson, Branch Manager, Family Support Program Operational

Ms Sonia Cornelly, Acting Branch Manager, Family Support Program Strategic

Outcome 2 – Housing

Ms Susan Finnigan, Branch Manager, Affordable Housing Programs

Ms Kate Gumley, Branch Manager, Homelessness

Ms Leesa Croke, Branch Manager, Office of Housing

Outcome 3 – Community Capability and the Vulnerable

Ms Elizabeth Stehr, Branch Manager, Money Management

Mr Gavin Matthews, Branch Manager, Welfare Payments Reform

Ms Jill Farrelly, Branch Manager, Community Investment

Ms Sharon Rose, Branch Manager, Disability and Carers Payments

Ms Sue Ham, Acting Branch Manager, Disaster Preparedness & Recovery

Ms Robyn Oswald, Section Manager, Money Management

Outcome 4 – Seniors

Mr Sam Cavalli, Acting Branch Manager, Seniors and Means Test

Ms Jill Farrelly, Branch Manager, Community Investment

Outcome 5 – Disability and Carers

Ms Deborah Winkler, Branch Manager, Mental Health and Autism
Ms Sharon Rose, Branch Manager, Disability and Carers Payments
Ms Christine Bruce, Branch Manager, Disability and Carers Programs
Ms Helen Bedford, Branch Manager, Disability and Carers Policy

Outcome 6 – Women

Ms Sally Moyle, Branch Manager, Office for Women
Ms Yvonne Korn, Branch Manager, Safety Taskforce

Equal Opportunity for Women in the Workplace Agency (EOWA)

Ms Mairi Steele, Acting Director
Ms Rebecca Barnes, Communication and Policy Manager

CHAIR—Good morning everyone and thank you for your patience. As you are aware we had to do some legislation committee work this morning to fit in with our program.

I now declare open this hearing of the Senate Community Affairs Legislation Committee. The Senate has referred to the committee the particulars of proposed additional expenditure for 2009-10 and related documents for the Families, Housing, Community Services and the Indigenous Affairs portfolio. The committee must report to the Senate on 23 February 2010. It is probably a silly date to set, but nonetheless we have set 1 April 2010 for the return of answers to questions taken on notice.

Officers and senators are familiar with the rules of the Senate governing estimates hearings, and if you need assistance, the secretariat, through Leonie Peake, has copies of the rules. I should particularly draw attention to the Senate order of 13 May 2009 specifying the process by which a claim of public interest immunity should be raised, and which I now incorporate in *Hansard*.

The extract read as follows—

Public interest immunity claims

That the Senate—

- (a) notes that ministers and officers have continued to refuse to provide information to Senate committees without properly raising claims of public interest immunity as required by past resolutions of the Senate;
- (b) reaffirms the principles of past resolutions of the Senate by this order, to provide ministers and officers with guidance as to the proper process for raising public interest immunity claims and to consolidate those past resolutions of the Senate;
- (c) orders that the following operate as an order of continuing effect:
 - (1) If:
 - (a) a Senate committee, or a senator in the course of proceedings of a committee, requests information or a document from a Commonwealth department or agency; and
 - (b) an officer of the department or agency to whom the request is directed believes that it may not be in the public interest to disclose the information or document to the committee, the officer shall state to the committee the ground on which the officer believes that it may not be in the public interest to disclose the information or document to the committee, and specify the harm to the public interest that could result from the disclosure of the information or document.

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

(Extract, Senate Standing Orders, pp 124-125)

I know officers are extremely experienced, as are senators, but when officers are called upon for the first time to answer a question they should state their name and position for the *Hansard* record, and witnesses and senators should speak clearly into the microphone. I will not talk about mobile phones!

[9.38 am]

I welcome the minister, Senator the Hon. Chris Evans, the departmental secretary, Dr Jeff Harmer and all the officers of the Department of Families, Housing, Community Services and Indigenous Affairs. I think we should start by acknowledging, Dr Harmer, and your receipt of the AO in the Australia Day honours. It is well deserved and is something that brings honour on the public sector as a whole. I also want to introduce Ms Naomi Bleaser, who is now the secretary of our committee. This is her first estimates with us; so welcome, Naomi.

Dr Harmer, after all of that, do you have an opening statement?

Dr Harmer—I do have a brief opening statement, Senator, if that is all right.

CHAIR—Certainly, Dr Harmer.

Dr Harmer—First of all, thank you for, on behalf of the committee, congratulating me; I appreciate the generous comments. Thank you. What we have done this time, as we did last

time, is provide the committee with our mapping of our previous outcome structure and our current outcome structure in order to be helpful.

CHAIR—Thank you very much.

Dr Harmer—So there will be hopefully less confusion about where things are to be dealt with.

CHAIR—Dr Harmer, as long as you know that that will not stop all of us getting it wrong and asking you for help and assistance later!

Dr Harmer—Indeed, but we try to be as helpful as we can, Senator. In the briefing of the committee I think my people suggested that we would like to deal with questions on income management, including income management in the Northern Territory, under outcome 1.

CHAIR—Yes.

Dr Harmer—I would prefer, if it does not upset the agenda too much, to deal with them where they actually fit in our outcome structure, which is under outcome 3, community capability and the vulnerable.

CHAIR—All right, sure.

Senator SIEWERT—I knew you were going to say that! It is the last thing tonight.

Dr Harmer—Now, Senator, if that is a major problem for you I will ask the officers to come at a different time, but it fits better there.

CHAIR—Dr Harmer, we can do that. It is our job, so we can do that. My understanding—so that we have it clear—is that general income management questions and proposals for change are today.

Dr Harmer—Yes.

CHAIR—Anything to do with current practice or previous practice in the NT is tomorrow.

Dr Harmer—Yes.

CHAIR—Okay, just so we have that all clear.

Senator SIEWERT—Can I just ask, too, that we do make sure that we set aside some time. I know that we do not usually run out of time in this committee like we do in Health—and we did last night.

CHAIR—Yes.

Senator SIEWERT—I do not want to be in a situation where I do not get to have a significant go at this because it is 10 minutes to 11 and we have to stop.

CHAIR—Senator, you have our commitment that we will ensure that there is adequate time this evening for yourself, other senators and the officers.

Dr Harmer—Thank you. I have a couple of more comments then if I may. Questions relating to any campaigns I would prefer not to deal with in the cross outcome but to deal with in the program areas where the campaigns are relevant.

CHAIR—Surely.

Dr Harmer—That will be more effective in terms of having the right people here to answer the detailed questions.

CHAIR—Is that all questions to do with expenditure and services?

Dr Harmer—Exactly, on any campaigns or publicity material.

CHAIR—All right, sure.

Dr Harmer—As I mentioned previously, if there are any other changes to the agenda—I know I have made one myself, and I apologise for that change—the earliest warning, so that I can make sure I do not have people here unnecessarily, would be appreciated.

CHAIR—We will do our best, Dr Harmer.

Dr Harmer—Finally, I just note that we provided all of the questions on notice to the committee before. I do apologise for the late submission of some but we now have provided all of them.

CHAIR—All of them are in. Thank you, Dr Harmer. I do appreciate your requests also. We have got the proposed breaks down there and we will work as closely as we can to those, subject to the flow of questions. We do appreciate the late afternoon tea break and that is to fit in with some senators—including my desire to go to some other meetings. I want to put that on notice there. Given we have all done that lovely warm introduction stuff, Minister, I ask you whether you have an opening statement?

Senator Chris Evans—No thank you.

CHAIR—Thank you, so we will kick off. We are going into cross outcomes and corporate matters. I have got questions that I have had acknowledged from Senators Siewert, Humphries and Fifield. They are the ones that I know and other people may jump in. We are going to start with Senator Fifield.

Senator FIFIELD—Dr Harmer, if I can also congratulate you on your award. One of the joys of Australia Day is going through the newspaper and seeing people you know and people who are worthy.

CHAIR—I think you need a hobby!

Senator FIFIELD—I am sure I am not the only one around this table who does exactly that. Dr Harmer, I also thank you because, as result of the last estimates, you arranged for me and Parliamentary Secretary Shorten to catch up for morning tea with some of the trainees who you have—staff with disabilities—and that was much appreciated. There are some impressive young people as part of that program. I thought I might kick off just by following up on that and seeing how the traineeship is going and if all of those staff are still with the department.

Dr Harmer—I will just bring Ms MacLean to the table.

Ms MacLean—We still have five trainees within the traineeship. One did resign in January because of ill health despite us trying to facilitate them staying on, and we have replaced them with another person from the selection process that we used. So we have five. Of course, one of them, as you are aware, went to WA.

Senator FIFIELD—Yes.

Ms MacLean—That is working out well too.

Senator FIFIELD—That is terrific, that is—

Senator SIEWERT—Anything in WA would work out well.

Senator Chris Evans—I will not mention the oil spill, which seemed to excite you for a while there. You obviously worked to expunge it from your memory.

Senator SIEWERT—Yes.

Senator FIFIELD—Have any other departments inquired about the traineeship? I was talking to Centrelink earlier in the week and they said that they were watching and observing, but have any other departments contacted you or sought to follow your lead?

Ms MacLean—We have had formal inquiries from ACT government and the Department of Health and Ageing.

Dr Harmer—And Centrelink, I think, because certainly the head of the—

Ms MacLean—Talked to you, yes.

Senator FIFIELD—Do you have any plans to expand the traineeship? You were going to take a look at it after a year?

Ms MacLean—Senator, last time I think we said to you—and it is the same—that it is an 18-month traineeship so we actually plan to evaluate it probably in the middle of this year to see how it is going and to then determine whether we would continue on with it. I think it would be fair to say it is something we would like to continue on with. It is, at this point in time, working quite well but we have not done the detailed evaluation.

Senator FIFIELD—All right, thank you for that, I just thought it was a good chance to follow up on that. Just in a similar vein, has the department since the last estimates, procured any new services from Disability Enterprises?

Mr Jennaway—I do not think I have the answer on the new situation. I do have some information that this financial year we have purchased \$39,506 worth of contract work from Disability Enterprises.

Dr Harmer—I will take that on notice, Senator, the question of whether we have contracted further work since the Senate estimates last year.

Senator FIFIELD—All right.

Dr Harmer—I suspect we may not have—it is a relatively short period—but we will check.

Senator FIFIELD—All right. What was the nature of those works or services?

Mr Jennaway—I think for the detail on those it is probably best leaving that to outcome 5, probably under program 5.4.

Senator FIFIELD—Of course, no worries. As it is a procurement issue, I thought it might be a corporate cross portfolio issue. Also, could you take on notice—or I can ask at outcome 5—whether the exemption from the mandatory procurement procedures was availed for that?

Mr Jennaway—No doubt people are listening and they will respond to you.

Senator FIFIELD—Sure, I will ask about that.

Dr Harmer—Senator, I will remind the people when they come to outcome 5 to deal with that question.

Senator FIFIELD—Thank you. For your information, I did raise with the Department of Finance and Deregulation whether they would undertake inquiries across all of government to see the extent to which that exemption from mandatory procurement had been used because, as I appreciate, it is not something which, although you are fully supportive, you have the capacity to cover across government, so hopefully that will be something of interest to us all.

Mr Jennaway—Generally speaking, there is work underway to promote purchasing from Disability Enterprises given that that exemption is there and that work is still ongoing, but you will get a better answer in outcome 5.

Senator FIFIELD—I suggested to Finance that that would be a useful exercise because it is all well and good to have that option of the exemption, but you need to know how government as a whole is travelling compared to what was before. So, that will be useful. Since the last estimates, can you just give me an indication of the size of the department? Are there any increases overall in head count since?

Dr Harmer—What I can do, Senator, is give you an indication of the size now and what we were 12 months ago. They are the figures I have.

Senator FIFIELD—All right.

Dr Harmer—I think, given that the last senate estimates was in October or November, there will not have been a lot of change. There will be some marginal change.

Senator FIFIELD—Of course.

Dr Harmer—Currently our total staff number is 3,404. We were at 3,296 this time last year.

Senator FIFIELD—Okay, thank you. Other than the people in the traineeship over that period, have there been any people who have joined who have identified themselves as having a disability?

Dr Harmer—I can give you again the proportion of people who have identified with a disability. At the moment in the department there are 179, which is 5.26 per cent, and at this time last year there were 172, which was 5.22 per cent, so we have gone up slightly in the 12 months. We are, at 5.26 per cent, almost double the APS average.

Senator FIFIELD—Well done. For staff who leave the organisation, do you keep records of the reason for their departure? Over a 12-month period people leave the organisation for a range of reasons, no doubt. I am just wondering whether, for those people who have a disability who have left, you are able to provide that sort of information?

Dr Harmer—Our voluntary separation rate for the department has gone down quite a lot over the last couple of years. We do do some exit interviews; but I am not sure how comprehensive that is at the moment.

Senator FIFIELD—Sure. Then again, that is something that you can take on notice.

Ms Burns—Senator, we do offer exit interviews to anybody who is leaving the department, and they can take that up voluntarily and indicate to us the reasons for their departure. We would have to take on notice whether any departing staff with a disability have taken up that opportunity.

Senator FIFIELD—Sure; thank you for that. You might be aware that the recent *State of the service report 2008-09* by the Public Service Commission shows that engagement rates across the public sector for people with a disability are at their lowest in 10 years. As you have already acknowledged, FaHCSIA has a higher engagement rate than the Public Service as a whole. Has advice been sought from FaHCSIA or from other agencies and departments as to how they might help improve their engagement rates?

Dr Harmer—Senator, I do know that the Public Service Commission monitors this across the service and there have been discussions about how we can improve our performance in that area. I am not sure whether the Public Service Commission have contacted us because we are one of the departments with a higher level and ours is increasing. But I assume that, if they have, we will have given them information that indicates how we have been successful.

Senator FIFIELD—I was just wondering whether, given the success you have had, the Public Service Commission or other departments have sought your advice as to how they might improve?

Dr Harmer—Can we take that on notice? I suspect that somewhere within the organisation we have been contacted, because I know that the Public Service Commission has been looking at that issue.

Ms Burns—Senator, while we do not have records of informal contact made at various levels, we do know that we promoted our intellectual disability program through the SES notes that are issued to senior executives across the Public Service through the APSC, so we had an opportunity to promote the good story in that forum.

Senator FIFIELD—That is good to hear. Could I grab a copy of those SES notes?

Ms Burns—Yes, we can get you a copy.

Senator FIFIELD—That would be great; thank you.

Senator HUMPHRIES—Dr Harmer, I wanted to ask what the department is spending on consultancy services at the moment. Year to date, how much have you spent on consultancies and how much did you spend last year?

Dr Harmer—We have that information.

Mr Jennaway—Year to date, the figure for consultancies is \$5.6 million.

Senator HUMPHRIES—Did you say ‘year to date’?

Mr Jennaway—Yes, the financial year. To clarify, that figure goes to 31 December 2009.

Senator HUMPHRIES—And what did you spend in the last financial year?

Mr Jennaway—The expenditure on consultancies in 2008-09 was \$18.4 million.

Senator HUMPHRIES—That suggests that you are reducing your dependency on consultancies this year.

Mr Jennaway—It does, and, whilst it is hard to predict this exactly, we are expecting around \$11.9 million to \$12 million might be the spend on consultancies this financial year. That figure could vary depending on what happens between now and 30 June.

Senator HUMPHRIES—Can you give me a rough idea of the main areas of consultancies at the moment?

Dr Harmer—I suspect we might have to take that on notice, Senator. I think it stretches across the whole department.

Mr Hunter—Senator, can I give you the percentages for consultancies. Business and administrative services equates to about 15 per cent. The area with the biggest majority is management and business professionals and administrative services, at 51 per cent. Management advisory services is 31 per cent. Community and social services, education and training and other make up the other three per cent.

Senator HUMPHRIES—What policy does the department work to with taking on consultancies? I note that Minister Tanner, when he was shadow minister for finance, indicated that the government would spend much less on consultancies than had previously been the case. In fact, he said that the government would cut something like \$400 million from its consultancy bill over the forward estimates. Have you been instructed to spend less on consultants? Are you attempting to reduce the amount you spend in that area?

Dr Harmer—Senator, we approach the procurement of consultancies very carefully in FaHCSIA. We only use consultants when we cannot do the work or we do not have the resources or the skill base ourselves. That is often the case in particular areas. We cannot afford to keep ongoing staff in areas where particular expertise is needed only for a short period of time. That is usually—

Senator HUMPHRIES—But that would have been your policy before, surely—that would always have been the policy.

Dr Harmer—Indeed. The expenditure on consultancies in FaHCSIA is going down in part because we have some financial constraints. The impact of efficiency dividends et cetera means we have to be very careful with our resources and we have to be even more careful about taking on consultancies—we only do it when it is absolutely necessary. I suppose that is just part of efficient management of our resources.

Senator HUMPHRIES—But are you under a whole-of-government instruction to reduce your reliance on consultancies?

Dr Harmer—I am not aware; Mr Hunter may be.

Mr Hunter—Senator, I am not aware of any specific instruction along those lines.

Dr Harmer—But, Senator, you can see, if you look at the FaHCSIA expenditure on consultancies over the last few years, that it has gone down quite a bit.

Senator HUMPHRIES—In the rest of the government it has not, unfortunately; you are obviously the exception to the rule. Can you indicate to me, or provide me on notice with a

table which indicates, the status of each of the election commitments that have been made in the area of FaHCSIA and the current status of each of those commitments?

Dr Harmer—Sorry; could you repeat that, Senator? I did not hear.

Senator HUMPHRIES—I wanted, if possible on notice, a table of each of the commitments made in the last election in the areas covered by FaHCSIA—families, housing, Indigenous affairs et cetera—and the status of each of those commitments at this point in time?

Dr Harmer—I will need to take advice on that; I do not have that information here with me.

Senator Chris Evans—Senator, I think it is reasonable for you to ask them about particular programs, but I do not think it is appropriate for the department to determine what election commitments anyone made. That is not their role. It is perfectly appropriate for you, if you have a list of commitments that you want examined, to ask them about each of those, but it is not appropriate to ask them to compile a document that is allegedly a list of Liberal or Labor commitments at the election. That is clearly not their role.

Senator HUMPHRIES—I am not actually asking for that; I am asking for those election commitments which they have been asked to implement.

Senator Chris Evans—Sure.

Senator HUMPHRIES—The department would obviously have been given by the government a range of things, a number of tasks, to implement. Some of those would be election commitments; some of them would be policies determined since the election, presumably. I just wanted you to identify which ones have the former status.

Dr Harmer—Senator, I think the minister's position is sensible. Clearly there are sometimes different understandings about what exactly is an election commitment. I would prefer, to be helpful, to do as the minister suggested—if you give me a list of the programs or commitments that you want to know our progress on, we will certainly furnish you with that information.

Senator HUMPHRIES—All right. Does the department prepare reports on progress of the implementation of government programs at electorate level?

Dr Harmer—No.

Senator HUMPHRIES—You do not prepare reports as a matter of course on the delivery of those programs, but is the information prepared on an as-requested basis by the ministers?

Dr Harmer—We do provide information on an electorate basis for ministerial or prime ministerial visits to particular electorates—we have been doing that for a long time—and for some programs, where expenditure is across the country, once decisions are made the minister often wants us to provide information about the electoral distribution of the outcome and we do that.

Senator HUMPHRIES—For that particular electorate?

Dr Harmer—For that particular program.

Senator HUMPHRIES—So that is by electorate for that particular program?

Dr Harmer—Grants programs and things like that, yes.

Senator HUMPHRIES—Is that information available on the website?

Dr Harmer—No, Senator, it is not.

Senator HUMPHRIES—Can we have that tabled?

Dr Harmer—I would need to take advice about that, Senator. This is advice to government and it would be a matter for the minister.

Senator HUMPHRIES—My understanding is, if you were providing advice for the purposes of cabinet deliberations and so on, you would not be obliged to table it but—

Dr Harmer—I am not saying no, Senator; I am just saying I would need to take advice from the minister.

Senator Chris Evans—I think it is really for the officers to check what has occurred in the past. I know under successive governments people have often asked for a breakdown by electorate. I have done it in the past in our area to check whether or not the distribution is relatively the same or not. It has obviously been done over the years because the department was able to do it quickly. I think Dr Harmer is just saying he is not sure whether that has been presented in the past. He will take it on notice and the minister will get back to you.

Senator HUMPHRIES—If the information is available to me, obviously I would like to have the information. If it is not I would like to know a reason as to why it is not available.

Dr Harmer—Senator, I can assure you that at present it certainly would not be available for all of our programs across electorates. We would not have done that.

Senator HUMPHRIES—Yes, I understand.

Dr Harmer—The task would be enormous. We have about 80 programs and we spend about \$70 billion—

Senator HUMPHRIES—I am not asking you for anything you have not already done.

Dr Harmer—No, indeed.

Senator HUMPHRIES—I am asking for what you have already done—

Dr Harmer—I will take it on notice.

Senator HUMPHRIES—which is not of a cabinet nature and that therefore, I understand, we cannot see. I imagine that grants information would have been developed on that basis. When it is published sometimes it is specific about location.

Senator Chris Evans—As you know, often with a program we write to the local member to advise them of it, so in the process of being able to do that you actually have to locate what electorate it is in and advise the local member, not often enough the local senator. Some do that well; some do not. The department identifies where the grant is and if there is an opening or whatever, they invite the local member. They certainly have always identified that when announcements are made.

Senator HUMPHRIES—I assume that if it has been provided to the local member that it is certainly information that ought to be capable of being tabled here because it has been made available to members anyway.

Senator Chris Evans—Whether it is aggregated or not, we will take it on notice.

Senator HUMPHRIES—What has the department spent on advertising and marketing in this financial year to date and in the two preceding financial years?

Mr Lander—What we have spent to date in 2009-10 we have broken up into various components. Public notices advertising \$258,000; non-campaign advertising other than public notice advertising, \$557,000.

Senator HUMPHRIES—So what was that, non-campaign advertising?

Mr Lander—That is right.

Senator HUMPHRIES—As in what?

Mr Lander—It might be recruitment advertising, that is other than public notice advertising.

Senator HUMPHRIES—That was what, sorry?

Mr Lander—That was \$557,019.

Senator HUMPHRIES—What was the first figure, the campaign advertising?

Mr Lander—No, the first figure was public notices advertising.

Senator HUMPHRIES—All right.

CHAIR—Mr Lander, what comes under that?

Mr Lander—That will be requests for tender, expressions of interest, advertising of funding rounds, those sorts of things.

Senator HUMPHRIES—That was how much?

Mr Lander—That was \$258,039.

Senator HUMPHRIES—Is there any campaign advertising?

Mr Lander—The other element is pensions reform campaign advertising. That is a total campaign figure, \$1,168,000.

Senator HUMPHRIES—Any other campaigns?

Mr Lander—That is 2009-10.

Senator HUMPHRIES—You might want to take this on notice but we can have those sets of figures for the two preceding financial years as well?

Mr Lander—Sure.

Senator HUMPHRIES—I assume that the department has contracts with particular advertising firms for delivery of ongoing advertising requirements. Do you have particular suppliers that you deal with in this respect?

Mr Lander—We have a range of panels, not necessarily for advertising. For noncampaign advertising, we utilise the government's master media buying agency and for campaign advertising we use the government's master media buying agency. All of our media buying is through those two agencies. In the majority, most of our advertising which is noncampaign we draw on the services of the noncampaign master media buying agency to do much of the design work of the advertising for us. On occasion when we do advertising which is campaign work we will generally hire some assistance to provide support for the development of the advertising elements.

Senator HUMPHRIES—Compared with the current financial year, what has the rate of spending on campaigns been like in previous years?

Mr Lander—Compared to previous years, my understanding is we are probably down this year in comparison to last year, largely because of the two campaigns that we ran last year in association with the economic stimulus strategy and the first home owner's boost.

Senator HUMPHRIES—Do you have any major advertising campaigns planned for the next six months?

Mr Lander—We have two campaigns that we are currently planning that are under development and, as Dr Harmer mentioned earlier, we might deal with those if it is appropriate to the committee in the context of those two campaigns and where they fit.

Senator HUMPHRIES—I do not know what they are.

Mr Lander—I will tell you what they are.

Dr Harmer—We will give you, Senator, the program area and then we will deal with the detail of them in the programs if we can.

Senator HUMPHRIES—All right. So what are the program areas?

Mr Lander—They are families and women.

Dr Harmer—The women is the violence against women campaign.

Senator Chris Evans—I think you could give the senator at least the titles of the programs so at least he knows what he is talking about.

Mr Lander—Certainly, yes. There are two campaigns that we are currently in the process of developing, one is for paid parental leave and the other is for promoting respectful relationships and that is in association with the work that the safety taskforce is doing.

Senator HUMPHRIES—Respectful relationships, that is the women's one?

Mr Lander—That is right.

Senator HUMPHRIES—I look forward to finding out about that. They are the only two campaigns that you have on the horizon at the moment that I have to ask about?

Mr Lander—That is right.

Senator HUMPHRIES—In the past, the department has provided a full list of all the discretionary grants that have been made including ad hoc and one-off grants. Is it possible to get an update of those grants by financial year say November 2007?

Ms Smart—All the grants that the department makes are listed on the website in each financial year in accordance with various Senate orders and also the Commonwealth grant guidelines. In terms of lists for previous years, I would have to take that on notice, Senator.

Dr Harmer—I am pretty confident that all of the grants that are provided under our various grant programs are on the website.

Ms Smart—Absolutely.

Senator HUMPHRIES—Excellent. Thank you for that. And that includes the amount of the grant, the beneficiaries and their location et cetera?

Ms Smart—It includes the organisation that received the grant, their location, the amount and the program under which the grant was made.

Senator HUMPHRIES— Yes, I am sure that would be there too. Thank you very much for that. Sorry to keep hopping around. I just wanted to ask about redundancies: have there been any involuntary redundancies in the department in this financial year to date?

Ms Burns—No, Senator.

Senator HUMPHRIES—In either of the last two financial years?

Ms Burns—No, Senator.

Senator HUMPHRIES—Thank you very much. I think I will put the rest of the questions I need to ask on notice; I will just check. Yes, I will put them on notice, so thank you very much.

Senator SIEWERT—I have one process case question and I do not want to miss out on asking these questions, because last night I was asking about some mental health questions, particularly relating to the COAG program, and I was directed here. They relate specifically to the new Personal Helpers and Mentors Program. Where should I ask those?

Dr Harmer—Under outcome 3 this evening, Senator.

Senator SIEWERT—That is outcome 3 as well? Okay.

Dr Harmer—I am hoping someone is listening; I think I have got that right. Someone will come in very quickly if I have not got that right. Sorry, I have misled you, Senator; it is under outcome 5 at 5.00 pm this afternoon.

Senator SIEWERT—Okay. I am presuming that is also where I will ask about the young people in nursing homes. There were some that were there and some—

Dr Harmer—Yes, yes.

Senator SIEWERT—I was pretty clear about that one, not about the other one.

Dr Harmer—I am sorry; I apologise.

Senator SIEWERT—Thank you. I will not take it as a conspiracy theory quite yet!

Senator Chris Evans—He did just push it back from three until five, though, again!

Senator SIEWERT—Yes! How many officers does the department have as liaison officers to the minister's office, and who are they?

Dr Harmer—I would prefer not to give names, Senator. I do not usually give the names of officers in any particular job in the department but I can certainly give you numbers. I do not know if we have them here.

Ms Black—We currently have five departmental liaison officers across our offices.

Dr Harmer—So that means we have a senior minister, a junior minister and two parliamentary secretaries.

Ms Black—So we have three with the senior minister, one with the junior minister and one in the parliamentary secretary's office.

Senator SIEWERT—So five, three, one and one; is that correct?

Ms Black—Yes, five in total.

Senator SIEWERT—Yes.

Senator Chris Evans—You have got three officers.

Dr Harmer—I think maybe it is DEEWR that provides—

Ms Black—Senator Stephens is DEEWR's DLO.

Senator Chris Evans—She has broader responsibility for the DLOs from the other department.

Senator SIEWERT—Thank you, that is much appreciated. When FaHCSIA is carrying out research and evaluation processes, do they adhere to the National Statement on Ethical Conduct in Human Research guidelines? Sorry—before those officers leave the table, I did want to ask another question around the liaison officers' position. I apologise. I appreciate your position of not naming officers, but what do I do if I want to find out if a particular person is a FaHCSIA liaison officer or not?

Dr Harmer—It is not my practice to name any officer in the department on any particular task, Senator.

Senator SIEWERT—So how does one find out?

Senator Chris Evans—Can we just take that on notice. My inclination is for Dr Harmer to tell you privately. But I will just check with the minister.

Senator SIEWERT—That is fine. I am trying to find out a particular piece of information.

Senator Chris Evans—It is not a secret, but there is a policy of not naming officers, particularly junior officers, but there will be a public record somewhere anyway. It is not a state secret, so I am sure we will find a way of letting you know.

Dr Harmer—I just do not want to publicly identify a particular officer.

Senator SIEWERT—I appreciate that, but I do want to find out some information. Could you tell us what their role is? You do not have to tell me their exact duty statement, just broadly what their role is, please.

Dr Harmer—Broadly they are there to facilitate the flow of paper and information between the department, the minister and the offices. As you can imagine, for our senior minister, Jenny Macklin, there is an enormous amount of paper and, from Ms Black's branch,

which is parliamentary ministerial branch, we provide one or two people to basically coordinate the paperwork and organise it in the office and be the point of contact for Ms Black in channelling briefs and ministerial correspondence from the department to the office.

Senator SIEWERT—Thank you very much.

Senator Chris Evans—In my department, though, they also take calls from the public.

Dr Harmer—They do that too, yes.

Senator Chris Evans—They act as the front line for calls coming to the minister's office with inquiries et cetera.

Senator SIEWERT—That is facilitating information flow. That is part of the brief?

Senator Chris Evans—Yes. Also I know my DLOs sometimes deal with members of parliament who have queries; they help them check the file and so on.

Senator SIEWERT—Thank you. Sorry to switch around, but when you said you were not giving names I wanted to find out how I could in fact find that out.

Dr Harmer—The minister is correct that there are a relatively small number of staff in the office and, from time to time, if people are on leave or things come up, the parliamentary liaison people from the department do other things like answering the phone and coordinating meetings.

Senator SIEWERT—Thank you. Can we go back to the National Statement on Ethical Conduct in Human Research; do you stick by those guidelines when you are designing your research programs?

Ms Lanyon—Thank you for the question. In our area of research and analysis, we provide the secretariat support to the research and evaluation committee that vets all research and evaluation projects when they come through at a proposal stage. At that stage, we require that, with any research and evaluation projects where there is data collection from vulnerable people, they go through a process of ethical clearance. At that point, there is an assessment against the NHMRC guidelines and the AIATSIS guidelines for research with Indigenous people around identifying the ethical issues and making sure we have strategies in place to address those issues. The committee then makes an assessment of whether or not the project has appropriate strategies in place to get that clearance. Then, at that point, usually where we are procuring or aiming to procure research from a research institution, it is the research institution's ethics committee that will give that approval, and of course they adhere and work to NHMRC guidelines.

Senator SIEWERT—Who is on your committee?

Mr Innis—The committee is chaired by the deputy secretary—in this case, me. It includes a number of members at the group manager level in the department and some branch manager members. Approvals for individual research projects are generally done on behalf of the committee by the Branch Manager of Research and Analysis. We set the guidelines for taking decisions but we delegate the approval of individual projects to the branch manager.

Senator SIEWERT—The branch manager of the particular area that is doing the research?

Mr Innis—No, the Branch Manager of Research and Analysis. We have got two people that look at the projects: the line area and the Branch Manager of Research and Analysis. In a case where it is a project within the Research and Analysis Branch, the Group Manager of Social Policy also looks at the project.

Senator SIEWERT—It is a departmental committee that is looking?

Mr Innis—It is a departmental committee.

Senator SIEWERT—You do not get outside peer involvement in looking at those particular areas of research?

Dr Harmer—When we commission an external organisation to undertake research for us, and we do that quite a lot with universities and research bodies and institutions, we rely on their doing the ethics committee work. We do not have our own people on that; we rely on universities and research institutions.

Senator SIEWERT—There are two questions. In that case you are not implementing the guidelines per se, you are relying on other people to implement the guidelines.

Dr Harmer—I do not think that is quite the case.

Mr Innis—We ensure that there are strategies in place that are consistent with the guidelines. But if we have engaged another party to conduct the research, we would expect them, as part of that engagement, to meet all relevant guidelines.

Senator SIEWERT—I will come to the outside parties in a minute. What happens where you do not engage an outside party?

Mr Innis—When it is internal?

Senator SIEWERT—Yes.

Ms Lanyon—When it is internal research it goes through the same process, Senator. The research and evaluating committee would look at a project proposal. They would ask: ‘This deals with data collection from vulnerable people. Where’s your strategy to make sure that the ethical issues are identified and strategies put in place to address those?’ For example, an internal project for which we obtained ethical clearance was the Longitudinal Study of Indigenous Children. FaHCSIA does not have its own ethics committee per se; we went to DoHA, the Department of Health and Ageing ethics committee, and obtained ethical—

Senator SIEWERT—Who are they? Are they internal as well or are they external?

Ms Lanyon—They are external to the department but internal to the Commonwealth.

Senator SIEWERT—What does internal to the Commonwealth mean?

Ms Lanyon—The ethics committee of DoHA is a government agencies’ ethics committee that deals with ethics approval in relation to research dealing with health matters. The Longitudinal Study of Indigenous Children is primarily collecting data, as you may be aware, regarding children and the impacts of their upbringing, not only on health but also on other things. So, we approached DoHA. DoHA agreed to consider the proposal and make sure that the ethical issues had been appropriately identified and addressed through informed consent—ethically appropriate research activities.

Dr Harmer—We would need to take it on notice if you want more detail, but I strongly suspect the health department ethics committee would contain external people and not just internal people.

Senator SIEWERT—Could you take it on notice?

Dr Harmer—Yes. I will need to ask—

Mr Innis—We will check that.

Senator SIEWERT—If you could, I would like to know who is on it.

Mr Innis—Who is on that particular committee?

Senator SIEWERT—Yes, please. Who do you determine are vulnerable people? I thought these guidelines applied to human research?

Ms Lanyon—Yes, they do. Of course they do, Senator; you are quite right. Certainly, as I understand it, the threshold level around making an assessment of whether or not research is ethically appropriate is raised when you are collecting information from people who are vulnerable. When you look at the guidelines, there is certainly quite a lot of emphasis on that. Ethical consent is required where there is a concern around data collection and research not appropriately taking into account differences in power relationships. Certainly, as something comes through to the committee, the alarm bells come on or our concern is raised when any of the research is to be done with vulnerable people. Of course, that happens in a number of cases for FaHCSIA because we deal with a number of vulnerable groups.

Mr Innis—I might try simple language to explain and if it is not adequate my colleagues will correct me. The guidelines apply to every human being, but we pay particular care when there are vulnerable people involved. That looks at their circumstances: their level of empowerment, what resources they have, et cetera.

Senator SIEWERT—What I am looking for is what definition of ‘vulnerable’ you use. Do you use your own definition or a more widely accepted definition of vulnerable?

Ms Lanyon—A more widely accepted definition. Again, when you consult the NHMRC guidelines—

Senator SIEWERT—In the guidelines, do you use their definition?

Ms Lanyon—Yes.

Mr Innis—Senator, Dr Lanyon mentioned that there are three sources that we go to for ethical guidance: the NHMRC guidelines, the AIATSIS guidelines for Indigenous people, and we also refer to the Australasian Evaluation Society guidelines for the conduct of ethical evaluation. So we have three sources that we use to provide guidance to officers in the department.

Senator SIEWERT—Thank you. What do you do when you go to an outside organisation and they say no?

Mr Innis—No to what?

Dr Harmer—I do not understand the question.

Senator SIEWERT—When you use an outside organisation and they take it to their ethics committee—you rely on them to take it to their ethics committee—what do you do when they say no?

Mr Innis—It depends on the circumstances. If we poorly framed the project, and it can be improved, we would improve the project. If it means that another form of research might be appropriate, we look at those options as well. I cannot answer for every project, because the circumstances are different. Often with ethical guidance and work, it is an iterative process. It is not as if you put up your final offer to a committee and it says yes or no and that is the end of it. Often it is an iterative process and we try to work with people to ensure that we have the appropriate standard.

Senator SIEWERT—So what did you do when the AIHW said no on the income quarantining evaluation?

Dr Harmer—The people at the table now are not the people from that program area and were not dealing in detail with the AIHW on that research. If we could do that under outcome 3 this evening, the right people will be here.

Senator SIEWERT—Okay, I accept that. What I want to ask though—so that we do not get caught up when we are doing this at 10 o'clock tonight and I am told I should have asked that in the wider discussions—this question. You assess programs that the branches put up, so can you just explain to me what happens when it then goes back to the individual program to deal with rather than through your ethics process?

Mr Innis—Generally speaking, Senator, the conduct of a research project is done by the line branch or the line group. It is not done by the Research and Analysis Branch. Their role is to provide guidance and approval of the research strategy. At the point that there is comfort with the research strategy, it becomes the responsibility of the branch. When that approval occurs depends a bit on the project, because a lot of these things are iterative. Dr Lanyon's branch often provides advisory services—experts on how to conduct research—so it is very hard to give you a very precise answer because it depends on the development path of the project.

Senator SIEWERT—What I am interested in is the development path of this project and when it went from your branch back to the branch—

Mr Innis—I understand, Senator, and I think—

Dr Harmer—The people who will be here for outcome 3 this evening will take your questions. I note your point. I will give you an assurance that we will not push it back to the people here.

Senator SIEWERT—Okay. There is a point here where the evaluations branch—

Dr Harmer—They get involved at the high-level framework managing the research effort across the board and high-level approvals. Once the project is approved in the research plan and is being supervised, as it needs to be by the people with the expertise in the program areas, it is not a matter for these guys.

Senator SIEWERT—Okay. You approved this project and it went back to the branch to do the detail. I still want to know at what stage the evaluations branch approved it at the higher level, because you have obviously approved a project that the AIHW said no to.

Dr Harmer—I am not sure that that is right, and I would rather deal with that when the people who are—

Senator SIEWERT—Why is it not right?

Dr Harmer—This afternoon, under outcome 3, we will have the people here who can answer those questions.

Senator SIEWERT—I understand the detail of it.

Dr Harmer—I do not think you can expect the people here, who manage the research program at a higher level, to be able to answer those questions.

Senator SIEWERT—I am sorry, Dr Harmer—

Dr Harmer—We can give you on notice the answer to your question about specific dates. I suspect very strongly that no-one at the table would know the precise date of the toing and froing within the department of research, approval et cetera.

Senator SIEWERT—I understand that. I would like you to take that on notice, please.

Dr Harmer—Sure.

Senator SIEWERT—The higher order question here is, in relation to research with vulnerable people—we acknowledge this would be one of the groups that would be vulnerable, I presume; that goes without saying—at what level does the higher order process get signed off on when there are still project design issues? I want to know that overall process. It is not just about this project. Obviously I have concerns about this project—

Dr Harmer—I think we understand the question; we will give it to you on notice.

Senator SIEWERT—Thank you. I just want to be clear. Otherwise, I will only be back in May asking the same question again. It would be better if we could tie down now that interaction between the higher order signing off, at what degree that occurs, and the process of iteration of the development of the project between the branch and yours.

Dr Harmer—Sure.

Mr Innis—I understand, Senator. I think your question is about a specific project, so we will work on—

Senator SIEWERT—It is about a specific project; I will acknowledge that.

Dr Harmer—We will give you the answer, Senator, that you have asked for.

Senator SIEWERT—But it is about the high order thing, so that, when this occurs again, we understand the process.

Mr Innis—I understand.

Senator SIEWERT—Thank you.

CHAIR—I think we are seeking the process and who has the delegation.

Dr Harmer—Yes.

CHAIR—Are there any other questions on cost outcomes or corporate matters? No doubt there will be ones on notice, Dr Harmer.

Proceedings suspended from 10.32 am to 10.53 am

CHAIR—We will now move on to outcome 4, Seniors.

Senator FIERRAVANTI-WELLS—I am just looking at your arrangement in your structure, Dr Harmer. I take it that seniors come under the social policy group under Ms Wilson, is that correct?

Dr Harmer—Ms Wilson is the deputy secretary. Mr Innis is acting in her job at the moment. The seniors and means come under Ms Foster.

Senator FIERRAVANTI-WELLS—Okay, so that Seniors and Means Test Branch is Ms Foster's?

Dr Harmer—Yes, it is, but she is acting in the group manager role at the moment. They have just stepped up one.

Senator FIERRAVANTI-WELLS—How long have the seniors and means testers been in the one category in this area with the restructure? Has this been a traditional categorisation?

Mr Innis—Ms Foster might have a longer departmental memory than mine. I have been in the department for coming on five years, and it has always been there.

Senator FIERRAVANTI-WELLS—I have tried to find an outline of the branch's responsibility. So in short term, you basically look at programs that reduce and define concessions and programs?

Dr Harmer—I will let Ms Foster give you the outline of the responsibilities of the branch.

Ms Foster—The group consists of a number of branches. The Seniors and Means Test Branch manages the age pension in terms of advising the minister on policy directions for the age pension. It also looks at means testing policy in terms of definitions of income, what is defined as income or assets. They are the two primary roles of the branch. We also engage with Centrelink on issues such as financial information service, a few things like that. Concessions policy is within the Social Security Policy branch. That is headed up by Mr Ty Emerson.

Senator FIERRAVANTI-WELLS—So if I understand correctly, seniors pop up at different parts of the department in different aspects of their needs right across the department?

Mr Innis—Senator, that is true, and most of our structure is around client groups. Those client groups obviously flow into one another and we work across the groups to make sure that we are getting the whole picture. The Seniors and Means Test Branch is working actively with, for example, the Community Capability and the Vulnerable group of the department. We have a payment committee which brings all of our payments together so that we have a coherent view of the income support system, for example. Whilst it is largely a client-based structure, we have mechanisms to make sure we do not lose sight of the interactions.

Senator FIERRAVANTI-WELLS—What I would really appreciate, Mr Innis, is if you could take on notice and just give me all those parts of the department where there is a sort of policy or programs or whatever that do touch on seniors throughout the portfolio. That would be of great assistance to me in my new role?

Mr Innis—I am happy to take that on notice.

Senator FIERRAVANTI-WELLS—Thank you. What is the department's view on the challenges and opportunities presented by the ageing of the Australian population? We have just had the release of the *Intergenerational report*. I assume that you have had input into that *Intergenerational report*, Dr Harmer?

Dr Harmer—We actually liaise quite a lot with Treasury, but they produced that report.

Senator FIERRAVANTI-WELLS—I appreciate that. I am interested also from your perspective the input that your department had into that *Intergenerational report*?

Mr Innis—We have quite a significant input. It is primarily channelled through our Performance Management and Modelling branch and our modelling area of that branch.

Senator FIERRAVANTI-WELLS—So some of those assumptions that were made in the *Intergenerational report*, particularly in relation to the age cohorts of 65 plus would have come from modelling, instigated or generated from this department? Do you understand what I am putting?

Mr Innis—I think I understand what you are asking.

Senator FIERRAVANTI-WELLS—The modelling may have been done by Treasury, but I would assume that the input for assumptions or those sorts of things may have come?

Mr Innis—The assumptions will be Treasury assumptions. The information Treasury takes into account in forming those assumptions will be partly delivered by us, but they have a range of sources they use.

Senator FIERRAVANTI-WELLS—Given that seniors is such an important component in a global sense of what the *Intergenerational report* was talking about, I really would appreciate it if you could give me some of the parameters and some of the outlines of the input that this department gave in relation to that report?

Mr Innis—The advice we give in terms of the numbers is something on which I would need to take advice.

Senator FIERRAVANTI-WELLS—Perhaps what I might do to make it easier for you, I will put a question on notice in relation to that particular—

Dr Harmer—If you have some specific elements that you would like—

Senator FIERRAVANTI-WELLS—I will.

Mr Innis—Yes, that would be helpful.

Senator FIERRAVANTI-WELLS—I think that would be much easier if I put that one on notice for you.

Dr Harmer—The reason is that we would have been interacting iteratively with Treasury on that report for some time. The assumptions, as Mr Innis said, would be Treasury's. They

would have information from us, but of course it would not only be FaHCSIA, where we have very good information on the aged pensioners and that group, but of course immigration impacts on the aged structure, a whole range of other—

Senator FIERRAVANTI-WELLS—Yes, Senator Evans knows all about that. He and I have had the odd exchange about this.

Senator Chris Evans—Not odd, but frequent.

Senator FIERRAVANTI-WELLS—In that respect, and whilst this is a general question, the areas where the department anticipates that seniors' demands for services will increase is a big question and, from your perspective, a considered response on notice would be very helpful.

Dr Harmer—Sure.

Mr Innis—Noting, Senator, that the Department of Health and Ageing also plays a very major role—

Senator FIERRAVANTI-WELLS—I appreciate that.

Dr Harmer—We will do our best. Our responsibility, and where we are best equipped to answer your question, is on the income support demands of an ageing population. We have very good projections about what will happen to the age pension outlays, for example, with an ageing population. That is the sort of information that we will have assisted Treasury with.

Senator FIERRAVANTI-WELLS—I appreciate that, Dr Harmer, and my question is canvassed obviously insofar as your department is concerned and the parameters that you deal with. To that extent, how is the department planning to help meet what are the needs of the projected increase in the number of self-funded retirees? Again, that is a very broad question. Have you done any work in relation to planning in that area?

Mr Innis—Senator, as you know, the government has announced a range of reforms to the pension system and related systems, and currently our focus is on implementing those and making sure we do so efficiently and effectively. We are always looking at the system as a whole with a view to identifying where there might be concerns and providing advice to government as is needed, but our current primary focus is on implementing the program of change that the government has announced.

Senator FIERRAVANTI-WELLS—So at this point you are not looking at other areas?

Dr Harmer—We had quite a lot of input into the tax-transfer review which certainly looked at retirement incomes policy, which goes to policies and parameters for the self-funded retirees.

Senator FIERRAVANTI-WELLS—I will move to the Commonwealth seniors health card. There is a range of support, but what support is there insofar as your department is concerned for self-funded retirees to help with the cost of medicines?

Mr Innis—Mr Emerson is our expert.

Mr Emerson—Can I seek some clarity on your question? Is it about entitlement?

Senator FIERRAVANTI-WELLS—Self-funded retirees receive assistance through the Commonwealth seniors health card, which I understand was originally introduced in 1994.

Mr Emerson—Yes. Commonwealth seniors health card holders actually benefit from a range of benefits. They include medicines listed on the Pharmaceutical Benefits Scheme at the concession rate and also reduced PBS prescriptions, bulk-billed GP appointments wherever applicable and reduced out-of-hospital medical expenses above the concession threshold as well, which is currently \$562.90. So quite a lot of concessions are available for Commonwealth seniors health care card holders. Rather than list them all, I am very happy to provide that to you on notice, if that is all right?

Senator FIERRAVANTI-WELLS—That is fine, absolutely, Mr Emerson, by all means. Tell me a little bit about the adjusted taxable income thresholds for eligibility for the card? When it was first introduced in 1999, I understand it was \$40,000 for singles and \$67,000 for couples. Is that correct?

Mr Emerson—I could tell you what the current income limits are now for the card.

Senator FIERRAVANTI-WELLS—Could you confirm that it was \$40,000 for singles and \$67,000 for couples?

Mr Emerson—Okay. We will take that one on notice.

Senator FIERRAVANTI-WELLS—Yes, just confirm that. I think you will find that that is correct.

Mr Emerson—Sure.

Senator FIERRAVANTI-WELLS—There were threshold changes when it was raised in 2001, I understand?

Mr Emerson—Yes.

Senator FIERRAVANTI-WELLS—Perhaps in answering that question would you draw up a table on how the thresholds have increased over the years?

Mr Emerson—Sure. I might be able to help you now. The current adjustable taxable income is that singles will need to be less than \$50,000, \$80,000 for couples, and \$100,000 combined for couples separated by illness, respite care or jail. But we can also provide on notice the history of that.

Senator FIERRAVANTI-WELLS—Thank you.

Dr Harmer—There is a document that Centrelink produces which has all of the levels and eligibility.

Senator FIERRAVANTI-WELLS—Yes, the current ones.

Dr Harmer—This one I have here, which I am happy to make available to you, is current: 1 January until 19 March.

Senator FIERRAVANTI-WELLS—That does not have the history, though, does it?

Dr Harmer—No, it does not have the history. We can take that on notice. But all of the information about current eligibility limits et cetera would be in here.

Senator FIERRAVANTI-WELLS—Yes, I have a download of that. I was interested in the history of the thresholds, if you do not mind, Mr Emerson?

Mr Emerson—We can do that.

Senator Chris Evans—I am sure if you would like a departmental briefing on some of those issues, the minister would be keen to give it. I know particularly when you take over a new portfolio about getting your head around some of this stuff.

Dr Harmer—Very happy to do that.

Senator Chris Evans—It is not actually easiest done at estimates as a process.

Senator FIERRAVANTI-WELLS—There is a difference between immigration and health and ageing.

Senator Chris Evans—Anyway, I am just happy to say I am sure the minister would organise a briefing if you wanted to be able to have that interim discussion.

Senator FIERRAVANTI-WELLS—Thank you. I had asked the Minister for Ageing for a briefing. Might I say on the record that I still have not had a response to that. I have not asked Minister Roxon for it, but I did put a call through to the deputy chief of staff to Minister Elliot and I have not had a call back. If you would be happy to facilitate—

Senator Chris Evans—I am happy to follow that up for you.

Senator FIERRAVANTI-WELLS—Thank you, that would be very, very helpful. In terms of the thresholds, the card came in in 1994, so could you also include in your table to me the number of people at each of the levels—I think it is about 35,000, but could you more precisely include the figure at each of the levels?

Mr Emerson—At each of the levels by year, or is it when it first came in?

Senator FIERRAVANTI-WELLS—When it came in, and then there were various changes, so at each of those threshold change levels would be helpful.

Mr Emerson—Yes, we can do that.

Senator FIERRAVANTI-WELLS—And the eligibility at each of those levels—that would be helpful.

Mr Emerson—Yes.

Senator FIERRAVANTI-WELLS—Then of course in 2001, when we changed the thresholds again, I think the number increased to about 300,000, but, again, if you could include that in what you provide to me?

Mr Emerson—Yes, I can. I can actually let you know now that, according to the FaHCSIA annual report, our current figure is that 579,564 people are holding a Commonwealth seniors health card.

Senator FIERRAVANTI-WELLS—Through its history, we have progressively seen an increase in the number?

Mr Emerson—Generally speaking, yes.

Senator FIERRAVANTI-WELLS—At what level of income does the low-income tax offset cut out?

Mr Innis—We may not have that available because, being a tax offset, it is the responsibility of Treasury. We are happy to see if we can find out quickly for you.

Senator FIERRAVANTI-WELLS—All right.

Ms Foster—I do have a fact sheet here about tax offsets.

Mr Innis—We will just check to see if we have it available, but otherwise we will see if we can chase it down.

Dr Harmer—I should just make the point that I think the exercise you have asked for before can be done, and we will try to do it. It will take Mr Innis some time. I will have to keep an eye on how much time it takes up beyond the information that is available. I am sorry to have to say that, but there are resource implications for extensive requests that require us to go back into records to, say, 1994 et cetera. I think this one will probably be okay. I make the point most times if there are requests where there is information not immediately available that require me to divert resources to a particular task.

Senator FIERRAVANTI-WELLS—Thank you.

Ms Foster—A variety of tax offsets are available to low-income people and to seniors, as well as to mature age workers. For the low-income tax offset, the cut-out point for that offset was \$60,000 in 2008-09 and \$63,750 in 2009-10. The particular eligibility for the offset probably would have to be provided to you by Treasury.

Senator FIERRAVANTI-WELLS—Okay, thank you. Therefore, you are really deemed to be low-income if you earn in this sort of range of about \$50,000 to about \$63,000.

Ms Foster—That is right. The maximum value—

Mr Innis—For the purposes of that offset. Can you apply that to the system as a whole? Probably not.

Senator FIERRAVANTI-WELLS—But if they are a self-funded retiree with this amount of income, they are not deemed to be low-income enough to receive a Commonwealth seniors health card. Is that the situation?

Mr Innis—Senator, there is also a seniors tax offset which it might be worth, if we have the detail—

Ms Foster—For the seniors tax offset, the cut-out point for singles in 2008-09 was \$46,707 and for a couple it was \$43,920.

Mr Innis—That would be each, would it?

Ms Foster—Per member of a couple; that would be each.

Senator FIERRAVANTI-WELLS—So there is that differentiation with self-funded retirees? That is the basic point.

Mr Innis—I understand the point, Senator, but if you look at those figures, they are very close to \$50,000 and \$80,000 if you add the individual members of a couple together.

Senator FIERRAVANTI-WELLS—Okay. How many people currently receive the Commonwealth seniors health card?

Mr Emerson—Currently it is 279,564.

Senator FIERRAVANTI-WELLS—Sorry, I understood 579,000.

Mr Emerson—I may have incorrectly said 579,000. I apologise. It is 279,564.

Senator FIERRAVANTI-WELLS—Okay. In the answer that you will give me, will you be able to state how many people received the card in 2003?

Mr Emerson—Yes.

Senator FIERRAVANTI-WELLS—Can you just give me the rationale behind the decision to raise the income threshold for the Medicare levy surcharge in 2008-09?

Dr Harmer—It would have been a government decision. We would have provided information and advice, but we cannot give you the government's decision-making process on that.

Senator FIERRAVANTI-WELLS—Can I also ask: there was obviously the decision to raise the income thresholds for the Medicare levy surcharge, but it has not moved to raise the income threshold for the Commonwealth seniors health card?

Dr Harmer—A decision of government.

Senator FIERRAVANTI-WELLS—Minister, can you enlighten us on that?

Senator Chris Evans—I am happy to provide you with the information about the measure that was announced, Senator, and find the supporting commentary from the minister, either in a press release or statement in the parliament, but I will take on notice the question which goes to why another payment was not moved at the same time.

Senator FIERRAVANTI-WELLS—Given the cohort of the number of people that we are talking about. I would like to move to the budget. In the 2008-09 budget, as part of its responsible economic management with respect to the Commonwealth seniors health card measure, the government proposed to redefine the income test to include gross income from superannuation streams with a tax source as well as income that is salary sacrificed into super. I understand that that was the measure in 2008-09; are you aware of that?

Mr Emerson—Yes.

Senator FIERRAVANTI-WELLS—What was the rationale behind that?

Dr Harmer—Again, a decision of government.

Senator FIERRAVANTI-WELLS—Did your department do any work in relation to that?

Dr Harmer—We would have provided advice.

Senator Chris Evans—I think, Senator, the difficulty you are in is that the question as to why government took a decision is a question for—

Senator FIERRAVANTI-WELLS—I appreciate that, Minister; I can still try.

Senator Chris Evans—Yes. But, in deference to the officers, they cannot answer that question. They can help you with aspects of the policy or when it was done or what the impact

is et cetera, but they cannot actually tell you other than what has been published in the second reading speech or whatever.

Senator FIERRAVANTI-WELLS—I am coming to a financial issue and I am trying to understand how this came about. In 2008-09, the proposal was to redefine the income test to include gross income from super streams with a tax source as well as income that is salary sacrificed into super. Then, in the 2009-10 budget, the decision was made by the government to drop the inclusion of the super income streams with a tax source. I understand that the government withdrew the legislation because it was opposed in the Senate.

This is where I come, Dr Harmer, to a bit of a budgeting issue and an anomaly in the figures. The decision to include income streams with tax sources and income that was salary sacrificed was forecast to save \$84.8 million in the 2008-09 budget, but in the 2009-10 budget, after the back-flip on the tax source income, it appears to be an expense of \$120.9 million. What is that discrepancy about? When you are going to take these two streams out of calculation of the income test, and that is a budget saving of \$84 million, then you take out only one of them and it shows up as an expense of \$120.9 million—

Dr Harmer—I think I understand the question, Senator. I may have an officer here who can answer that. I will be surprised if they can. What I would rather do is provide for you on notice an explanation for those two numbers in the budget.

Senator FIERRAVANTI-WELLS—Obviously somebody's figures are a little bit rubbery here.

Senator Chris Evans—I doubt they are rubbery. Is there anyone who can help in terms of the conceptual issue, and we can get back to you on the actual—

Senator FIERRAVANTI-WELLS—Just conceptually, Minister; can you see what I am getting at?

Senator Chris Evans—I know what you are asking. It is a very complex subject, but I take the point you are trying to make.

Ms Foster—The advice is that the difference is that there is an extra year in the budget estimate, so there are two different time periods being captured by that estimate.

Senator FIERRAVANTI-WELLS—All right. Perhaps if I could ask you to give me an explanation in writing, it is probably easier to do it that way.

Dr Harmer—It makes very good sense that it is actually an extra forward estimate year now in the estimate and that is why the number is higher.

Senator FIERRAVANTI-WELLS—It is a big difference between a saving of \$84.8 million for two measures, and then you take out one and there is an expense of \$120.9 million. Even taking out one year, Dr Harmer, I think there is still something strange there.

Dr Harmer—We will provide you with an answer. I do not think there is necessarily something strange there, but we will provide you with the answer.

Senator Chris Evans—It is a good lesson to pass the government's legislation the first time, Senator, and not get into these difficulties.

Senator FIERRAVANTI-WELLS—Thank you for the commentary, Minister. How many actual people were these two proposed budget measures affecting? Most particularly, how many people will lose the card as a consequence of these measures?

Mr Emerson—We will need to take that on notice.

Senator FIERRAVANTI-WELLS—Could you also look at the projections of the cardholders: how many people are projected to be cardholders in five years and 10 years?

Mr Innis—We have received questions on notice on this and, unfortunately, we are able to provide forecasts of cardholders into the future. It is part of the budgeting process.

Senator FIERRAVANTI-WELLS—So you have no idea? I would have thought that if you had done work on the *Intergenerational report* some of this stuff would have had to have been part of that exercise, or should I go to Treasury?

Dr Harmer—What Mr Innis is saying is that we have not done that work, but Treasury may have.

Senator FIERRAVANTI-WELLS—All right—well, insofar as your department is concerned.

Dr Harmer—Yes.

Senator FIERRAVANTI-WELLS—Considering that the income threshold for the card remains frozen at \$50,000 despite inflation and overall rising incomes, meaning that more and more people will now breach that threshold, and that what appear to be these proposed budget changes would exclude I think even more people, I am very concerned that what we are really seeing here is a phasing out of the card by stealth. There are less and less people—

Dr Harmer—We cannot comment on your views on that issue, I am afraid. We will take that as a comment.

Senator FIERRAVANTI-WELLS—In the material that you are going to provide to me, can you also explain the rationale behind the proposed changes in the 2009-10 budget? I have seen some material in it.

Dr Harmer—It will no doubt be in the budget papers and in the explanation. I doubt whether we can go beyond that.

Senator FIERRAVANTI-WELLS—I guess to some extent we have a deliberate targeting here of self-reliant seniors which ultimately will affect not only their wellbeing but their medicines, making them more expensive. There really does seem to be this two-tiered sort of system, Dr Harmer. That is what I am actually getting at.

Dr Harmer—Senator, as public servants, we cannot be expected to be entering a commentary on that issue.

Senator FIERRAVANTI-WELLS—I appreciate that you cannot give me a commentary, but you can provide me with the statistics—

Dr Harmer—We can provide you with factual answers.

Senator FIERRAVANTI-WELLS—and the factual background that gives the background against which these decisions were made.

Dr Harmer—Which is what we will do.

Senator FIERRAVANTI-WELLS—That is what I am really after. Okay, thank you; I do not have any more questions on seniors. I am making up for yesterday, Senator Moore.

CHAIR—It is like the budget: we cannot move one day into another, Senator Fierravanti-Wells, but we do appreciate your timeliness.

Senator SIEWERT—Last estimates, I was asking questions around the issue of when pensioners transfer off the old system onto the new system, and the philosophy that no-one would be worse off. I have had a case example, which I am happy to provide privately to you, where someone has written to me—and I have had other people write about particular cases—of a couple who are on an invalid pension and part-time carers pension, so they did not get the bonus top-up payment. They work a small amount part time, but during the school holidays the business closed for a short amount of time so their pay went down for just a week—I presume it was over the Christmas-New Year period, which is quite often when that happens. The Centrelink computer automatically said they were better off on the new system, and flipped them into the new system, when it was only for a week, and they are now actually worse off because they have gone back to their original circumstances. They would not have gone over if it had not been for this one-week difference. They are saying they are \$71 a fortnight worse off, which to people on a low income is a substantial amount of money. Has this happened elsewhere, and is this what you expected to happen? Is there something that you can do about it?

Dr Harmer—I am not aware of it happening elsewhere, Senator. What I would prefer to do is to have a look at the individual case. There are so many changes of circumstances in that period that I would rather take the example and give you an explanation of what has happened, unless Ms Foster is aware of any particular case.

Senator SIEWERT—The point here is whether it is possible to fix it, because these people are clearly worse off. That was clearly not the government's stated intent. They repeated it a number of times, including in this room, yet here we have somebody—and from the letters I have received I would say it is not an isolated circumstance—whose income has dropped for a temporary period. I have raised issues previously concerning seasonal workers, and I suspect it is happening with them as well.

Dr Harmer—Again, I would like to see it, just to check that the situation with Centrelink is exactly what has happened and that is what should have happened, before replying. It is actually a very complicated area, as you know.

Senator SIEWERT—I am aware of that.

Senator Chris Evans—Perhaps, if you can supply the individual case the officers will get a response to you on that case. As part of that response, they can indicate whether this represents a cohort or an individual circumstance that is highly unusual.

Dr Harmer—Yes.

Senator SIEWERT—Obviously, I am looking for a remediation of the problem if this is occurring. I do not want to see it happening to anybody, but particularly if it is widespread, I want to know about what can be done to fix it.

Dr Harmer—Sure.

Senator SIEWERT—I will not provide you with this table; I will actually give you the correspondence. I will check with the people but I am pretty certain they are okay with my raising it, because they want it fixed.

Dr Harmer—Okay. That would be very helpful.

Senator SIEWERT—I appreciate that the circumstances are such that we cannot talk about them—

CHAIR—Are those all your questions on seniors?

Senator SIEWERT—Yes; Senator Fierravanti-Wells covered quite a bit.

Senator BOYCE—I have a query about where this fits. I asked Centrelink some questions about the new arrangements for same-sex couples, on Tuesday night. Should I ask about that now or in the area on families?

Mr Innis—Senator, policy responsibility rests with Mr Emerson for those changes.

Senator BOYCE—Good. We will talk about that now. I asked Centrelink about the fact that same-sex couples were now required to declare their relationship and not to continue to receive pensions as single individuals. I am told that about 4,000 couples have advised Centrelink that they are in a relationship since this came in, in July last year.

Mr Emerson—That is correct; 1 July last year. That is correct; it is around 4,000, but the number does obviously increase on a daily basis. At this point in time, it is around 4,000 so far.

Senator BOYCE—Given that there is no financial incentive for anyone to do this, can you talk me through who is doing it, who is not doing it, what FaHCSIA is telling Centrelink—they referred me back to you—as to the policies around pushing people into this area?

Mr Emerson—The intention of this measure is to extend to same-sex couples the same entitlements and obligations that apply to the opposite-sex couples. That is, at its basis, the rationale for that.

Senator BOYCE—I appreciate the motives about it being non-discriminatory but nevertheless it is fairly clear to people involved that it could involve up to, say, \$300 or so less a fortnight being received at the top levels.

Mr Emerson—Yes. Looking at the number—

Senator Chris Evans—That was always going to be the case, Senator.

Senator BOYCE—I realise that.

Senator Chris Evans—When I was dealing with this a few years ago, I did want to point that out to people that there were upsides and downsides.

Senator BOYCE—I think everyone realises that but I am just interested in how it is playing out.

Mr Emerson—In terms of how it is playing out, we have had quite a steady increase in the number of couples actually declaring their relationships to Centrelink.

Senator BOYCE—Can you quantify a steady increase? Not perhaps in figures, but just give us a sense of what you mean by that?

Mr Emerson—I do not have the actual increases by threshold each month, but it has been an increase each month, Senator, and at the moment we have around 8,000 individuals who have declared their relationship to Centrelink. I think Centrelink stated at their estimates that it was around 7,900 at that point in time, which is roughly 4,000 couples. There has been a general trend upwards, and it continues upwards.

Senator BOYCE—Would you be able to provide those monthly figures on notice?

Mr Emerson—We would need to work very closely with Centrelink on that. We obviously have a close relationship on it, so the answer is: yes, we can. I would want to make sure that the data is accurate and correct. We can take that question.

Senator BOYCE—How many people does FaHCSIA estimate are in this cohort?

Mr Emerson—A number of around 11,000.

Senator BOYCE—Eleven thousand individuals?

Mr Emerson—Prior to implementation, around 11,000 were estimated.

Dr Harmer—As you will appreciate, Senator, that is an estimate. We have no idea.

Senator BOYCE—Well, I do not know; why didn't you go out and count them before they declared themselves, Dr Harmer! Very sloppy!

Mr Emerson—And that is exactly the issue, Senator. We did not know at that point in time how big the population was.

Senator BOYCE—But you thought there were 11,000 individuals?

Mr Emerson—About 11,000; yes, that is right.

Senator BOYCE—So you are a bit over the third of the way, in your view?

Mr Emerson—Given that it commenced on 1 July last year and that we are currently in February, I guess we would be looking pretty close to 11,000 by the end of this financial year. I think the ballpark estimation is pretty correct, but we would have to see how we go.

Mr Innis—Senator, I think it is fair to say we need to review, with experience. We made our best estimates, and estimates range from being very confident to our best possible take, and this is at the best-possible-take end. We will need to review whether 11,000 is the appropriate benchmark with the experience of what people do. In six months or eight months time I would hate to see the 11,000 become an absolute hard target, because I am not certain that would be a reasonable benchmark.

Senator BOYCE—But, if anything, it is possibly an underestimate rather than an overestimate? You may not even want to answer that.

Dr Harmer—Possibly.

Mr Innis—It was our best take.

Senator BOYCE—Can you give me the quantity of the savings to the pension payment as a result of those current declarations?

Mr Emerson—That would be a very intensive piece of work—I will just flag that now—given the individual nature of the people who have declared their relationship to Centrelink. I just thought I would flag that that would be quite an extensive piece of work.

Senator BOYCE—But you must have made some estimates of—

Mr Emerson—Yes.

Dr Harmer—We will have a look at that, Senator.

Senator BOYCE—what the cost or saving from this move would be.

Mr Emerson—That is obviously not the intention of government.

Senator BOYCE—I realise that.

Dr Harmer—Because it was not, Senator, it is not necessarily correct that we would have made an estimate. We may have one, but we would not have necessarily provided it to the government because they may not have been, and probably were not, interested in that as an element in their decision making. I think what Mr Emerson is saying is that it is unlikely that we have done an estimate. If we can find a figure reasonably quickly, we will give it to you, but, as I mentioned earlier to another senator, I have to be careful of the diversion of resources.

Senator BOYCE—I agree, Dr Harmer, that we do not want to have people spending days and days on this.

Senator Chris Evans—We will just try to get a sense of it. I think the department is in a situation where it does not really have much of a clue until people come forward!

Senator BOYCE—Could you check out how much of a clue you have, please, and advise me on notice what that is!

Senator Chris Evans—Basically, until people present, you do not know.

Dr Harmer—Indeed.

Senator BOYCE—I wanted to go also to an issue that indirectly relates to what Senator Siewert was talking about before, which was the change for people with irregular incomes—their having to notify Centrelink fortnightly of their income, and I asked Centrelink some questions about this. I have some more at this stage. We have had some concerns raised with us that people in this situation are no longer able to average their income over the year. Is that correct?

Ms Foster—The averaging provisions have been removed, and employment income for all age pensioners is now assessed on a fortnightly basis.

Senator BOYCE—I am told that this has led to a high volume of pensioners who have been adversely affected by the change making representations to lobby organisations, because, instead of being able to average their income over the year and receive a certain amount, their pension goes up and down like a yo-yo, depending on their work. What is the department's view on this change from being able to average out annual income to the sort of spot check fortnightly?

Dr Harmer—It was a government decision, Senator, so we would not want to give a view on that. That is not for public servants to do.

Senator BOYCE—No, I am not suggesting you give a view on the move; I am asking: what response has FaHCSIA received from pensioners and the like? Have you had people saying to you, ‘This is impacting on me badly because of the irregular nature of the payments made’?

Mr Innis—Senator, we have had some correspondence, which is very small if you look at it in the total context of the age pension cohort—but we have had some correspondence.

Senator BOYCE—But what about in the cohort of people with irregular incomes who are pensioners?

Ms Foster—It has been a small volume. I cannot comment on how many people have been in contact with the seniors organisations, of course, but, in terms of contact with us directly, it has been minimal. It is people with variable income who have to report fortnightly. It is not people with regular income.

Senator BOYCE—I realise that. How many people are reporting fortnightly?

Ms Foster—About 52,800 people are reporting fortnightly because either they or their partner have variable incomes.

Senator BOYCE—I am told by Centrelink that the reporting process itself, as far as they are concerned, is working quite well.

Mr Innis—Senator, it might also be worth observing that one of the reasons for a fortnightly assessment was to facilitate the introduction of the work bonus. The work bonus is benefiting, we expect, around 75,000 age pensioners.

Senator BOYCE—So all of these 52,800 would be in receipt of the work bonus?

Ms Foster—No, not necessarily all of them. People who have moved into the new pension system will be benefiting from the work bonus.

Senator SIEWERT—But not those on invalid pensions?

Ms Foster—Disability support pensioners will be able to—

Senator SIEWERT—Sorry, disability support pensioners.

Senator BOYCE—So that is possibly that 52,000—

Senator SIEWERT—I am showing the age of the people who are writing to us, actually.

Senator BOYCE—I might refine that question a bit more, then, Ms Foster. I was talking in terms of seniors. Are those 52,800 people who are entitled to receive the age pension who have irregular work?

Ms Foster—That is age pensioners.

Senator BOYCE—Age pensioners.

Senator SIEWERT—Okay.

Ms Foster—Disability support pensioners under age pension age have access to the working credit. People who have moved to the new rate of pension have access to the work

bonus. People who are on the transitional rate do not have access to that work bonus; they are continuing on the 40 per cent taper.

Senator BOYCE—Have you had complaints or discussions about the fact that this current regime can prompt older people to, or discourage them, from taking work when it is available?

Ms Foster—One of the aims of fortnightly assessment was to simplify the rules. Previously, people had been finding the previous rules very complicated. Under the averaging regime, they were not quite sure how much of an impact income would have on their pension from time to time. It would depend if it was a one-off payment, an intermittent payment or regular income. They were not sure of what the impact might be. I think, as we discussed last time, that made a lot of age pensioners quite anxious and they would report fortnightly anyway in case they incurred a debt. The previous rules were the subject of quite a lot of criticism from seniors organisations and from age pensioners. The information that came through from consultations as part of the Harmer review was that people were looking for greater simplicity as well as the ability to get rewards from earned income. That sort of analysis led us towards fortnightly assessment and to the associated introduction of the work bonus.

Senator BOYCE—Would you have any figures on how many pensioners have undertaken work both before and after this change? Obviously it can only be a year-on-year comparison.

Ms Foster—Generally, it runs pretty evenly at about three per cent of pensioners. There is some marginal seasonal fluctuation, but I note that that is across all age pensioners of all ages. It is interesting to see that new entrants run at about—

Senator BOYCE—When you say ‘new entrants’—

Ms Foster—New entrants to the age pension.

Senator BOYCE—you mean entrants to the new system or people who are just going onto the age pension?

Ms Foster—Just people who are going on to the age pension. It is interesting to note that that runs at almost nine per cent. So there is a difference between the cohorts coming into the age pension system now compared to the stock of age pensioners.

Senator BOYCE—Are those figures available? Could you provide those?

Ms Foster—Yes, I could.

Senator BOYCE— It would be good to have the employment levels for pensioners, however you split them up into the age groups. A number of the lobby organisations have suggested that an option that should be available would be to provide the work bonus as a lump sum payment once the average annual income was known. Has this been looked at by the department?

Ms Foster—One of the principles of the age pension is to try to provide assistance as it is needed, hence the fortnightly payment according to income as it is coming in to the pensioner. I think what would be proposed there could raise the possibility of a reconciliation type regime that could actually raise the issue of debts for age pensioners.

Senator BOYCE—How?

Ms Foster—For instance, if they were paid more age pension during the course of the year than it subsequently turned out they were entitled to.

Senator BOYCE—Because of their annualised income, you mean?

Ms Foster—Yes. I would have to think about that a bit more.

Dr Harmer—We get lots of suggestions from organisations about how to improve these big and complicated programs.

Senator BOYCE—I am sure you do, Dr Harmer.

Dr Harmer—If we have received suggestions from a body we will have looked at it and no doubt provided advice to government. We have those sorts of things under consideration all the time, and governments make decisions on the basis of advice. On balance, it is usually found, as Ms Foster said, that the proposal might benefit some but make it more difficult for others. In this space when you make changes it is often difficult to make sure that everyone is a beneficiary.

Senator BOYCE—But obviously the objective is to make it as simple as possible—

Dr Harmer—Indeed.

Senator BOYCE—for as many as possible.

Dr Harmer—And we think that the fortnightly reporting, which is why it was implemented, addresses some problems and difficulties that people were having managing the other system.

Senator BOYCE—I am aware of some things that are being done to assist grandparents who have the full-time care of children. What is being done for grandparents who undertake child care for family members?

Mr Innis—On a periodic basis or a couple of days a week or something of that nature?

Senator BOYCE—Yes.

Mr Innis—The officers at the table at the moment will not be the experts in that.

Senator BOYCE—So we will ask that in the childcare section rather than the seniors section.

Mr Innis—It may be that the families outcome people will have some information. It may also be, because it is childcare related, that DEEWR has information.

Dr Harmer—I think DEEWR is probably the best.

Senator BOYCE—Perhaps I can broaden that out because I am still trying to get a sense of what is available for grandparents. Could you discuss briefly what FaHCSIA is doing for seniors who have the full- or part-time care of grandchildren?

Mr Innis—Can I suggest that we address that question in the families outcome because those people would be better placed to talk about what FaHCSIA is doing. In terms of the age pension, the care load does not come into that particular consideration.

Senator BOYCE—Okay and thank you.

CHAIR—As there are no further questions on outcome 4 we will now move to outcome 2, Housing.

[11.44 am]

CHAIR—Senator Humphries has a significant number of questions and then we believe that someone will be coming from the Greens to ask questions as well.

Senator HUMPHRIES—Thank you very much, Madam Chair, and I thank the witnesses for coming early for this part of the program today. I am new to the housing area so if I ask any questions which do not make sense, be gentle with me, please. The first question I have is about how to read the key performance indicators in the budget documents. I am used to the other budget documents which pose key performance indicators and tests and then measures, which are the objective of the government for the financial year concerned or for whatever period is postulated. The ones in the budget documents from last May do not seem to be very specific. For example, on page 61 of the budget papers, at program 2.1, we have among the KPIs for NRAS the ‘proportion of low-income households in rental stress’ and the proportion of all rental dwellings affordable by low-income households et cetera. Am I missing something or are these deliberately expressed vaguely?

Dr Harmer—That is actually an accurate description of how you would judge the success of NRAS, which was established to improve the supply of affordable housing.

Senator HUMPHRIES—When it says that a key performance indicator is the ‘proportion of low-income households in rental stress’, I assume that the test is whether at the end of the financial year the proportion of low-income households is lower than it was at the beginning of the financial year?

Dr Harmer—Yes.

Senator HUMPHRIES—If that is the case then, how do we read the third of those tests as to ‘amount paid to contracted organisations’? Is it a success if you have increased the amount or reduced the amount you pay to contracted organisations?

Mr Tongue—If we are talking about the National Rental Affordability Scheme, it is tracking that amount that has been paid to those organisations which have been successful in getting NRAS incentives, so we track how we are going paying those organisations against what they have been approved to get under the scheme.

Senator HUMPHRIES—So the success is whether you pay the people that you are supposed to pay according to the contracts you sign with them? Is that the test?

Mr Tongue—As a performance indicator on how we are tracking against the program, given that it is public money, one of the things we have to track is how we are going in paying the incentives out to those people who have been successful in being approved for incentives.

Dr Harmer—The reason that is important is this is a new program for the Commonwealth where we are using incentives to encourage private sector investors into the provision of affordable housing. When you are new in this space and you are looking to improve the confidence of builders and developers to work with government, then that is quite an important measure.

Senator HUMPHRIES—I am a little bemused. The test is whether you pay the people that you are supposed to pay these amounts. That is really not a very demanding test, is it? So you decide to pay X number of organisations a total of Y dollars and you succeed in paying X organisations with Y dollars.

Dr Harmer—I have do not have the document in front of me, but I think it is a matter of timeliness. It would be a very legitimate indicator if we are trying to encourage private sector players to enter the affordable housing market.

Senator HUMPHRIES—If timeliness is the test, would not the KPI say, ‘Target is to pay organisations we are contracted to pay within 90 days. We aim to have 100 per cent compliance with that KPI’? Would that not be a timeliness test?

Dr Harmer—Maybe. I am not familiar with that one. I think I would prefer to wait for one of the experts who know about that to answer the question.

Senator HUMPHRIES—I want to ask about a number of these so perhaps the people who know about these could be at the table and I could ask them about them.

Ms Finnigan—The payment is only made after the participant demonstrates their eligibility each year. There is a timeliness but also an eligibility test there as well.

Senator HUMPHRIES—Once these people have demonstrated that they have delivered the product that NRAS is designed to provide, you pay them that amount reflecting the government’s program?

Ms Finnigan—That is right. In that eligibility test they are demonstrating that they have provided that increased accommodation, that increased housing.

Dr Harmer—Senator, in a sense, because it is a new program and the projections on expenditure rely on the success of encouraging private sector providers to enter the program, then the amount paid reflects the fact that the program is working and is success and is generating affordable accommodation, so I think it is quite a legitimate performance measure for any program.

Senator HUMPHRIES—But why would you not put this in terms of a certain number of providers? Is it not a more valid test to have ‘we aim to get 1,500 providers’?

Dr Harmer—Not necessarily because it may be that a big provider providing a lot of low-cost housing—

Senator HUMPHRIES—Then the test is how many providers you get delivering X number of units if the objective is X number of dwellings. Would that not be a more legitimate test?

Dr Harmer—It may be that we can improve the measure, but I was just suggesting that the measure itself is actually quite a legitimate measure of success of that program given the newness of it and the projected number of houses we expected or subsidies we expected to have available in the year. I think it is a quite legitimate measure. We will, as we always do, look to refine and improve the measures, and we will be constantly doing that.

Senator HUMPHRIES—In some years of reading these documents I have never seen a KPI as vague as this, that the test of the success of NRAS is that you pay people you are supposed to pay.

Dr Harmer—There has never been a housing program, as far as I am aware, that has relied on incentives to encourage private sector developers and builders into the low-cost housing system.

Senator HUMPHRIES—Would you express that as the number of private sector organisations attracted into the scheme?

Dr Harmer—But, as I have pointed out, that is not necessarily the measure, because we are after an amount, and it may be that one that provides 20,000 may be better than 10 that provide 10 each.

Senator HUMPHRIES—So what amount are you after?

Dr Harmer—There are forward estimates for the amount of subsidies we expect to pay. I am not sure what they are, but my people will know.

Senator HUMPHRIES—Would that not be a better KPI: we aim to get—

Dr Harmer—Number of subsidies, yes.

Senator HUMPHRIES—X number of subsidies?

Dr Harmer—Yes, that may be.

Senator HUMPHRIES—The number of dwellings subsidised.

Ms Finnigan—The number of subsidies is 50,000 dwellings over four years.

Senator HUMPHRIES—I commend that to you to look at again. But let us go back to the first of those three KPIs as to ‘proportion of low-income households in rental stress’. That is your test, and I extrapolate from the earlier answers that you are aiming to have a lower proportion of low-income households in rental stress. Then you have in brackets after that ‘NRAS households’. Do I take that to mean that you have a lower proportion of low-income households in NRAS accommodation who are in rental stress? Is that your test?

Ms Finnigan—They were previously in rental stress before they became tenants in NRAS households.

Senator HUMPHRIES—So your aim is that those who move into NRAS accommodation will have less rental stress or no rental stress compared with their previous situation?

Ms Finnigan—Less rental stress, because they are paying 20 per cent below the market rate for rent in that particular location.

Senator HUMPHRIES—Indeed, they are, which you might say establishes a very low bar to get through. If someone does move from ordinary market accommodation into accommodation at 20 per cent lower than the market and does not experience some relief in rental stress, it would be very, very surprising, would it not? So it is really not much of a test, I would have thought.

Dr Harmer—The aim of the program is to improve the supply of low-cost rental accommodation. To the extent that we produce a number of houses that are available for rental at 20 per cent below the market rate, we are presumably helping people reduce their spending.

Senator HUMPHRIES—Indeed, but why not set a target for how many households you want to do that for? Theoretically, if you get one household which previously was paying a high rent and is now paying a lower rent, you have met this KPI. It is hardly a very demanding test for a department as important as this to the delivery of social services across the whole of Australia, is it?

Dr Harmer—The aim of the program is to improve the supply of low-cost rental accommodation.

Senator HUMPHRIES—Then measure it.

Dr Harmer—The definition of ‘low cost’ is 20 per cent below market rent, and this is a very successful program.

Senator HUMPHRIES—I am sure it will be but measure it a bit more precisely so we all know what it is you are trying to achieve.

Senator Chris Evans—Senator, I think the KPI is expressed in a general term. The department will obviously be able to provide figures at estimates and elsewhere of the numbers and how many et cetera.

Senator HUMPHRIES—But that is not the point of KPIs, Minister. We were in another committee, the immigration committee, the other day and your own department had quite specific targets. You want to process a number of applications within 90 days in 100 per cent of situations. There was a clear test. There was a goal for the department to reach. These are not goals for this department at all. They are easily accomplished and they are meaningless.

Senator Chris Evans—Members of my department routinely say they have met 77 per cent of the target, and I say, ‘Why have a target if you know you are not going to get there?’ But we will have that debate some other time. I get frustrated by that because you are seeing targets that you know you are not going to get.

Dr Harmer—Senator Humphries, the target that I think you are after we already have in a separate place, which is the number of NRAS subsidies that we expect to provide, which is exactly equivalent to the number of low-cost rental houses we expect to be provided under that program. It might not be there, but Ms Finnigan can give you the number, and we can tell you also how we are going against it.

Senator HUMPHRIES—All right. I simply urge you to reconsider whether these KPIs have any value at all for the department or for this estimates process. You might consider that for next year.

Dr Harmer—We are constantly reviewing the adequacy and effectiveness of our targets.

Senator HUMPHRIES—Can we find out, please, if in the year to date, 2009-10, we have decreased the proportion of the low-income households in rental stress in the category of people who are occupying NRAS accommodation? You wouldn’t need to take that on notice, surely.

Ms Finnigan—Yes, we will.

Senator HUMPHRIES—You do?

Dr Harmer—The answer almost certainly would be yes.

Senator HUMPHRIES—I should hope so.

Dr Harmer—The answer should be pretty simple. We will take it on notice.

Senator HUMPHRIES—So you cannot tell me that now. Can you tell me how many NRAS households there are at the moment?

Ms Finnigan—The figures to 21 January show 1,030 NRAS dwellings available for rent. The timing is unfortunate at the moment. The end of the NRAS year, when approved participants report on the status of their buildings, is in late April, 31 April. So in May we will have a more accurate figure about the dwellings that came on line during the previous 12 months. But from participants accessing our recording system at the moment the year to date figure is 1,030.

Senator HUMPHRIES—Did you postulate a target for this point in the year?

Ms Finnigan—Yes, we did. The cumulative total is 11,000 for last year and the current NRAS year, and we are about 66 per cent there as at 21 January.

Senator HUMPHRIES—So you are expecting to be somewhat further advanced than you are at the moment?

Ms Finnigan—Yes, we will be.

Senator HUMPHRIES—What is the reason for the delay in reaching that expected point?

Ms Finnigan—Participants in the scheme only have to report once a year on the status of their dwellings, and that is at the end of the NRAS year, which is 30 April. By the end of May they must all have updated their information on the departmental system of all the dwellings that are available. The idea was to reduce some of the red tape for participants and reduce their reporting requirements so that they were focusing more on the business rather than on reporting to us.

Senator HUMPHRIES—I will come back to that when we get to NRAS proper. I am really looking at the KPIs at the moment. The second KPI is the proportion of all rental dwellings affordable by low-income households. You do not have brackets after that saying 'NRAS households'. Can I take it that that means that you are talking about all rental dwellings or are we still talking about all rental dwellings occupied by NRAS households?

Ms Finnigan—I will need to come back to you with the definitive answer on that, but my understanding was that the KPIs are around NRAS households.

Dr Harmer—It would be talking about all households, Senator.

Senator HUMPHRIES—Sorry?

Dr Harmer—That would be referring to all households. The objective of the program—

Senator HUMPHRIES—Sorry, Ms Finnigan just said it was NRAS households but you are saying it is all households. Which is it?

Dr Harmer—I think Ms Finnigan said she would come back to you. I think the answer is that it is all households. The reason it is all households is the program is aiming to increase the supply of low-cost accommodation and to reduce the number of households in housing stress, which is reducing the number of households paying above 30 or 40 per cent of income in rent, so a perfectly legitimate measure is those households that are paying over a certain proportion of income in rent. NRAS is aimed at reducing that number and would be doing so.

Senator HUMPHRIES—Can you tell me whether in the year to date or to the point at which you have the latest available figures we have succeeded in increasing the proportion of all rental dwellings affordable by low-income households?

Dr Harmer—We would need to take that one on notice because we would need to refer to information we have, both from surveys and from our rent assistance data, about what is happening to the rent being paid by households.

Senator HUMPHRIES—Without your being able to answer those questions, it means that you cannot tell us today whether the basic objective of this program or indeed, I assume, of the whole of the department's focus on affordable housing is going forward or going backward at this point of time?

Dr Harmer—We are certainly going forward. All I am saying is that I cannot tell you precisely, which is I think what you want, exactly how far forward we have gone. We will provide that on notice.

Senator HUMPHRIES—My question was not precisely; it was whether.

Dr Harmer—The answer to that is yes.

Senator HUMPHRIES—Is the proportion increasing or decreasing? You are saying that it is increasing?

Dr Harmer—I would be very confident that we could demonstrate that we are going forward.

Senator HUMPHRIES—So you can say at this point in time that since the beginning of the financial year we have, in fact, increased the proportion of all rental dwellings affordable by low-income households in Australia?

Dr Harmer—I would need to see the data, to be honest, but the number of houses that we are adding to the market which are 20 per cent below market rent would certainly be providing assistance to households that would otherwise be paying higher proportions of income in rent. What you would need to know is what is happening to the market more generally.

Senator HUMPHRIES—Indeed, which is why the inputs—

Dr Harmer—Yes, which is why we need to rely on data.

Senator HUMPHRIES—are not much good to us. It is lovely to see we are spending lots of money, but what the taxpayer wants to see is whether we are making a difference by virtue of doing that, whether we are actually winning the war and, particularly from your department's point of view, whether this KPI is being achieved or not.

Dr Harmer—Sure.

Senator HUMPHRIES—As of additional estimates in February we cannot get an answer to that question.

Dr Harmer—What we can confidently state is the fact that we are adding additional stock to the housing stock which is being rented out at 20 per cent below market rent. We are better than we would be without the program. We can pretty confidently say that

Senator HUMPHRIES—That is good to know but again I come back to the point that that is not the KPI that is used. It is not about inputs; it is about outcomes. That is what I want to know about. Could you take that question on notice and tell us whether as at the point when the last available figures can be produced you are actually achieving this KPI for this particular program?

Dr Harmer—We will do that.

Senator HUMPHRIES—That would be useful; thank you. Ms Finnigan, you were going to take on notice the question of how much had been paid to contracted organisations since July last year?

Ms Finnigan—Yes.

Senator HUMPHRIES—Thank you. I assume a comparison with the previous financial year would not be much good. Did we have NRAS operational during the whole of the last financial year?

Ms Finnigan—Yes, we did.

Senator HUMPHRIES—If I could have that information as well, please, that would be useful.

Ms Finnigan—Sorry, if I can just add to that that the payments are made to participants after the end of the NRAS year, so the amount for this current NRAS year will not be made until May.

Senator HUMPHRIES—Can I assume then that we will have a much better picture at the estimates in May-June?

Ms Finnigan—We certainly will.

Senator HUMPHRIES—That would be good to know. I turn now to the KPIs on page 66 of the budget paper and again we have, I would argue, some rather stark vagueness in the meaning of these KPIs. The first one under 'Rent assistance' says 'proportion of rent assistance recipients in rental stress before and after receiving rent assistance. So your goal is that after you have paid rent assistance people will be in less rental stress than they were before—a very commendable goal—but, again, if you pay people rental assistance and they do not experience some relief it would be very surprising, I assume. It is like saying you give a thirsty man a drink of water and he is not less thirsty after he has drunk it. It does not really tell you very much, does it?

Dr Harmer—It is the aim of the program to reduce the number of people paying a high proportion of their income in rent. That is what we are aiming to do and that is what the program does.

Senator HUMPHRIES—Indeed. But by how much is the question. I would like to know. Could I ask—

Mr Tongue—Sorry to interrupt. By how much for each of the more than a million people who receive rent assistance?

Senator HUMPHRIES—I am asking you how you measure your KPI. Your KPI or key performance indicator of the performance of your department in respect of housing is the ‘proportion’—and I assume it means you are aiming for a lower proportion; it does not say that but I assume that is the case—‘of rent assistance recipients’ who are in rental stress after receiving rent assistance.

Mr Tongue—Yes, and we track that proportion.

Senator HUMPHRIES—You cannot give me that information now, I assume?

Dr Harmer—We will be able to get it to you. We may even be able to give it you to now.

Senator HUMPHRIES—All right.

Ms Croke—In the 2008-09 annual report for that indicator we know that around 608,000 recipients of rent assistance, or 59 per cent, pay no more than 30 per cent of their gross income in housing payments after rent assistance.

Senator HUMPHRIES—That was for last financial year—great. For this financial year do we have any year-to-date figures?

Ms Croke—No, we would not have year-to-date figures for that. Sorry, we do have figures for September 2009. Around 70 per cent of customers pay no more than 30 per cent. I do not have the actual customer number but it is about 70 per cent.

Senator HUMPHRIES—Last financial year the outcome was 59 per cent of people were paying—

Ms Croke—Sorry, Senator, I will just clarify. After rent assistance it was reduced from 70 per cent of people who were in rental stress down to 41.6 per cent.

Senator HUMPHRIES—We are talking of this financial year?

Ms Croke—That is year to date, September 2009.

Senator HUMPHRIES—So it went from 70 per cent to 40 per cent of people who were paying more than 30 per cent of their income?

Ms Croke—No, less. Year to date before rent assistance around 70 per cent of people were paying more than 30 per cent. After rent assistance that dropped to 41.6 per cent.

Senator HUMPHRIES—Who were paying more than 30 per cent of their income?

Ms Croke—Yes.

Senator HUMPHRIES—You said ‘less’ before.

Ms Croke—Sorry.

Senator HUMPHRIES—What is the equivalent set of figures for 2008-09?

Ms Croke—Fifty-nine per cent of rent assistance recipients paid no more than 30 per cent of gross income in housing payments.

Senator HUMPHRIES—And that was the end result of the year?

Ms Croke—That is right.

Senator HUMPHRIES—So 59 per cent were paying more than 30 per cent of their income in rent?

Ms Croke—No, paid no more than.

Senator HUMPHRIES—No more than 30 per cent?

Ms Croke—Yes.

Senator HUMPHRIES—And the equivalent figure for the September quarter of 2009-10 is 53 per cent. Have I got that right?

Ms Croke—For September 2009 that would be 41 per cent.

Senator HUMPHRIES—Sorry, 41 per cent.

Ms Croke—Yes.

Senator HUMPHRIES—Okay. So it is an improvement.

Ms Croke—No.

Senator HUMPHRIES—It is not an improvement?

Ms Croke—No.

Senator HUMPHRIES—If it was 59 per cent of people—

Ms Croke—Who were paying no more.

Senator HUMPHRIES—who were paying no more—

Ms Croke—And now, year to date, that is only 41 per cent.

Senator HUMPHRIES—Oh, I see. I have got you. So it is a decline.

Ms Croke—And we think that is due to rental increases.

Senator HUMPHRIES—Okay. So what that would suggest, if I can extract all that information, is that the KPI as measured to the first quarter of 2009-10 is not being met.

Dr Harmer—I think that is probably right, Senator, and because, as you would be aware, the government can do only so much about affordability and market conditions and a whole range of impacts. As I said before, all we can confidently say is that without rent assistance and without NRAS and the various other measures the figures would be considerably worse.

Senator HUMPHRIES—Indeed. But, again, presumably you create a KPI in the expectation or hope that you can meet it.

Dr Harmer—Indeed.

Senator HUMPHRIES—That is the point of it.

Dr Harmer—Indeed, and we also want to set a stretching target to make sure that we are aiming constantly for improvement, which is part of what a KPI is as well.

Senator HUMPHRIES—The second criterion, or KPI, there is:

- Proportion of Rent Assistance recipients receiving the maximum rate of assistance

Is the KPI that they should increase that proportion or reduce that proportion?

Ms Winzar—In terms of a desired outcome, I think we would hope that we had fewer rent assistance recipients getting the maximum rate because that would mean one of two things, I suppose: it could be that rents were in a more affordable range and less assistance was needed by most; alternatively, it could be a signal that we had improved the targeting of rent assistance.

Senator HUMPHRIES—Which then raises the question: how do we measure your KPI if, with respect, you are not even sure whether it means you are aiming for more rent assistance at the maximum rate or less?

Dr Harmer—No, we are very sure, Senator. Ms Winzar has given you the answer. We are aiming for less. That would be the sensible understanding of that policy.

Senator HUMPHRIES—So you are hoping that there will be a lower proportion of rent assistance recipients receiving the maximum rate of assistance?

Dr Harmer—That is the only thing that makes any sense if we are aiming to improve affordability, Senator.

Senator HUMPHRIES—You did say that it might give you better targeting. Let us put that aside. That is your goal. Can you tell me, on the available data to date for this financial year, whether you are meeting that KPI or not? Has the proportion of rent assistance recipients receiving the maximum rate of assistance gone up or gone down?

Ms Croke—As of September 2009, the proportion of RA recipients on the maximum rate is at 73 per cent.

Senator HUMPHRIES—And what was it for 2008-09?

Ms Croke—In June 2008 it was 70.9 per cent.

Senator HUMPHRIES—So you are going backwards on that test?

Dr Harmer—In the same way, yes, because the rental market is, as you would understand, Senator, quite tight, and rents are going up reflecting that.

Senator HUMPHRIES—I understand that. Your next test is the number of recipients. Is your goal to have more recipients or fewer recipients as a measure of success?

Ms Winzar—Senator, that is a more difficult question, I must say. I suppose the optimal outcome would be fewer people needing rent assistance because that would signal either that fewer people were on income support, for a start, or that fewer people needed any financial assistance in paying their rent.

Senator HUMPHRIES—But you could argue that in a period when there is a global financial crisis and the economy is in trouble you need to furnish the assistance Australians need to be able to afford their accommodation. In that sort of climate, more would be a good idea. Do you see why I asked the question? It is not clear from this whether you want more or

less. Let me ask the question, then: do you have more recipients than you had before—or fewer?

Ms Winzar—Yes, Senator, we certainly do.

Ms Croke—We do.

Senator HUMPHRIES—How many more?

Ms Croke—Senator, as at September 2009 we had 1,062,000-odd people on rent assistance. That is an 11 per cent increase from the same time in 2008. The figure then was 957,632.

Senator Chris Evans—Senator, it is obvious that these particular measures have to be contextualised against the economy. I am not sure how we best do that. I do not know whether any work has been done on that, whether you have a housing affordability index you measure it against, but your last question was obviously a good one. If we were in the middle of a major recession, you would have quite a different result. We will have to find a way, I think, of contextualising the measure.

Dr Harmer—Indeed. There has been for some time, Senator, a lack of supply at the low end of the market. In previous years, there were no increases in funding for public housing and no programs targeted at the bottom end, affordable housing. Over time, it is starting to reflect itself in shortages and tight rental markets, and that is coming through in the rents being charged. While we are constantly aiming in our programs to improve the housing supply situation and reduce the number of people paying high proportions of their income in rent, the programs we have in place are doing their job but they are working against a very tight macro environment.

Senator HUMPHRIES—Yes. You may need to have a more sophisticated formula in future. It would not be hard to have a more sophisticated formula than what is here.

Dr Harmer—I take your point about the need to look more carefully at some of those measures in terms of our performance indicators.

Senator HUMPHRIES—I am reluctant to suggest that we change the KPIs in one sense because I want to try to measure year on year.

Dr Harmer—Indeed.

Senator HUMPHRIES—I will not go to administered outlays. That embraces problems with the previous issues. Payment accuracy—what do you mean by the standard footnote there:

The measure of payment accuracy for this payment will be derived from the relevant primary payment.

Ms Croke—Senator, rent assistance is, I suppose, not an appropriation in itself. To be eligible for rent assistance you have to be on a primary payment. That might be a Newstart payment, family tax benefit, disability or age pension. So payment accuracy is looked at within those particular primary payments. Rent assistance is not a stand-alone payment.

Senator HUMPHRIES—What do you mean, then, by payment accuracy—whether you accurately pay the people who have those primary payments their due rent assistance?

Ms Croke—Yes. And that is through the random sample survey.

Senator HUMPHRIES—Are you aiming for 100 per cent accuracy?

Ms Croke—We would like 100 per cent accuracy.

Senator HUMPHRIES—Are you achieving 100 per cent accuracy?

Ms Croke—For FaHCSIA, overall payment accuracy is in the 98 per cent range.

Senator HUMPHRIES—Is that a figure for this financial year to date?

Ms Croke—I do not have that figure, sorry, Senator.

Senator HUMPHRIES—If you could take on notice the figure for last year and this year to date.

Ms Winzar—Senator, I have just been advised that our target is 95 per cent accuracy, and these targets are expressed in the agreement that we have with Centrelink, which makes those payments. My recollection is that Centrelink accuracy has been above the target range for some years and would not vary particularly from year to year—maybe by half a percentage point or so.

Senator HUMPHRIES—Again, if I could recommend a bit more precision in the way you measure that for the purposes of this exercise, the estimates exercise, that would be very useful. Are we able to get a breakdown of the number of people on rent assistance by income? Would it be fair to assume that everybody on rent assistance falls below a certain dollar amount of income?

Ms Croke—They have to be eligible for the primary payment, so that does vary across each primary payment. It would have different eligibility. The eligibility for Newstart would be different from the eligibility for family tax benefit.

Senator HUMPHRIES—Why would they be different? Wouldn't a person on a certain income need rent assistance irrespective of what kind of payment they were receiving from the government?

Ms Winzar—It is the way the payments are stacked together. The entitlement of rent assistance sits on top of the primary payment. Once the person's entitlement to a primary payment is eroded—and for a pensioner, for example, the cut-out point for income is much higher than it is for allowees on Newstart or Youth Allowance—it is not a question about whether or not people on different incomes might be entitled to a different level of rent assistance so much as what happens to their primary payment. You see, rent assistance itself is calculated by reference to the amount of rent that someone pays. That entitlement is then notionally stacked on top of any entitlement to pension or allowance that they have. If they have completely eroded their entitlement to a pension or allowance because they have work or another source of income, then they will not be entitled to any rent assistance at all.

Senator HUMPHRIES—If a person living in inner Sydney who is paying a very high level of rent qualifies because they are receiving a primary payment, they might get more rent assistance than a person living in a rural town where a low rent is payable?

Ms Winzar—That is correct, yes.

Senator HUMPHRIES—Could we then have a breakdown of rent assistance paid by category of primary payment, please?

Ms Winzar—Yes.

Ms Croke—In terms of the number of customers on those particular primary payments?

Senator HUMPHRIES—Yes, please.

Ms Croke—I can do that. Do you want me to table that?

Senator HUMPHRIES—Yes, please.

Ms Croke—It is a list.

Senator HUMPHRIES—You have that there, do you?

Ms Croke—Yes.

Senator HUMPHRIES—That would be great. Can you just run through the figures for numbers in each of the categories of primary payment?

Ms Croke—All recipients the number is 1,062,588: parenting payment, single, 162,690; disability support pension, 208,293; age pension, 188,367; Newstart allowance, 206,257; only family tax benefit receipt, 133,842; Youth Allowance, 82,505; parenting payment, partnered, 27,678; carer pension, 21,656; other payments, 31,300.

Senator HUMPHRIES—As of what date are those figures accurate?

Ms Croke—September 2009.

Senator HUMPHRIES—Would you be able to tell me whether those payments have increased in total since then?

Ms Croke—The number of customers on those primary payments since then?

Senator HUMPHRIES—Yes. Those figures are four months old. Have we got any idea whether the payments are up or down?

Ms Croke—No, we do not have that. The next time we would look at those figures again would be from December 2009 and as yet we do not have those.

Ms Winzar—To clarify, we do not have them in the context of the rent assistance recipients, but we would, of course, get a spike in income support claims over the Christmas period, global financial crisis or not. We would expect that in December-January, particularly, our client numbers across the board are generally higher than they are at other times of the year.

Senator HUMPHRIES—Thank you for that. I think I have made my point with the KPIs but just a couple of other questions. What is the number of projects currently underway under the Housing Affordability Fund?

Ms Finnigan—The number of Housing Affordability Fund projects that are currently available is 28.

Senator HUMPHRIES—Could we have a state by state breakdown on those, please?

Ms Finnigan—Yes, I can certainly provide that. In addition to that 28, there are also nine EDA projects that were funded. That was funding provided to states and territories for electronic development application systems.

Ms Winzar—Do you want to state by state breakdown now?

Senator HUMPHRIES—Yes, if you have it, please.

Ms Winzar—One project in the Australian Capital Territory, seven in New South Wales, one in the Northern Territory, five apiece in Queensland and South Australia, four in Tasmania, two in Victoria and three in Western Australia.

Senator HUMPHRIES—Thank you for that. I wanted to ask about reports that have been commissioned by government in relation to housing, particularly reviews of programs or other data that is available about performance in housing. Can you tell me how many such reports have been commissioned since November of 2007?

Ms Winzar—We will have to take that on notice, I am afraid.

Senator HUMPHRIES—Could I have in respect of that the details of the report, including the date it was commissioned, the date it was handed to government, the date it was publicly released, the terms of reference if they are available and, if they were assigned to a committee, who the members of that committee were, the cost of each report, what departmental resources were dedicated to the report and the current status of each report as to whether it has been implemented or has been considered by government?

Mr Tongue—Could I just dive in there and seek a little clarity about what you are chasing. We are talking about reviews and evaluations—is that what you are after?

Senator HUMPHRIES—Yes. Are there any plans for any additional reviews to be commissioned in the near future?

Ms Winzar—We have no current plans to commission any particular pieces of work.

Senator HUMPHRIES—Thank you very much.

CHAIR—Unless you have some very short questions, this might be a good time to take a break.

Senator HUMPHRIES—Yes, I was going to launch into a whole new area.

CHAIR—We will be returning with officers from Housing with Senator Ludlam and Senator Humphries.

Proceedings suspended from 12.20 pm to 1.32 pm

CHAIR—We will continue with housing.

Senator HUMPHRIES—I turn to the issue of the National Affordable Housing Agreement. I understand that the department was going to investigate preparing a schematic map of funding, grants, programs and so on. Dr Harmer, you made a reference at the beginning of today to some documents that melded the two departmental program structures—the old one and the new one. I assume that is not a reference to that schematic map of funding, grants and programs?

Dr Harmer—No, it was a program structure that I was referring to.

Senator HUMPHRIES—Is that schematic map available yet or is it in progress?

Dr Harmer—The person who knows the answer to that is outside. He will hopefully have heard the question or, if he has not, someone else will have. We might go on and I will come back to that.

Senator HUMPHRIES—I thought I heard a scream of some sort outside!

CHAIR—Maybe you could look into the camera.

Senator HUMPHRIES—I will ask something else. The committee, at previous meetings, has explored this question of performance indicators for NAHA. There are some referred to in the budget papers, but I am not sure whether they are the ones actually applying to NAHA as opposed to the COAG process, more broadly, of affordable housing. Are there specific performance indicators for the success or otherwise of NAHA?

Ms Croke—Yes, there are. There are 10 performance indicators agreed to in the NAHA. I can list those if you like.

Senator HUMPHRIES—If you can read them out, that would be helpful.

Ms Croke—Proportion of low income households in rental stress; proportion of homes sold or built that are affordable by low and moderate income households; proportion of Australians who are homeless; proportion of people experiencing repeat periods of homelessness; proportion of Australian households owning or purchasing a home; proportion of Indigenous households owning or purchasing a home; proportion of Indigenous households living in overcrowded conditions; and proportion of Indigenous households living in households of an acceptable standard.

Senator HUMPHRIES—Can I get that tabled so we can have a closer look at it?

Ms Croke—Certainly.

Senator HUMPHRIES—I suppose it is clear in all of those in which direction you want to be heading, so our problem of measurement is not quite so bad as it might have been in other areas. Are they reported on, for the benefit of the parties to NAHA, on a regular basis?

Ms Croke—They will be. The first time they will be reported will be in March/April this year. The report will be provided by the COAG Reform Council. They will release that report.

Senator HUMPHRIES—They will release it to the public—to the Australian community?

Ms Croke—Yes, as I understand it.

Senator HUMPHRIES—It will be presented to COAG in March/April and presumably released at some point after that.

Ms Croke—Yes, I would assume that.

Senator HUMPHRIES—Ms Winzar, were you the person who was going to tell us about the schematic map?

Ms Winzar—No.

Senator HUMPHRIES—I note the criteria you mentioned before, Ms Finnigan. Did they include supply of land for housing?

Ms Croke—No, not particularly.

Senator HUMPHRIES—Given that housing supply, or undersupply more specifically, is one of many ongoing reform issues for the housing sector, I assume it is an issue of concern to the parties to NAHA. Is it an element of the NAHA agreement, in the sense that the parties undertake to address this issue in the way housing affordability is addressed?

Ms Winzar—The full set of performance indicators around NAHA are on the COAG website for you to have a look at.

Dr Harmer—As is the agreement itself.

Ms Winzar—As is the full agreement, and the reporting details set out for the COAG Reform Council to COAG. In respect of the broad housing supply question, the National Housing Supply Council has been working for the best part of this past year on how one might measure housing market efficiency, which is one of the performance indicators, in addition to those that Ms Croke mentioned. We know we need to measure something in that space, on how efficient the housing market is, and in particular how we address the demand for housing. Finding an acceptable and robust measure that points us in the right direction is technically quite tricky in terms of definition. I think the supply council has not quite concluded its work there, but it has had some conversations with the COAG Reform Council secretariat about possible approaches on that front regarding housing market efficiency.

Senator HUMPHRIES—Is NAHA an agreement of the housing ministers or of COAG?

Ms Winzar—It is a schedule to the intergovernmental agreement on federal financial relations, which is signed up by first ministers.

Senator HUMPHRIES—It is effectively a COAG process?

Ms Winzar—That is correct.

Senator HUMPHRIES—Is it an issue that is on the agenda for future COAG meetings, because of the nature of that ongoing task you just mentioned?

Ms Winzar—Yes, indeed.

Senator HUMPHRIES—Is there a timeline for when we will have a measure of housing market efficiency?

Ms Winzar—As I indicated, the work of the Housing Supply Council around what might be the best definition has been ongoing. It is technically quite tricky. I do not know when they expect to conclude their recommendation to the COAG Reform Council, but we would obviously hope that it is sooner rather than later.

Senator HUMPHRIES—I have some questions about the work of the Housing Supply Council, but we will come to that in a moment. There is no performance indicator as such, within NAHA for the role that the states and territories play with respect to their contribution to the supply of land to the market?

Ms Winzar—That is correct. If you mean there is no target there that says that they have to have a certain amount of land released to the market over a period of time, there are no indicators like that.

Senator HUMPHRIES—Does NAHA embrace the concept of a definition or a targeted level of housing affordability in Australia?

Ms Winzar—As Ms Croke indicated, a couple of those indicators go directly to that question, both in the rental context and home purchase context. For example, the proportion of low income households in rental stress is measured by looking at those in the bottom two quintiles of household incomes, and paying no more than 30 per cent of those incomes in rent. For the home purchase, we tossed around with the states over some months what a best measure of home purchase affordability might be. We resolved in the end that we were mostly concerned about those in the bottom 60 per cent of household incomes, because if we confined it to the bottom 40 per cent to match with the rental stress indicator, the bottom 40 per cent of incomes is actually quite low and very few people in the bottom two quintiles would be able to take out a loan. In terms of home purchase affordability, we are looking at those in the bottom 60 per cent of household incomes and we are measuring the proportion of homes that are sold or built that are affordable by people in those income cohorts.

Senator HUMPHRIES—Being affordable is a different measure from actually being purchased.

Ms Winzar—That is correct.

Senator HUMPHRIES—When you say you are looking at that, that is a possible criterion for housing affordability. Is it one that you have actually settled on yet?

Ms Winzar—Yes. Those two that I outlined, the rental stress indicator and the home purchase affordability, are agreed definitions in the NAHA and will be reported by the COAG Reform Council.

Senator HUMPHRIES—I have not seen the 10 criteria yet. Ms Croke, I think—or was it Ms Finnigan?—said that we did not yet have a report on NAHA so we could not indicate whether we were making progress on either of those two criteria that you mentioned before.

Ms Croke—The baseline report, which will be the first report of the NAHA, we will be using, for the best part, 2007-08 data. We really would not be able to measure progress until we understand the baseline data and then in the following year we will have an indication of where we have made improvements.

Senator HUMPHRIES—What is the amount that the Commonwealth is supplying to the states and territories under NAHA for 2009-10?

Ms Croke—For 2009-10 it is the \$1.2 billion.

Senator HUMPHRIES—What is the commensurate amount provided by the states and territories in toto to that \$1.202 billion investment?

Ms Winzar—There is no matching requirement on states and territories under the new intergovernmental agreement with the states.

Senator HUMPHRIES—What level of investment is anticipated in Commonwealth planning from the states and territories in the same space?

Ms Winzar—There are two issues at play there. The first is that the states have agreed to the high level population level indicators that we have just been talking about and their performance will be measured against those indicators. There are also some areas of the NAHA, a couple of national partnership agreements that are added on where the

Commonwealth has made additional contributions for specific purposes. In those areas in particular there is a requirement that the states maintain the effort that they are already putting in. But there are no specific requirements on the states to deliver any particular quantum. They can deliver the outcomes in any way they want. They can do it by providing rental subsidies or buying houses for people. We do not care how much they spend as long as they achieve the outcomes they have agreed to.

Senator HUMPHRIES—We identified, though, that those 10 criteria that were being used as the measure of NAHA's success were not quantity specific. They did not say that we should reduce the number of people in rental stress by a certain amount. Again, as was the argument before, the states could meet a number of those tests by improving affordability by one family or reducing the number of people in stress by one; that would be an achievement of the goals under NAHA.

Ms Winzar—As Ms Croke indicated, that is why the baseline year measurement is so important, because we will be able to see what the rental stress was in, for example, Tasmania in 2007-08 and then each year we will measure subsequent shifts. We will know overall whether they are going up or down.

Dr Harmer—The COAG Reform Council, which is charged with reporting on all of the national partnerships and national agreements, will make their report public annually I think as well. They will be looking to monitor and report on performance against all of the criteria in each of the agreements.

Senator HUMPHRIES—That is good, but again I note there are hopes that the 10 measures you have adopted will produce improvements in whatever direction is specified, but there are no targets beyond simply improving the position adopted in NAHA. The issue of states and territories maintaining effort is one being explored in another committee. I understand the position reached was that the extent to which states or territories do not maintain performance is a matter that will not be publicly disclosed, that is, the COAG process does not provide for a public report on the extent of a failure to maintain effort or report on how that is measured. Am I correct?

Dr Harmer—I think that probably is correct. I think the framework under which the new COAG arrangements with the states and territories are working is that we are moving from focusing on inputs to focusing on outcomes. The amount of money/dollars that the states put in is regarded as an input and the agreements are looking for improvements in certain outcome measures, therefore giving states some flexibility. But there are some agreements where there is a requirement in the agreement that they maintain effort. We will be monitoring that but I do not think that is something that will go to a COAG Reform Council report.

Senator HUMPHRIES—I understand that we will not be told by what measure a state will have been deemed under this process to have not maintained effort. I understand that is the position. I understand there are sanctions in the COAG agreement for states that do not maintain effort. I gather that we also will not be told what sanctions have been imposed against a state in those circumstances. If the COAG process determines that a state has not maintained effort in an area such as housing, is it the government's intention to at least tell the

community publicly that a state has not complied with its requirements under the COAG agreement and has not maintained effort in a particular area?

Senator Chris Evans—I will have to take on notice whether there is any formal agreement or resolution around that matter, but it seems to me that if there were a lack of effort it would be fairly public obvious. There is a whole range of indicators of that effort.

Senator HUMPHRIES—With great respect, if the Commonwealth is pouring money into the housing sector, the states are pouring money in and you get certain outcomes, supposing we go backwards in a certain area it is not at all clear whether that is the result of the Commonwealth or the states not doing enough in that particular area.

Senator Chris Evans—I think Mr Harmer will be very keen to tell you what he has done and defend his record in terms of the Commonwealth expenditure. I do not think you will have any difficulty in that regard. But as to any agreement about formal reporting are we able to help?

Dr Harmer—I do not think there will be a formal report. The COAG Reform Council will not report on state inputs. But we will be monitoring the requirements and, if you ask the Senate estimates questions about that, we will be able to answer the questions.

Senator HUMPHRIES—Not about state failure to maintain effort, because you told us that level of information will not be available.

Dr Harmer—Ms Winzar has just corrected me. It will be the Treasury that will monitor that information.

Senator Chris Evans—I think the Treasurer has made his views clear as well. I think the Treasurer has been very firm in his views about this.

Senator HUMPHRIES—Yes. I know another committee is in the process of writing to the Treasurer to obtain more information about how this information will be used.

Senator Chris Evans—I will certainly take it on notice and if there is something we can get out of this portfolio that is helpful we will get it to you.

Senator HUMPHRIES—What exactly are you taking on notice?

Senator Chris Evans—Your request for information about how we measure state contributions.

Senator HUMPHRIES—No, that is not my request. Let me make it clear. I know from the process in the other committee which I chaired until recently that Secretary Henry has already made it clear that the criteria for measuring state failure to maintain effort will not be made public. He has made that clear. That is the policy of the government and I assume the Treasurer will say much the same thing. What I want to know is: if a state is deemed under the COAG process not to maintain effort, whether we, the Senate committee and the public, will be advised of that fact. There were statements saying, 'Victoria has not maintained effort and sanctions pursuant to the COAG agreement have been imposed against us. We can't tell you why. We can't tell you what the sanctions are, but we can tell you that Victoria has got a black mark because it has not maintained effort'. Will we be told that much about—

Senator Chris Evans—I think it is best that I take that question on notice and obviously the primary responsibility is with the Treasurer. I guess what I was indicating is that I will get an answer for you that goes as far as possible. I understand your point and we will see what we can do. The answer may well be one for the Treasurer, but we will get you this portfolio's perspective and what it is able to tell you in terms of those COAG arrangements.

Senator HUMPHRIES—Do you understand the point here is that we have an investment of \$1.2 billion this year and if we fail to meet any of the criteria governing the use of that \$1.2 billion we do not know where to look to lay the blame for that. We do not know whether it is the Commonwealth or the states.

Senator Chris Evans—I take your view. I would also like to look at the record when you were Chief Minister in the ACT to see if you were so keen on this principle then, but I take your point.

Senator HUMPHRIES—I was very accountable when I was Chief Minister.

Senator Chris Evans—I would like to see what the former Liberal Treasurer used to say about you and your colleagues at the time.

Senator HUMPHRIES—I was the former Liberal Treasurer.

Senator Chris Evans—No, I mean the Federal Treasurer.

Senator HUMPHRIES—It is the destiny of every state Treasurer to fight with every federal Treasurer. Speaking of Treasurers, Mr Swan made some comments only this week, yesterday in fact, about needing a faster land release program in order to deal with the issue of housing affordability. He was saying that there ought to be an acceleration of that in order to break through the bottlenecks. He said, 'Unless constraints to the supply side of the market are addressed our cities will not adapt to meet the needs of growing populations and we will see continued problems of affordability for ordinary Australians.' I think that is pretty axiomatic. This backs some comments that were made by the Prime Minister in a speech that he gave in October when he talked about action on planning and development approval and other things in order to break barriers at state and territory level. What is the Commonwealth specifically doing to engineer cooperation from the states on these important criteria?

Mr Tongue—Perhaps I can dive in there. There is a wide body of work. COAG agreed in December that the federal financial relations committee of COAG, effectively the Treasurers, would undertake a body of work looking at the question of housing supply, and the federal Treasury is leading that work and we are working with them on that. We are doing a body of work with our housing counterparts and also our planning counterparts. There is a joint meeting of housing and planning ministers tomorrow. Of course, we also support the Housing Supply Council, which is addressing the issue of transparency to the market about the housing supply question.

Broadly the areas of work that we are all tending to focus around are the planning questions, so where will the housing supply come from, on the fringe, in the centre or in between, and what planning processes do we need in place to support that supply? There is a body of work around development control. Having decided that you are going to build

housing dwellings in a particular area, what process do they go through to get to the point of being constructed? Because performance varies across the country.

There is a body of work around developer charging. The development industry is saying that they are prepared to pay to develop land to make a contribution to the servicing of that land but they are concerned that there is not transparency in the setting of those charges. So, there is a developer charging/financing piece of work. Finally, there are some broader questions around moving forward how we will maintain and govern the land supply process in the most efficient way given that we know we have to provide more dwellings each year.

Senator HUMPHRIES—Can I take it from that that you are focusing on this challenge at this point in terms of looking at processes and identifying problems in the way that land is released and the difficulties of getting planning approvals and so on? But there is no request yet to states and territories to commit to achieve an outcome on faster rates of approval or higher levels of land release or things of that kind?

Mr Tongue—The Housing Supply Council, in its first report, identified the sort of shortfall that we know we have to deal with. The Commonwealth and states have also been working together on a process of looking at land audits, say, for example, Maribyrnong in Melbourne, which is a former piece of Defence land that has now come to the market. There are some specific areas, for example, surplus government land. But more broadly looking at the sweep of what we need to achieve, yes, at this stage we are looking at the policy, process and financing questions and how we fix this moving forward.

Senator HUMPHRIES—In response to a question in the last round of estimates it was said that the National Housing Supply Council and others had agreed that about 180,000 new dwellings should be built per annum to meet underlying demand. What is the current annual rate of new dwelling construction? We have already mentioned the barriers.

Mr Tongue—It varies year by year. I think our best performance would be in the order of about 150,000 or so dwellings a year.

Senator HUMPHRIES—I am interested in as of now.

Mr Tongue—I will turn to one of my colleagues who will have that piece of information. I think it is in the order of about 130,000 for the last 12-month period, but we will just check that.

Ms Winzar—We might have to get back to you.

Dr Harmer—We should be able to do it—

Ms Winzar—Today.

Senator HUMPHRIES—I think it is generally understood that there is a substantial shortfall at the present time.

Dr Harmer—There is quite a gap. I am not sure what the figure is. I think it is around 130,000—we will get you the accurate figure—but there is certainly a gap between that and what the National Housing Supply Council maintains we need to keep up with household formation rate and demand.

Senator HUMPHRIES—The highest figure you mentioned before there, Mr Tongue, was 150,000. Let us assume that they have taken conservative estimates and the shortfall is 30,000. That is a cumulative figure, I assume, in the sense that 30,000 short this year adds to the next 30,000 that is not provided next year and so on. It seems to me that would create a certain urgency to actually get a strategy in place to bridge that gap and start to deal with the backlog. It would be a very significant challenge or task. Do you believe that the sorts of processes that you have just described—looking at planning law reform and so forth—are sufficient to meet the size of that challenge or is a significant new initiative required to attempt to breach that gap?

Dr Harmer—I do not think that Mr Tongue's impression on that is something that we should give. He has given you an outline of the measures that are underway: the work with Treasury, the ministers meeting tomorrow which is a joint housing and planning ministers meeting focusing on this issue, the National Housing Supply Council's work, and the work around the supply of government land both at state and Commonwealth level. All of those things are certainly working towards the issue of increasing supply.

We are well aware of the gap but Mr Tongue would not know, nor would I, whether that is going to be sufficient. We certainly think that will make a significant contribution but we will not know whether it is likely to bridge the gap until some of the measures that arise out of that work are spelt out and put in place; there is certainly a lot more work now. This gap between the need and the actual supply has been present for many, many years and it has been building up, so the action that is going on now is pretty significant. We would certainly hope that it bridges the gap.

Ms Winzar—The figure you are after in terms of dwelling commencements in 2008-09 was 131,346. You may be interested to know that one of the industry forecasts from BIS Shrapnel on building in Australia projects that that will increase over the next three years and they are predicting that in 2011-12 there will be 182,600 dwelling commencements. Part of that will be a market response to the current shortage of housing and some of it may be related to other initiatives which are already underway in that space.

Senator HUMPHRIES—So, what you are saying is that the gap at the moment is about 50,000 dwellings a year, but the council said that 180,000 dwellings is what was required for each year for a number of years to come. That gap is likely to close if that BIS Shrapnel prediction is true, but then there is the backlog to deal with.

Dr Harmer—Yes.

Ms Winzar—That is correct.

Senator HUMPHRIES—So, we still have a problem, even if BIS Shrapnel's prediction is true, with a surplus of housing over required numbers of houses still does not deal with the backlog to any great extent on those figures.

Mr Tongue—There is certainly a challenge ahead of us. There are some complex dynamics in here; all of these forecasts, for example, rely on the rate of household formation, which does change in response to various circumstances. Whilst households have been tending to get smaller, if there is not the supply response that we anticipate then households

will start to get a little bigger. So, it is a quite complex system that we are dealing with and as measures to improve supply work there is also a commensurate demand response.

Senator HUMPHRIES—I assume you rely on state government agencies to tell you how many houses have been built each year. Is that your source of information about housing starts?

Mr Tongue—It is a statistical collection drawn from local government through ABS because local government in most jurisdictions has the data.

Senator HUMPHRIES—The requirements to meet demand that is not being met is a more difficult thing to formulate, but I assume that is what you use the National Housing Supply Council for.

Mr Tongue—Exactly.

Senator HUMPHRIES—Does the National Housing Supply Council produce those figures on an annual or more frequent basis, or was that 180,000 a one-off estimate?

Mr Tongue—No, they are annually.

Dr Harmer—They would do it annually.

Senator HUMPHRIES—So, 180,000 was the estimate for last year or this year?

Ms Winzar—It was from last year's report and it related to data for the year preceding that, if you like. So, the first report of the council was released last March and their next report will be forthcoming in the next few months.

Senator HUMPHRIES—In that speech that the Prime Minister made that I referred to before—it was 27 October—he announced that the Commonwealth would be demanding action from state governments and local government on things like planning, development and approval and the provision of urban infrastructure. The speech is fairly forceful, as we have become used to from the Prime Minister, and he made clear that the Commonwealth was going to put a lot of pressure on the states to do some things about this. Since that speech was delivered, or in conjunction with that speech, what things has the Commonwealth begun to do to get action on things like development approvals and provision of urban infrastructure?

Mr Tongue—In addition to the things I have outlined, my recollection of some of the Prime Minister's statement is that he was also making those statements in the context of work with the states and territories about metropolitan or city planning. A lot of that work is being driven out of the Department of the Prime Minister and Cabinet, so there is another body of work and I think you would need to ask them about some aspects of the work they are doing with states and territories.

Dr Harmer—In addition to the four areas that we have already mentioned, at the joint planning and housing ministers meeting tomorrow Minister Plibersek and Minister Albanese are meeting with housing and planning ministers. The issue of state performance around planning and land release, et cetera, will come up there. The work with Treasury is looking at that, the National Housing Supply Council are looking at it and the government land audits, both state and federal, are looking at it. Also, as you know, the Prime Minister has the premiers regularly meeting in the COAG context and the work that the Prime Minister and

cabinet are doing will no doubt be used with premiers by the Prime Minister in that COAG context as well.

Senator HUMPHRIES—With respect, the discussion of those issues in a context like COAG does not guarantee that there is going to be any real action on the part of state and territory governments. I want to know what work is underway by the Commonwealth to actually get the outcomes that the Prime Minister was talking about there and that the Treasurer touched on in his remarks this week. Expanding on what Mr Tongue said before, can you give me a list of the initiatives that are underway to deliver things like faster planning approvals, better forward planning and the sorts of things you spoke about that are likely to deliver?

Dr Harmer—We can give you that on notice, but it will be around the four significant areas of work that Mr Tongue outlined.²

Senator HUMPHRIES—You cannot supply me with the initiatives that are going on under the aegis of the Department of the Prime Minister and Cabinet?

Dr Harmer—No, you would have to ask the Prime Minister about that.

Senator HUMPHRIES—Are they the only places where initiatives of this kind are being worked through?

Mr Tongue—Because of the scope of the cities agenda it falls into the industry portfolio because they look after the building code questions. It falls into infrastructure and the financing of major infrastructure work. We play a role, Treasury plays a role and the environment department plays a role because of EPBC approvals, particularly for sensitive sites; it is a body of work that spans across the Commonwealth.

Senator HUMPHRIES—I just want to be clear that this is all directed towards getting an objective of better housing affordability and making processes work better at the state and territory level to get those sort of outcomes. I imagine some things going on in environment might have a number of objectives, including protection of the environment and so on. So, I want to see where these things are heading and I cannot ask you for a comprehensive list of those things because you do not have them. How much funding is being provided to state and territory governments under the National Partnership on Homelessness?

Mr Tongue—As is being provided under the NP or has so far been provided?

Senator HUMPHRIES—I would like both sets of figures.

Ms Gumley—Under the National Partnership on Homelessness there is \$1.1 billion provided.

Senator HUMPHRIES—In total, over how long?

Ms Gumley—It is \$1.1 billion over five years, and that includes the A Place to Call Home initiative. That is \$550 million from the Commonwealth and \$550 million from states and territories.

Senator HUMPHRIES—How are the payments made by the Commonwealth to the states and territories? Is it on the basis of when a project is completed they receive funding or do

they receive funding at the beginning of a project? Are they instalment payments or regular payments which are meant to feed the various activities? How does it work?

Ms Gumley—The states and territories submit an implementation plan for the work that they will be doing against the National Partnership on Homelessness and there are regular monthly payments made to the states.

Senator HUMPHRIES—These are not performance based per se, but they are based on the fact that the states and territories outlined their process for implementing them?

Ms Gumley—That is correct.

Senator HUMPHRIES—Are each of these wholly state based? Is there a project which covers work within a state or do some of them cross state and territory boundaries?

Ms Gumley—No, they are state based efforts, so there is a plan for New South Wales and a plan for Victoria and each of those plans are available on the COAG website.

Senator HUMPHRIES—Have all the states begun all of their projects at this point in time?

Ms Gumley—Some projects were being rolled out in subsequent years where there might be a large project such as a common ground facility—a facility for chronically homeless people—or an accommodation project. Some of those have been scheduled for later years, but many of the projects that have been outlined for this year have started and some are still being rolled out.

Senator HUMPHRIES—What proportion of these projects are being provided exclusively with government money, how many of them are as a result of funding of non-government organisations and how many are partnerships between government and nongovernment?

Ms Gumley—The funds used against the national partnership will be those provided by the Commonwealth and the state. There may well be an organisation that has been contracted to deliver a certain project, such as Assertive Outreach for Rough Sleepers, and that organisation may well put in some of its own resources to supplement that effort. I cannot tell you the proportion of non-government investment.

Senator HUMPHRIES—It is essentially a purchaser-provider model for delivering these services for the most part?

Ms Gumley—Yes. That depends on approaches taken by states and territories, but in the main most services are being delivered by non-government organisations. Some will involve joint responses from service delivery arms of state government, such as mental health, drug and alcohol services or accident and emergency.

Senator HUMPHRIES—How do we measure the success of these programs?

Ms Gumley—The National Partnership on Homelessness has a number of performance indicators included in the agreement. Some of them relate to the number of homeless people, because this agreement includes a specific target reduction.

Senator HUMPHRIES—What is that target?

Ms Gumley—Seven per cent reduction of homeless people over four years. There are output indicators which relate to the number of families that receive services under the agreement. There are also outcome indicators that relate to the number of families who maintain safe or secure housing, make connections with education, work and connections back with family and friends.

Senator HUMPHRIES—How regularly do the state and territories report on those outcomes?

Ms Gumley—States and territories are required to report to the Commonwealth 12 weeks after the end of each year, so by the end of September, and in addition to that the COAG Reform Council has annual reporting against national partnerships as they relate to supporting the outcomes of the national agreements.

Senator HUMPHRIES—So we do not have any reports as yet?

Ms Gumley—No, we do not. In the main, most of the services under this agreement are all new services.

Senator HUMPHRIES—Some have not commenced yet.

Ms Gumley—Some have not commenced yet.

Senator HUMPHRIES—When those reports are produced, will they be public documents?

Ms Gumley—The reports that are being produced by the Australian Institute of Health and Welfare, which are then provided to the COAG Reform Council, will be public reports. I do not think that there has been a decision taken at this stage on the reports that are provided to the Commonwealth.

Senator HUMPHRIES—You would be aware that last month there were reports in the *Australian* of a number of organisations working with homeless people, reporting that there has been an appreciable rise in homelessness over the last 12 to 18 months. The housing minister, Ms Plibersek, indicated that she felt that there was evidence of a spike in the number of Australians needing assistance, which I assume was a concession that homelessness seemed to have risen. What evidence does the department have, firstly, on whether there has been an increase in homelessness and, secondly, the extent of that increase?

Ms Gumley—The way that we measure the extent of homelessness now relies on the census. We have not had another census since the national partnership was brought into effect, so some of that has been feedback or information that we have had. It is feedback from service providers who have seen additional families and individuals seeking support. Some of them may have been around financial counselling or access to emergency relief funding and also those that might have been seeking support through their former supported accommodation and assistance services. At this stage it is anecdotal information that we have.

Senator HUMPHRIES—Each of those measures obviously has problems. I am sure you can see that individually. Are they brought together in a way that gives you a number of indicators which might point to some movement in numbers of homelessness in Australia?

Ms Gumley—The department is looking at how we can identify what might be proxy indicators to see if there is an increase in homelessness, but there are limitations with each of those data sets, as you said. For instance, the Supported Accommodation and Assistance Program is only 20 per cent of the homeless population and there are a lot of individuals that do not seek out that assistance. We are looking at ways that we can improve that, using the SAAP information that we have, but also looking at information of individuals coming to Centrelink and seeking assistance, or that Centrelink's new community contact officers might come into contact with that perhaps might not be engaging with the service system very readily. There are a number of different inputs that we need to be able to compile and analyse to see if there is a trend, but the definitive count will remain the census.

Senator HUMPHRIES—I appreciate it is hard to measure and that no one measure is very reliable. You said that one of the criteria for the states and territories to report on, one of the goals in the national partnership, was that there would be a seven per cent reduction over four years. To indicate whether that has been achieved there has to be a form of measurement.

Ms Gumley—Yes.

Senator HUMPHRIES—You cannot rely on the census because there would be one census in that period, but there is no baseline to measure it against. I would not have thought that you could measure it against the last census. Is that what you are planning to do? Is that the measure that you will use?

Ms Gumley—The agreement does go back to the ABS census 2006 and then looking at those who are homeless in the 2011 census. The 2006 is the baseline that we would use.

Senator HUMPHRIES—The baseline is how many were homeless in 2006 according to the census and how many are homeless in 2011 according to the next census?

Ms Gumley—Yes.

Senator HUMPHRIES—The report from the Salvation Army and Youth off the Streets is that there has been an appreciable rise in homelessness in the last 12 to 18 months. Is there any basis to dispute that conclusion?

Ms Gumley—We do not have any information to dispute that. However, the anecdotal feedback was that when the economy was stronger some families sought out additional support as they were not able to access secure housing because of the rental market and the rental price increases. It is hard to balance that and also to find out about the group that is not actively accessing the service system and what is happening with them.

Senator HUMPHRIES—You are saying that you have detected rises in homelessness before during economic good times?

Ms Gumley—There has been anecdotal feedback about that from service providers.

Mr Tongue—One of the aspects of the social housing initiative spend—the 19,300 houses—is that we would expect that a significant percentage, up to half, of those houses will go to people who are homeless. Whilst we are tracking under the NP to do the work with the states and improve our ability to count, we also expect that with this flow of new stock coming through, some of which we have described as being specifically built to enable

outreach to homeless people, that rise in stock will have a bearing on the total number of people who are homeless.

Dr Harmer—There were predictions that the global financial crisis would drive a significant increase in homelessness. Whilst there is some evidence of that, the fact that it has not been as severe for Australia, particularly in terms of driving high levels of unemployment, means that the predictions about the dire consequences of the homelessness out of the global financial crisis will be less. It might still drive an increase, but I think the fact that we are now building large numbers of social housing and the fact that the unemployment level has not gone to the level that was initially predicted are good signs for homelessness.

Senator HUMPHRIES—The inputs are important and they are vital to achieve this objective, but I remind you that the Prime Minister said just over a year ago that he had a plan to halve the number of homeless people in Australia and accommodate all people sleeping rough by 2020. A reduction of seven per cent in homelessness by 2011 sounds like a very small step in that direction. At the moment, according to the indicators, we are actually heading backwards and not forwards. Is there any indication of how the Prime Minister's ambition is going to be fulfilled when we have, at this stage, very small steps? On your own admission, it is only a seven per cent reduction over four years.

Dr Harmer—It will take some time to build up, with a lot of money, a lot of initiatives and a lot of reform in the space. The population of homelessness has been relatively stable or growing for some time. Up until now there has not been a significant, concerted response to homelessness in the way there is now with the special national partnership and considerable money. There has been nothing like the money spent on additional social housing that we have had over the last couple of years. The prediction by BIS Shrapnel is quite good news in terms of filling in the gap that has been present with demand and supply of housing for a while. I think there is reason for quite a lot of optimism, even though we are in the early stages.

Senator HUMPHRIES—Would you accept the estimate that there are something like 100,000 to 105,000 people each night who are homeless, 15 per cent of whom are actually sleeping rough?

Ms Gumley—There is the additional contextual information provided by the Chamberlain and Mackenzie research into counting the homeless. That data shows us that about 16 per cent of those are sleeping rough.

You might also be interested to know that the national partnership includes a number of other different targets that go to those rough sleepers—that is, a decrease of 25 per cent of the number of Australians sleeping rough to less than 12,300 people, or an equivalent measure of six homeless people sleeping rough per 10,000. There are also indicators in the Remote Indigenous Housing Agreement, which is to reduce Indigenous homelessness by 30 per cent by 2013. There is another one, which is a 25 per cent reduction of three repeat periods—that is, people who access emergency accommodation more than three times in a year as an indication of a group who might have very unstable housing.

Senator BOYCE—I am interested in women and children who are homeless because of domestic violence. Should I be asking about that here?

Ms Gumley—Yes.

Senator BOYCE—Could you extrapolate a bit further on those figures? Does that include women and children as rough sleepers?

Ms Gumley—Yes, it does.

Senator BOYCE—Can you give us a percentage or a number?

Ms Gumley—Of the 105,000 each night, 16 per cent are sleeping rough. Twenty per cent of those are in SAAP services and by far and away the biggest users of SAAP services are women experiencing violence. Fifty-six per cent were males.

Senator BOYCE—Do you know if that is adult male?

Ms Gumley—No. Of the 105,000 each night, 31 per cent of those were young people.

Senator BOYCE—What do you classify as young people? Is it under 18?

Ms Gumley—It is probably under 21, but I would have to check that for you.

Senator BOYCE—Can you break those figures down any further in terms of women and children?

Ms Winzar—We can. We probably just do not have it with us today.

Ms Gumley—Twelve thousand of the 105,000 were children.

Senator BOYCE—Do we know how many of those are rough sleepers, to use your term?

Ms Winzar—Ms Gumley may have better information, but my recollection is that roughly a quarter of all of those sleeping rough were families with children.

Senator HUMPHRIES—By children, do you mean under 18?

Ms Winzar—Yes.

Senator HUMPHRIES—On the question of measuring homelessness, I understand there was a review being conducted into the methodology being used by Professors Chamberlain and MacKenzie, which was referred to in the last estimates. It was meant to improve how counting goes on. What is the status of that review?

Ms Gumley—The status of that review that it is being conducted by the Australian Bureau of Statistics, one of the data agencies charged in that role from the COAG Reform Council. The ABS is leading a review of the methodology to produce the publication *Counting the Homeless*. There is a steering committee on which FaHCSIA, the Australian Institute of Health and Welfare and some state and territory government representatives also participate. The review aims to deliver a more accurate count of Australia's homeless people and households from the 2011 census as a result of improved collection procedures, better methodology for using a census and, if necessary, supplementary data to calculate the counts. There was an issues paper that was released in October 2009. The ABS received 13 written submissions and held a workshop in Brisbane in November. The next stage of the review will be to produce an exposure draft or discussion paper outlining any changes or issues with the methodology that the ABS has considered and put that out there for broader public and academic critique and debate. The service sector has been quite widely involved in the discussions and deliberations around that.

Senator HUMPHRIES—When will that be finished?

Ms Gumley—I suppose that depends on the issues that come up as a result of the next consultation period. It may be better to ask the Australian Bureau of Statistics, which is leading that review.

Senator HUMPHRIES—As of last estimates in October, New South Wales—at least when the answer to this question was provided following estimates—was the only jurisdiction to submit an implementation plan for its role under the national partnership agreement, and that was only for one year, not for three years. Have the other states now submitted their implementation plans?

Ms Gumley—Yes, all of the implementation plans were submitted. New South Wales is still the only one that is a one-year plan. But the next generation of that will be a three-year plan. During this first year they are undertaking quite a comprehensive regional action planning approach which will inform where they will roll out their services. There are some services already rolled out to particular hot spots but they wanted to take an evidence based approach to their deployment of services.

Senator HUMPHRIES—Can I talk firstly about the repairs and maintenance component of the Social Housing Initiative, which is where we repair state government infrastructure. What is the total value of the work that has been done to date on repairs and maintenance under that initiative?

Mr Lamont—The spend to date from the Commonwealth has been \$260 million in element 2, which is the R and M component and that is spread across the states.

Senator HUMPHRIES—What proportion is that of the total spend on that program?

Mr Lamont—There is \$400 million allocated in total.

Senator HUMPHRIES—Are we expecting to roll out that full \$400 million by the end of this financial year?

Mr Lamont—That is correct. That \$400 million should benefit approximately 70,000 dwellings.

Senator HUMPHRIES—Can we say how many projects have been completed and how many are yet to happen?

Mr Lamont—I can tell you in terms of dwellings. There are roughly 59,000 dwellings that have seen the benefit of the repairs and maintenance element of the program to date. Importantly we have seen 6,500 dwellings returned to stock—that is, dwellings that are capable of being used again because of the spend.

Senator HUMPHRIES—They were not useful at all before?

Mr Lamont—There was an expectation that they would end their economical useful life within the next two years.

Senator HUMPHRIES—There are 59,000 dwellings out of what would be the expected end?

Mr Lamont—Seventy thousand.

Senator HUMPHRIES—Does the \$400 million figure that we are spending on this include any non-construction related costs, administrative expenses on the part of the states, consultancy fees, accommodation, or temporary accommodation for tenants while their premises are being repaired and so forth?

Mr Lamont—There is certainly no expense associated with accommodating tenants who may have to be rehoused during this period. I believe at last estimates we took on notice issues around administrative expense associated with delivery. It was very low, if not nil, for most of the states. The NPA countenanced that the money would be spent on capital items, if you like, and not on program administration or administration, so it was next to nil.

Senator HUMPHRIES—Organising labour and materials for 59,000 dwellings would be expensive. I think you are contracting out that work; it is not being done by staff of state housing authorities?

Mr Lamont—Most of the state housing authorities that do this sort of work are contract administrators, if you like. They have outsourced providers.

Senator HUMPHRIES—Are you saying not much, or very little of that spend is on the cost of the state housing agencies?

Mr Lamont—That is correct. I think the agreement in the NPA was that the states had to absorb that cost separate to the funding.

Senator HUMPHRIES—What are the reporting procedures for this component? Are there annual reports on how much has been achieved?

Mr Lamont—There are monthly, quarterly and annual reports and a range of other operational reports that we request.

Senator HUMPHRIES—Are they publicly available?

Mr Lamont—The stimulus webpage has a list of all the projects that are approved and a running tally that confirms the number of dwellings that have either commenced, been completed or been repaired.

Senator HUMPHRIES—Have the deadlines been met for all the reports that are due?

Mr Lamont—Yes.

Senator HUMPHRIES—You say you have returned about—

Mr Lamont—About 6,500 dwellings.

Senator HUMPHRIES—6,500 dwellings to potential occupancy. Do you have a figure for how many unoccupiable premises there are in public housing stock across Australia?

Mr Lamont—I do not. I think that was a question to Dr Harmer at the last estimates. I do not think we were able to provide that.

Senator HUMPHRIES—I think you were able to brief me before on the question of what requirements there are on the states not to divest themselves of the properties that have been repaired. I understand there was a time limit on how many years the agencies have to retain those properties once repaired?

Mr Lamont—Not for repair, for new stock there is an expectation that the stock will remain suitable or available for public or social housing for 40 years. The R and M component, the repair and maintenance component, often involves transfers to other not-for-profit providers to encourage their growth and capacity in this sector. The R and M component is separate to the new construction element of the program.

Senator HUMPHRIES—Transfers from government stock to community housing organisations is acceptable, but is the sale outright into the private market acceptable?

Mr Lamont—I think that is covered under the NAHA. I am probably not the best person to answer that.

Dr Harmer—We will take that on notice. We may be able to get you an answer shortly.

Senator HUMPHRIES—Would you let me know whether there is a legal barrier to them selling the properties once they have been upgraded, please? I also want to ask about new construction. I assume you are also able to talk about that?

Mr Lamont—Absolutely.

Senator HUMPHRIES—Can we have the same set of figures for payments to state and territories for construction of new dwellings, please?

Mr Lamont—The total payment to date has been \$1.56 billion. Would you like the breakdown?

Senator HUMPHRIES—Do you mean by state?

Mr Lamont—Yes.

Senator HUMPHRIES—If you could table that, that would be great, thank you. How much more is expected to be rolled out before the program is complete?

Mr Lamont—The total amount for the new element of the social housing initiative is \$5.238 billion and the expectation is that they will be rolled out over the next—including the current—three financial years.

Senator HUMPHRIES—So \$5.238 billion minus \$1.5 billion is how much yet to be rolled out?

Mr Lamont—That is correct.

Senator HUMPHRIES—How many dwellings have been commenced with that \$1.56 billion outlaid?

Mr Lamont—It is 7,700.

Senator HUMPHRIES—How up to date is that figure?

Mr Lamont—That was the end of January.

Senator HUMPHRIES—They are commencements. Do we know how many have been completed?

Mr Lamont—Four hundred and seventy five.

Senator HUMPHRIES—When did the program begin?

Mr Lamont—February last year.

Senator HUMPHRIES—What is the total value of work undertaken for those 475 dwellings?

Mr Lamont—I would have to take that on notice. To try to answer your question, we have got an average price per dwelling of \$270,000. It would be a useful measure to compare that amount with the total number that are currently under construction. I should also add though that we are experiencing and seeing very strong acceleration in the commencement and completion activity already this year and we expect that to continue until 30 June.

Senator HUMPHRIES—Is \$275,000 a target rather than an outcome to date?

Mr Lamont—That is an outcome. The target was \$300,000 average cost per dwelling, so we have come in well below that largely due to contributions of state government land and community not-for-profit equity and land which drives, if you like, this spend further in terms of the number of dwellings that can be produced.

Senator HUMPHRIES—Do you know what the average cost of housing construction is in Australia today?

Mr Lamont—I could not tell you. I could give you an approximation of what the median new house price used to be in Australia; it was around the \$450,000 mark.

Senator HUMPHRIES—Is that for land and—

Mr Lamont—That is a house and land package.

Senator HUMPHRIES—There is no land component of this, though—

Mr Lamont—In some cases there is. But where development of an existing state government or community owned site is used there may be a very low land component of the total construction. I think it is also fair to say that this product is a little bit different in some cases from what you would expect in a median house and land package space.

Senator HUMPHRIES—Of those 7,700 which have been commenced, how many of them are detached dwellings and how many are multi-unit dwellings?

Mr Lamont—Once again I would have to take that on notice. Not to answer your question in terms of detached or multi-unit, most of them would be lower density houses because obviously multi-units take a little bit longer to get to the construction phase.

Senator HUMPHRIES—Can you tell me what the planning approval process is for these projects? Do they go through the usual planning approval processes or is there some kind of streamlined process?

Mr Lamont—In some cases states and territories have enacted nation building legislation to speed up the development assessment component of it.

Senator HUMPHRIES—Which states and territories are they?

Mr Lamont—Off the top of my head, New South Wales and Victoria—Victoria in particular. I would have to check the others. But as to the issue of state planning, there are two components. There is strategic planning around residential development—where it should go, heights, density et cetera—and then you do the development assessment. I do not believe that

there have been any changes to the strategic planning associated with residential development in states. But, to give you an example, in New South Wales there has been a streamlined process around the development application process.

Senator HUMPHRIES—In the case of New South Wales, are you able to describe just what that streamlining actually means? What do you have to go through to get an approval?

Mr Lamont—If we are talking about a type of dwelling that is consistent with a strategic plan, in New South Wales you effectively have something that is called as of right development for anything that is two-storeys or below within a certain density. Basically, the New South Wales government has a planning scheme that is consistent with that for the nation building stimulus packages and then applies a 21-day notification period for neighbouring residents to make comment and express opinions on that particular development. The New South Wales government have hired independent planners to assess those and, where necessary, have made some changes to reflect community concerns.

Senator HUMPHRIES—Local councils do not have that approval process in these cases, it is done by this independent party.

Mr Lamont—To give a complete answer, in some cases local council may have already approved the development. There are developments in New South Wales where council had already approved. You will recall that the stimulus was to aid those developments that had been frustrated as a consequence of inability to achieve finance, so there were a number of developments that had DA approval that had stalled indefinitely due to the inability to get that finance. In New South Wales there have been sites where those DAs were used to construct the built form that was originally proposed for that DA.

Senator HUMPHRIES—I assume there would be other sites where council approval has not been provided, but these laws would still permit—

Mr Lamont—The state would provide that process, yes.

Senator HUMPHRIES—I am aware that in some places there has been a fair public reaction to these approvals which bypass the usual council process. We have some on the South Coast of New South Wales in the electorate of Gilmore, for example. Is it fair to say that in some cases, at least, both the period of notification has been reduced and the appeal rights of aggrieved parties have been reduced or eliminated?

Mr Lamont—A 21-day notification and comment period was available. Whether that differed from what was previously in place with council I will have to take on notice, but I can say there was a 21-day notice period for residents. I could not comment on whether that differs significantly from what council had applied in their DA process. I would need to take that on notice.

Senator HUMPHRIES—As I understand it, in New South Wales there is often a right of appeal to the Land and Environment Court against decisions by councils to either approve or not approve developments. Are those appeals still available under these processes?

Mr Lamont—Once again, I would need to check that.

Senator HUMPHRIES—You can take that on notice.

Mr Lamont—Absolutely.

Senator HUMPHRIES—I am aware of a couple of large and angry public meetings south of Wollongong about proposals there for housing under this process. Are you aware of other adverse community reactions to these streamlined development approvals?

Mr Lamont—Obviously the media reports that we track quite closely; we have observed those. We have had some correspondence on others as well.

Senator HUMPHRIES—What other states have you had that experience in?

Mr Lamont—Primarily Victoria and New South Wales.

Senator HUMPHRIES—Have you any idea of how many letters you have received on this issue?

Mr Lamont—Personally, in the Commonwealth, I would be giving you an approximation, but probably 50.

Mr Tongue—In a program that contemplates more than 19,000 dwellings, that is pretty small. We think in terms of the process that the states are employing that they are clearly—

Senator HUMPHRIES—Is this 19,000 in New South Wales and Victoria?

Mr Tongue—No, across the country.

Senator HUMPHRIES—If development approval processes have not been altered in the other states then you would not expect any problem, or at least not the same sort of problem. If they have been generated in a couple of states because the building approval processes have been changed in a number of places—

Mr Lamont—Any time there is a move to achieve higher concentrations and infill you receive objections to the status quo. I would say that very few of the objections that we have received have been on the basis of the proposed built form in that, and to quote the example in New South Wales, two storey is an as-of-right approval in most instances and various councils had already approved developments of that type for certain sites. Some of the objections are clearly based on concerns around public housing tenants.

Senator HUMPHRIES—What criteria do these independent reviewers use to make a decision about whether to approve a particular project in those states where they are employed? Are they meant to replicate the decision-making criteria that a council would use or are they meant to use criteria which are centred around quickly bringing on this stimulus spending?

Dr Harmer—Mr Lamont may know the answer to that, but you are getting into territory that really is very much a state and territory responsibility. Mr Lamont, because of his background and knowledge of this program, may know it, but I think it is pretty much dealt with by the state and territory governments.

Senator HUMPHRIES—I accept that is technically true.

Dr Harmer—I will let Mr Lamont answer it, if he can.

Mr Lamont—There would be a range of issues. You would really need to go to individual councils. I believe there are around 526 councils in Australia, each of which has variations to their planning and development assessment schemes.

Senator HUMPHRIES—My question is: are the reviewers using the councils' criteria? Is it their job to pretend that they are the council and make the decisions using the councils' own criteria, or is it to implement stimulus objectives such as getting projects on the table quickly?

Mr Lamont—As I understand it, the planners are not focused on the NPA targets for commencements and completions; it is rather urban form type issues related to building design amenity, incorporating the Building Code of Australia principles, six-star energy ratings and car parking spaces or quotas in accordance with the existing, in this case, New South Wales requirements. Dr Harmer is right. I think the issue on this varies significantly across the country. To give you a generic response is quite difficult.

Senator HUMPHRIES—How many dwellings do we expect to be made available by the time the full \$5.2 billion is rolled out?

Mr Lamont—Some 19,300.

Senator HUMPHRIES—Do you have an estimate of what the cost of maintaining those dwellings would be?

Mr Lamont—No, I do not.

Senator HUMPHRIES—It seems to me that is a very considerable economic burden that is being transferred to somebody that is not accounted for as part of this process.

Ms Winzar—It will be on the basis of the cost of the public housing unit that is already in the stock. It is around about \$4,500 to \$6,000 a year per dwelling, depending on which state you are in, the age of the house and so on. These houses, being new built, would have a lower maintenance cost, at least in the early years, but it is correct to say that it is the state and territories responsibility to absorb both the maintenance costs and the administrative arrangements around the house.

Senator HUMPHRIES—The whole reason for the repairs and maintenance program was that states were not able to maintain an adequate level of repair and maintenance of their own housing stock. It is commendable that we have got a further 19,300 dwellings into the system, but that is cost measures in hundreds of millions of dollars which is being transferred to a system which is already under some stress. I appreciate you cannot answer that question.

Dr Harmer—What they do not have in the equation is loans to repay which they did in much of the older public housing stock. There is a grant with some money given. There is no debt to the state on the houses and they collect rents. The formula and the position of the state, in terms of being able to afford where they need to the repairs and maintenance, acknowledging that many of the buildings are new, should not be the sort of burden that the average public housing is at the moment.

Senator HUMPHRIES—Is it understood that rents will generally cover the cost of maintenance of a house in the social housing system?

Dr Harmer—The tenants are mainly income-support tenants, so probably not.

Senator HUMPHRIES—There is still a cost that is transferred to the states in respect of that.

Dr Harmer—Yes. Again, compared to the old arrangements of public housing funding, there is no matching requirement for this money and there are no loans.

Ms Winzar—And no jurisdiction to turn the offer down on the basis of the recurrent cost to them.

Senator HUMPHRIES—Perhaps they are planning to sell the premises when they can.

Dr Harmer—While we are on that issue, you asked earlier about the ability of the state housing authorities to sell public dwellings where there had been money spent on repairs and maintenance. Ms Winzar might be able to answer that question.

Ms Winzar—The answer is that they are able to sell the stock.

Senator HUMPHRIES—Immediately?

Ms Winzar—If they wish to, yes. In some cases that would be the best strategy for them because they could use the profit to reinvest in other properties that were more suitable to the needs of their tenants. For example, they might have a renovated, repaired or upgraded three or four bedroom house which they would sell to reinvest in some units or apartments for older single people.

Senator HUMPHRIES—What is to stop the sale of those properties for the purpose of buttressing the states' budget bottom line?

Ms Winzar—There is nothing in the National Affordable Housing Agreement that would prevent that. The purpose of the sale is not something that the agreement goes to.

Senator HUMPHRIES—I assume that you do not have any evidence of anybody having sold any houses that have been built or repaired as yet?

Ms Winzar—I certainly do not, no.

Senator HUMPHRIES—That barrier to sale applies both to houses that are repaired and houses that are built?

Ms Winzar—That is correct.

Senator HUMPHRIES—Was the state owned social housing eligible for the government's home insulation program?

Ms Winzar—No.

Senator HUMPHRIES—Were community housing dwellings eligible for the program?

Ms Winzar—Yes, they were.

Senator HUMPHRIES—Can you tell me how many of those dwellings received insulation?

Ms Winzar—No. That was not a program that we managed.

Senator HUMPHRIES—I would like to move to NRAS. We had information in the last estimates about the mix of tenants who were occupying NRAS premises. I think at that stage that there were only 300. We had a break-up in terms of how many residents were sole

parents, how many had a disability, how many were Indigenous or Torres Strait Islander, how many were households with children and how many of the premises were vacant at the time the audit was done. Can we have an update on that answer? This was an answer to question 87 taken at estimates in October.

Ms Finnigan—As I explained earlier, we will not have any additional information until May after the participants report.

Senator HUMPHRIES—You cannot answer that question until after the deadline for answers comes back.

Ms Finnigan—That is right.

Senator HUMPHRIES—I will ask that question next time around. The vacancy rate in that previous question was above 10 per cent. Of the 300 dwellings, 35 were vacant. Do you have any indication of whether the vacancy rate is as high as it was as of October?

Ms Finnigan—No, I have no further update.

Senator HUMPHRIES—I will ask about that later. I asked a moment ago about the requirements for ordinary state and territory planning laws to apply to the provision of the building of new housing under the stimulus package. Can you tell me whether there is any opportunity for local government planning laws to be overridden with respect to building of NRAS properties.

Ms Finnigan—No; NRAS dwellings must comply with state, territory, local government planning provisions.

Senator HUMPHRIES—So any building codes that have to be complied with are complied with. Are councils asked to make concessions on account of these being NRAS properties?

Ms Finnigan—No, they are not.

Senator HUMPHRIES—When you answer that question I assume that the applications are actually being made by the developers rather than by state governments or the Commonwealth, so you may not know what deals developers are seeking from councils for approvals, and so it is possible that councils could be asked for special concessions on the basis that this is special housing providing for special social needs.

Ms Winzar—It would be open for them to do so, but we would not involve ourselves in any of those issues.

Senator HUMPHRIES—You are not aware of any such arrangements being sought or granted?

Ms Winzar—No.

Senator HUMPHRIES—Do you pay the NRAS applicants at the completion of the premises and the point when they are ready for occupancy or at an earlier point?

Ms Finnigan—We make the payments at 12 months, at the end of the NRAS year. If there has been a tenant for whatever period of the preceding year we then pay the proportion of incentive that they are eligible for.

Senator HUMPHRIES—The NRAS year starts on 1 May?

Ms Finnigan—1 May, yes.

Senator HUMPHRIES—If someone finishes their building, gets their approvals and puts their first tenant in on 3 May, they are not eligible for any payments for another year?

Ms Finnigan—That is right.

Senator HUMPHRIES—I understand that round three of NRAS is open at the moment—till August?

Ms Finnigan—Yes, that is right.

Senator HUMPHRIES—Do you take all of the applications under that at the end of that period and process them all, or as applications come in are they approved throughout the period?

Ms Finnigan—Yes, they are processed as they arrive.

Senator HUMPHRIES—Has there been any greater interest in round three than there was in rounds one or two?

Ms Finnigan—Not to date, but remember that round three is designed to attract large-scale investment and it is for that purpose that the round is open for 12 months. They are more complex applications and require a greater capital investment to prepare those applications.

Senator HUMPHRIES—How many dwellings were approved under rounds one and two?

Ms Finnigan—There were 10,803.

Senator HUMPHRIES—In both those rounds?

Ms Finnigan—Yes.

Senator HUMPHRIES—How many in round one?

Ms Finnigan—There were 3,799.

Senator HUMPHRIES—And what is the balance in round two?

Ms Finnigan—There were 7,004.

Senator HUMPHRIES—Was that 7,004?

Ms Finnigan—Yes, that is right.

Senator HUMPHRIES—I thought you were coming up with another figure. There has been a post-implementation review of NRAS after those first two rounds. I understand from an earlier answer to a question that there have been 23 submissions. When is the review due to be delivered to government?

Ms Winzar—It is not a review that we would necessarily deliver to government in that sense. We have used the post-implementation review to finesse our processes and our handling of applications under round three and any subsequent rounds. It went to things like the efficiency of the way we were doing things, the appropriateness of the questions that we were asking on the application form, both from the applicant's perspective and from ours, and

so on. So it really was a focus on process and systems improvement, not an evaluation of the program per say.

Senator HUMPHRIES—It was an internal working review?

Ms Winzar—Yes.

Senator HUMPHRIES—Can I move to the Housing Affordability Fund? What is the total number of funding agreements under HAF that have been signed to date?

Ms Finnigan—Thirty-seven.

Senator HUMPHRIES—What is the total amount of all payments made to HAF applicants?

Ms Finnigan—To date it was \$49.5 million in 2008-09.

Senator HUMPHRIES—Generally how long does it take from the agreement being signed to the payment to the applicant?

Ms Finnigan—That varies. Each funding agreement has different milestones appropriate to that particular project, and as those milestones are reached payments are issued.

Senator HUMPHRIES—But they are all after the beginning of the delivery of the particular objectives?

Ms Finnigan—Yes, for that part of the funding agreement.

Senator HUMPHRIES—What is the largest grant that has been made to date and can you tell me anything about it?

Ms Finnigan—The largest amount is \$12 million. If you bear with me I will get you some details for that. That project is happening in South Australia. The project name is the St Clair residential development. The location is at St Clair and the funding will be used to develop the St Clair residential development in two stages. Stage 1 of the project at the former Sheridan/Actil industrial estate will facilitate the development of 250 separate title and serviced vacant residential lots. Stage 2 of the project is at the Cheltenham Racecourse and will facilitate the development of 250 separate title and serviced vacant residential lots. The project will result in minimum savings of \$30,000 on 184 of the residential lots. That \$30,000 is for each of the dwelling lots.

Senator HUMPHRIES—Is this for leased premises or for purchased premises?

Ms Finnigan—For purchased.

Senator HUMPHRIES—How many successful HAF applicants have had approvals for their applications given but have yet to receive any payment?

Ms Finnigan—I think there is only one.

Senator HUMPHRIES—Are we talking about for 2008-09?

Ms Finnigan—Yes. There is only one. We are proceeding with negotiations to resolve any difficulties.

Senator HUMPHRIES—The second round closed on 8 January.

Ms Finnigan—Sorry, I need to correct that. There are three that have not received payment to date.

Senator HUMPHRIES—How many applications were received under the second round?

Ms Finnigan—One hundred and forty-one.

Senator HUMPHRIES—What I am interested in finding out is how we measure the effectiveness of the inputs to this program—it is a \$512 million program over five years—in terms of the savings in the hands of people who are targeted for their ability to purchase their own home. You said with respect to the St Clair project that there appears to be a \$30,000 saving per purchase. Is that project finished yet or is it still proceeding?

Ms Finnigan—No, it is still proceeding.

Senator HUMPHRIES—If there are fluctuations in the market between now and then and, let us say, there is a housing crisis and the price of land in South Australia goes up, how do we measure whether that \$30,000 is still delivered? Do we hold them to providing a dwelling at \$30,000 less than the market would say ought to be fetched for a house like that in a location like that?

Ms Finnigan—We measure by the savings identified in the applications for funding and the amounts that are identified there. The funding agreements are structured to what agreement was identified, so we would expect those savings to still be delivered.

Senator HUMPHRIES—How do you hold them to that? Let us say that the St Clair project is hit by a housing crisis in South Australia, prices go up, the land is a lot more valuable and the developer charges more to get people in. Because there is a premium on the land it is discovered that the purchaser is getting the property for \$20,000 less than would be the case if it had gone to an open market. What sanction do we have against that developer for giving only a \$20,000 saving rather than a \$30,000 saving?

Ms Winzar—The negotiations with the HAF proponents do ask them how they intend to demonstrate to us that they have passed on the savings that they are putting forward as delivering from their application. Where we were bothered about the quantum of the savings that are being passed back to homebuyers—where we are pretty suspicious that perhaps we are being taken for a ride—we will attempt to independently verify that through audits, valuations and so on. The market does fluctuate and some of these are very long-term projects, so over the course of, say, the next two years, before the project is delivered, the market may rise or it may fall. Our requirement is that a saving of whatever is specified in the contract with the HAF organisation is passed on to the home purchasers. We can do some validation of that by looking at similarly priced sales in that same development or nearby. That will not be a perfect measure and we acknowledge that, but on the whole we think the arrangements are about as robust as they can be given the likely impact of market fluctuations over time.

Senator HUMPHRIES—To clarify, is the developer paid once the land has actually been sold or at some earlier point?

Ms Winzar—It can be at some earlier point. If, for example, the HAF proponent was looking for funding to help them with sewerage infrastructure and road building we would

pay it at an earlier part of the development. The houses themselves might not go up for sale until some point later, but the whole purpose of HAF is to bring developments forward, and it is pretty clear from the few that we have had a close look at that, yes, it is succeeding in bringing developments forward by over a year, and that is pretty important at this point.

There are already a couple of locations where homebuyers have actually had demonstrable savings per lot passed on to them. I think Clarence Valley was one where they have sold 35 lots and I think 17 of the 35 lots have already been sold and the savings passed on. There is another one at Ropes Crossing where the savings have already been passed on to lot buyers as well. We are pretty encouraged that the thing is working as it was intended.

Senator HUMPHRIES—In the case of the St Clair project, if you discovered that the developer only delivered a \$20,000 saving to the end purchasers, what sanction do you have against them?

Ms Winzar—We can withdraw the money. We can ask for the money to be repaid. That is in the contract, the terms of agreement with the applicant. In some cases we have asked the proponent to actually give us a financial guarantee—to take out a financial guarantee—that the savings will be passed on. That is a form of insurance that they pay for that will deliver us back the savings, the investment that we have made, if they fail to do as required by the contract.

Senator HUMPHRIES—You say you can ask them for the money back. Contractually you can legally enforce the return of the money?

Ms Winzar—We can.

Senator HUMPHRIES—If you have \$512 million to spend, you could do it by way of subsidising a developer to produce housing that translates to a saving for the end user or you could take \$512 million and make grants to first home purchasers. How does that option compare with the cost-effectiveness of the HAF approach?

Ms Winzar—My observation about the HAF arrangements is that there are a number of different ways you can measure its impact. I mentioned one before, which is how effective it is in bringing developments forward onto the market. The other is the direct saving that is passed on to a number of nominated buyers in the proposal. But there is a third one as well, which we are very conscious of, and that is that we might only be delivering a saving to, say, 30 home buyers in a particular development, but if our funding is the little bit that enables a wider development of perhaps 100 dwellings or 300 dwellings to be brought to market then that is a significant plus.

You ask: is this a more effective strategy than, for example, first home owner grants? We have not done that sort of comparative analysis, but we are quite comfortable that the reforms that we have funded, planning reforms, system reforms that we have funded through HAF, and the direct subsidies that are being passed on by developers to home purchasers in total will directly impact on around 305,000 or so people. That is pretty decent and that is just in terms of the grants that we have already made, not what might be forthcoming.

Senator HUMPHRIES—I think you were answering questions before about whether state governments could sell properties that they had repaired or built with the stimulus spending.

Did the Commonwealth consider attaching conditions to the use of those properties in that way to protect the investment that the Commonwealth had made? Did it say to them, 'If you think you can better protect the integrity of your housing stock by changing your mix and getting rid of some of these properties we have just built or invested in, sure we will consider that but you have to consult us about that before you do it'?

Ms Winzar—This takes us back to our earlier discussion about the nature of the intergovernmental agreement on federal financial relations, which prevents input controls being imposed by the Commonwealth on states and territories. For us to try to put those sorts of constraints on the use or disposal of dwellings would be inconsistent with the IGA.

Senator HUMPHRIES—Yes, it would, but it raises the question of whether it was wise to sign an IGA which shovels all of this money into the hands of the state governments without the protection that they will not dispose of the properties and make a return to state treasuries. This does not reflect the priorities of a diverse housing stock.

Dr Harmer—You do not expect us to comment on that?

Senator HUMPHRIES—I am asking you why it was not felt necessary by the Commonwealth to place some kind of constraint on the use by the states of money that the Commonwealth had provided to them?

Senator Chris Evans—That is a policy question—

Senator HUMPHRIES—Which you could answer surely?

Senator Chris Evans—I could take that on notice, if you like, but Dr Harmer obviously cannot comment on it.

Senator HUMPHRIES—Do you have any postulated reason?

Senator Chris Evans—I have only been a representing minister. Not having been personally involved I can only take it on notice.

CHAIR—We do have time, but I would like some idea of how many more you have.

Senator HUMPHRIES—I wanted to ask some questions about first home savers accounts.

Dr Harmer—Questions relating to home saver accounts should really be directed to Treasury, but I am going to try one to see if we may know, because we have some people here who might know.

Senator HUMPHRIES—It is largely statistical information as to the number of accounts, value of accounts.

Dr Harmer—No, we would not have that.

Senator LUDLAM—I will start by putting on the record my thanks for the work that was done. I put quite a lot of questions on notice at the end of the last session. I hope nobody was deprived of a Christmas break, but it is greatly appreciated that all of that material has come back in time. As a result I have a bit of a shorter list this time. I want to start with the sustainability check list for the NRAS and HAF dwellings. The document is the HIA GreenSmart checklist that is being used. Is that only used for NRAS and HAF dwellings?

Mr Lamont—It is not used for the social housing initiative.

Senator LUDLAM—Not for social housing but for NRAS and the Housing Affordability Fund?

Mr Lamont—Yes.

Senator LUDLAM—Is there a reason why it is not used for the social housing scheme and is there another form of checklist that is used?

Mr Lamont—There were various measures contained in the NPA around energy efficiency. Do you recall the six-star requirement for stage 2?

Senator LUDLAM—Yes.

Mr Lamont—There are other requirements in terms of accessibility which are also being met in stage 2 and we are capturing information on sustainability—that is, the use of water tanks, other higher provisions for occupational health and safety, et cetera.

Senator LUDLAM—You have provided some detail of how that is rolling out. Is it simple and easy enough to say that the sustainability benchmarks for the social housing rollout are higher than that for NRAS or is it not easy to do a one-to-one comparison?

Mr Lamont—The HIA sustainability charter was developed prior to the proposed soon to be implemented six-star energy requirements. The HIA charter should be used as a checklist or a guide to what improves sustainability or energy efficiency in a residential dwelling. Six stars are a much more sort of mandatory requirement. It is blunter instrument, if you like, in terms of achieving what is considered a benchmark in terms of energy efficiency.

Senator LUDLAM—So that is more prescriptive than perhaps what is here.

Mr Lamont—I would contend in terms of energy efficiency, yes.

Senator LUDLAM—I think the checklist has 32 items on it. Are the items ranked or weighted or are they just there for noting?

Ms Winzar—Are you talking about how we handle them in our assessment process?

Senator LUDLAM—Yes, whether you weight particular things.

Ms Winzar—We do not weight any more heavily than others. It is a very minor aspect of our consideration of the totality of the NRAS proposal. It is important, but it is a minor element of our total assessment of an NRAS proposal. Those 32 questions go in with a whole lot of questions around the financial viability of the project, the financial viability of the applicant organisation and so on and our assessment about location of the proposed stock, rental pressures in those areas and so on. We give it due consideration, but it is not a significant part of our assessment.

Senator LUDLAM—You have indicated before we are moving into NRAS round 3 now, which is designed to attract large institutional investors, and we are starting to look at scale developments now. I put to you that the sustainability criteria are going to be more and more important as we go and as we get larger and larger developments into the ground.

Ms Winzar—Can I just stop you there. Although we are looking for large institutional investments we are not necessarily talking about large developments. A bid for 1,000 NRAS

incentives as one set might involve three or four states and 20 locations, so they will not necessarily be large developments.

Senator LUDLAM—I take that point. It is still the point now as we move from round 2 to 3 that serious amounts of money are to be put on the table and a lot will be built, which is welcome. Is there an intention to move towards a more prescriptive rating system for sustainability?

Ms Winzar—Only in the sense that now that governments have agreed to implement the six-star rating—I think from the middle of this year—that would be a requirement on all NRAS applicants, as Ms Finnigan has outlined to the committee earlier, to comply with all relevant federal, state and local government legislation.

Senator LUDLAM—That is not just NRAS, that is everything that is built from hereon?

Ms Winzar—Yes.

Senator LUDLAM—Do you have a specific rating tool that is being used for all of the social housing package?

Mr Lamont—It is different in each state. Effectively I understand that the states are using their own software, which was used for the five star, and placing a requirement of six. These developments are certainly prior to any deemed to satisfy solution in the building code of Australia. States have used existing software rating to get that six star.

Senator LUDLAM—I am not going to ask you to table all of those. But in the event that we do end up with a consistent system for the entire country, would you foresee the balance of the social housing spending would be assessed under those criteria?

Mr Lamont—The social housing spend needs to be considered in two parts. Most, if not all, of the dwellings by the time of the introduction of the six-star energy requirements in the BCA, and assuming that there is a consistent tool to assess those, would have already commenced. It is important to understand that the designs of many of the social housing initiative projects had to be modified to accommodate what was considered to be the six-star solution. That work has already occurred.

Senator LUDLAM—How many do you think? Is it possible to estimate when we raised the bar how many places that affected?

Mr Lamont—No, I could not, because on any given site there might be 12 different orientations for a dwelling. It is a very complicated process.

Senator LUDLAM—Do you have data that you could table or would there just be a summary table of the compliance with the six-star rating state by state?

Mr Lamont—For stage 2 I am happy to table that.

Senator LUDLAM—Thank you. We do not need to go any further into that now. How confident are you that we are going to meet these benchmarks and is it 100 per cent across the board or not?

Mr Lamont—It is not 100 per cent, but states and territories have advised that, for stage 2, 97 per cent of dwellings will meet six-star rating. So we are talking in the order of 16,700 dwellings.

Senator LUDLAM—That looks to be consistent with the material that was tabled from last year. On 19 January this year there was a situation in WA where we had two state housing tenants living in a property out in Armidale. One of them was 97 years of age. On the day in question it hit 44 degrees. Their unit was only three degrees cooler than the outside. The tenants in there—they do not own the place—had been pleading with the state government to help them get insulation installed. They were told that public housing tenants are ineligible for assistance under the home insulation program. I guess you are going to tell me that is a state government program, but—

Mr Lamont—As I understand it, the home insulation program is a federal government program. If that public housing was identified by the state government as a dwelling to receive funds under the R and M component of the social housing initiative it could have been considered for insulation.

Senator LUDLAM—It could have been?

Mr Lamont—But not as part of the Commonwealth insulation program.

Senator LUDLAM—I gather there is a process of auditing under way that the states and territories are undertaking on energy efficiency and public housing stock?

Mr Lamont—There is a building certification process. Once dwellings are complete they will be assessed at that point in terms of structural integrity, compliance with the BCA and other measures, which will also include their relative energy efficiency rating.

Senator LUDLAM—Will that eventually catch every public housing dwelling in the country? Is that the intention?

Mr Lamont—It will capture all of the social housing initiative dwellings constructed under stage 2.

Senator LUDLAM—What I am referring to here is auditing of existing stock and not merely what we are building now, which necessarily is of a higher standard. What is the process for going back through the existing public housing stock in the country and assessing it?

Mr Lamont—I am not aware that there is a process.

Ms Winzar—It depends on which jurisdiction we might have in mind. I must say that I do not have any detail with me today about where jurisdictions are up to in terms of their environmental remediation strategies. I do know some have placed insulation in all of their public housing dwellings and others have not. We might take that on notice and see what we can find out for you.

Senator LUDLAM—Thank you. My advice is that the National Strategy on Energy Efficiency has mandated the states and territories to conduct such an audit, which eventually we would know. I am wondering whether it is the view of the department that implementation of energy efficiency upgrades on existing social housing stock should be mandatory?

Ms Winzar—We have no capacity to require states to do that.

Senator LUDLAM—You have \$5.5 billion.

Ms Winzar—Those funds are tied to the deliverables, as Mr Lamont has outlined, under the stimulus package around buildings and standards for those buildings, not others.

Mr Lamont—I will say that the \$400 million for the R and M program has in a number of instances provided insulation in some dwellings. It has improved energy efficiency and other measures as well through that, but not to the tune of \$5.6 billion.

Senator LUDLAM—That is probably a bit glib. I am referring to the fact that I am not expecting the Commonwealth to compel the states and territories to undertake that sort of work, but to propose it and help coordinate it. I would have thought that the sorts of processes you are referring to are not systematic. It is a bit here and a bit there, and not even across the whole country. There is a discussion paper under way around the development of a nationally consistent regulatory framework for regulation, accreditation and standards in the community housing sector. Firstly, can you tell us how that is tracking along and what the degree of involvement of the sector is in that development?

Ms Winzar—I will begin and then get Ms Finnigan to help me out. When we met last time, housing ministers had just considered the matter of regulation and accreditation of the community housing sector. They resolved at that September meeting to issue a public discussion paper on that issue and on the future of the community housing sector more broadly. In the intervening few months we have been working with a number of stakeholders in the community housing arena, and other stakeholders, for example, financiers, legal advisers and so on, about what the key issues might be. We are close to finalising that paper for release for public consultation in the next few months or so.

Senator LUDLAM—Are you in a position to tell us which groups, or peak bodies or otherwise were involved in the development of the framework?

Ms Winzar—I do not have a complete list with me of all of the people we have consulted.

Senator LUDLAM—Are you able to table an incomplete list, just to get a sense?

Ms Winzar—We have had some discussions with the Community Housing Federation of Australia, in particular, in terms of peak body representatives. Others are some of the key individuals in the sector who run community housing organisations at present, both large and small.

Senator LUDLAM—That is great. Back in October you were reasonably happy in terms of getting the target of 75 per cent of the social housing constructed by 2010. Is that still a target that you are expecting to meet?

Mr Lamont—Just to give you an update, there are various milestones in the NPA around commencements and completions. At the end of last year we were 1,500 dwellings ahead in terms of commencements. In accordance with the NPA, we are required to have 2,300 completed by the end of June, and as you state, 75 per cent or 13,100 dwellings completed by the end of December. It is fair to say that it is a little early to be able to give you a projection about the end of December date, but we are certainly well on track to achieve the next milestone target, which is that 2,300 completion target by the end of June. As I said, the December deadline is a little early to call at this stage.

Senator LUDLAM—It does not sound like it is going to be impossible to me, if you are ahead already. The minister had a target of 75 per cent of the social housing dwellings funded through the stimulus package to end up in the community housing sector. From the rough numbers that you provided on notice it looks like it is a little bit uneven across the states and territories, but you are on track. Is there any update to those figures?

Ms Winzar—No. We do not have any more recent information than we supplied you last time.

Senator LUDLAM—What proportion of properties are actually being constructed by state government housing authorities?

Mr Lamont—I would say that actually constructed would be zero. This is work either involving off-the-plan purchase or commissioned building work.

Senator LUDLAM—Is it possible to tell us what proportion is being commissioned or purchased off the plan?

Mr Lamont—I could not today. I could take that on notice and talk to the states about that.

Senator HUMPHRIES—Is that fairly readily available information?

Mr Lamont—It may be difficult to obtain because there were at least two tender processes called for last year in terms of both purchases off the plan and commissioned building work. They have changed and morphed over time obviously because sites that were available at a certain point sometimes are no longer available for various reasons, but we can ask that of the states to see if they can give us a differential between the two.

Dr Harmer—If it is fairly easy to get, we will certainly provide it to you, but I made the point earlier today that if it requires diversion of considerable resources to answer that question, if we do not have it to hand or it is difficult to get, then I will have to give you that answer.

Senator LUDLAM—I will consider that a warning shot. I will just tell you where I am going. Without having those figures to hand or with that still being ambiguous, do you have a view or a target about the proportion of title that the state would retain or whether the state would only transfer tenancy management once those places are built? Do you see what I am getting at?

Ms Winzar—It will depend entirely on the jurisdiction. They take not necessarily consistent approaches to this question. Some have made it clear to us that their intention is to transfer management and ownership of the stock. Others have said that they would prefer, at this early stage, just to transfer long-term management rights and then as the organisations prove their capability over time they will think about ownership transfer.

Senator LUDLAM—Given that the information on that is going to be a bit partial, if there is anything further that you would like to provide us it would be appreciated, but I am not expecting a complete breakdown. One of the things that I raised in quite a bit of detail last time was data that you may or may not collect or be interested in on net increases or decreases in social housing stock in subregional housing markets. We spoke quite a bit about how you were not collecting data apart from at a statewide level, and we discussed a bit about the

really stretched housing markets in the northwest of WA. Has there been any progress on that conversation? At the time, you undertook to take it away and think about it?

Ms Winzar—There has not been any progress on that issue. We are still locked in to having only two key data sources. One is the Bureau of Statistics, which can provide us with some state level information about public housing construction levels but not necessarily where they are. Our second primary data source is our state and territory government counterparts who channel their information through the Institute of Health and Welfare. In terms of net changes in public housing stock at a subregional or regional level, we cannot get that information at this point.

Senator LUDLAM—I could probably get it if I was a member of the Western Australian parliament participating in estimates committee hearings. They would have access to that data. I do not think it is confidential. In fact, it is probably public information on real estate websites, or perhaps not.

Ms Winzar—I would doubt that.

Senator LUDLAM—I would not have thought that it was highly confidential, though.

Senator Chris Evans—Have you thought of asking one of your Green colleagues to ask the question?

Senator LUDLAM—I have done exactly that.

Senator Chris Evans—So, why are you asking us?

Senator LUDLAM—Because that is Western Australia. We do not have any counterparts in the Queensland parliament—yet.

Senator Chris Evans—When you have achieved that you will build a national picture.

Senator LUDLAM—I am not trying to devolve that kind of work necessarily to you, but I think it is a valid thing to ask as to whether you intend to collect that data. As we discussed, there are overheated and stretched housing markets in the north, where it is viable for the state housing authorities to sell down public housing stock in Port Hedland and buy three houses in outer metropolitan Perth, and that actually makes the housing situation worse. I thought we acknowledged last time that that was a problem worthy of some further digging.

Ms Winzar—Certainly we are aware of the issue. As we discussed last time, our relationship with each of the jurisdictions is at government-to-government level in terms of their aggregate state performance. While we are interested in hotspots, our funding does not go to those hotspots. We cannot direct funding to particular regions or subregions. We can certainly ask a particular state government to pay attention to the balance of their public housing stock and how it is distributed against need, but our capacity to influence them in that decision is pretty limited.

Senator LUDLAM—I will just come to NRAS. I think Senator Humphries has captured most of what I was going to ask you. I am wondering whether you can tell us anything about NRAS round 4 and onwards? What is the future of this program after we get through round 3?

Ms Winzar—If I were being very optimistic I would say we will be so inundated with fantastic applications in round 3 there will be no further incentives left to allocate.

Senator LUDLAM—There would be no need for it.

Ms Winzar—If that does not come to pass, we expect that we will have a further round within the next six months, a round 4, which will be for smaller projects and not looking at institutional investors. As to rounds 5 and beyond, we will have to wait and see.

Senator LUDLAM—To be continued. The reason I am asking is, looking at the data that you provided to us over the break, NRAS is not being taken up in some of the markets that I have been going on about. You provided us with Karratha, Port Hedland and Newman—again, some of the mining boom towns where people are sleeping in cars. Is there a proposition or any thinking about specialist NRAS rounds that could cater for those markets?

Ms Winzar—Either in terms of the institutional investment round or in terms of the smaller round that might open within the next six months, that is certainly open to developers wishing to expand into Karratha or any of those other places to put in proposals.

Senator LUDLAM—Developers are not; that is the point. Unless there has been any change in the numbers since what you provided to us, people are not going there for whatever reason. Do we need to tune the policy settings to make it a more attractive instrument for those places?

Mr Tongue—One thing I would note there is that NRAS is one of a suite of measures, and in some of those markets certainly some creative people will be thinking about how they might couple NRAS up to HAF, for example.

Senator LUDLAM—Can we bring them to the table?

Mr Tongue—We are yet to receive applications, but there are people out there. The other thing I would say about those markets, because I know they are a concern to Western Australian senators generally, is that the work I mentioned to Senator Humphries earlier about housing supply generally and how we speed development processes and so on, will also apply not just to the capital cities but also to some of those bigger regional markets and hot regional markets. We are certainly conscious of the concern and the practical difficulties for the sorts of client population that FaHCSIA is designed to serve. It is just a question of how we get bearing on those problems.

Senator LUDLAM—There are no proposed changes or tuning to the NRAS settings, though? You are relying on creativity?

Mr Tongue—Not at this stage, no.

Senator LUDLAM—Just to wrap up, I wanted to ask a couple of questions on homelessness and on the white paper. Again, I think Senator Humphries has done a pretty good job of assessing this. You spoke earlier about potential sources of data. I know the sector is very worried that there is no clear source of baseline data against which to measure the progress towards meeting some of these targets. Is it the case or did I hear you correctly before that we are really waiting for next year's census and then six or eight months after that for the numbers to be crunched to provide the baseline data against which we will assess progress?

Ms Gumley—The baseline data against the National Partnership Agreement is that we will use 2006 census data as our baseline and then compare to that the 2011 census. For all of the

other performance indicators, given that they are all new services, the first year of operation will be the baseline for the output measures against those items.

Dr Harmer—Mr Lamont has a correction to make to an answer that he gave a little earlier.

Mr Lamont—Senator Humphries, the question was on the R and M spend to date. I gave you the end of the financial year 2008-09. I can update that figure: \$330 million was paid by the Commonwealth out of the \$400 million.

Senator HUMPHRIES—In this financial year?

Mr Lamont—The payment would have been made to get to that figure on 7 February.

Senator HUMPHRIES—I think you said that was going to be spent entirely in this financial year.

Mr Lamont—By 30 June. That is correct.

Senator HUMPHRIES—The figure you mentioned, \$400 million, is essentially over a two-year period. Is the \$5.238 billion for new construction a five-year spend?

Mr Lamont—I do not believe it is five years. My recollection is that it finishes in the financial year 2011-12.

Senator HUMPHRIES—So, it is a four-year spend. It is \$400 million plus \$5.238 billion.

Mr Lamont—That is correct.

Senator HUMPHRIES—Thank you.

Senator LUDLAM—I would like to follow on with the question that I asked before about baseline data. You cite SAAP data as the primary source of baseline data and now the sector believes that—and I think it is reasonably widely acknowledged—that only captures about one in five people who are homeless on any given night. Can you tell us how you are proposing to capture people experiencing homelessness who are not accommodated under the specialist homeless services that those indicators catch?

Ms Gumley—The use of SAAP indicators is only against some of the performance indicators. Census will still be the definitive indicator for the count of homeless people. The SAAP data, for instance, goes to measure the number of families who maintain safe or secure housing following family violence, and other items such as reducing the number of people exiting social housing and private rental into homelessness. There is SAAP information that we can draw on for those, but also if other information over the period of the agreement is developed via the new Australian Institute of Health and Welfare collection, that also would provide useful contextual detail.

Senator LUDLAM—I would like to follow up on the matter that Senator Humphries raised. Given the various programs that are rolling out, the moneys that are being spent and the proposals to process/assess the data and get a sense of the numbers, when do you expect that you would actually see homelessness in Australia trending downwards in a clear and unambiguous way?

Ms Gumley—We will not have our definitive count until we look at the census. We would hope that the numbers would be trending downwards with the increased supply of housing

that is coming on as a result of the stimulus, the additional effort that is coming through early intervention and the prevention services that are being put in place as a result of the National Partnership Agreement, and also the services that are funded via the National Affordable Housing Agreement, the old SAAP services and crisis accommodation. In terms of a definitive count, at the moment the indicator that we are using is the census.

Ms Winzar—The white paper itself acknowledges that in fact in the short term, over the next few years, homelessness may well go up, and one of the reasons is that as we improve the service system we will create our own demand, so people who would not have previously been aware of or able to access services will be serviced. We may go up and then go down. We may just go down straightaway. I believe that it may be two to three years or maybe longer before we can demonstrate the impact of the measures that we are putting in place across Australia now.

Dr Harmer—It is very similar to what happened with the funding for public housing. The waiting list grew when there was more money being put in and shrank when the public housing funding reduced in real terms. It is about an expectation of getting a service. It is really difficult in the homelessness area. I suspect Ms Winzar is correct about the likely pattern, but we do not know. We will not know.

Senator LUDLAM—That is characteristic of the fact that if you underfund something for long enough when you finally do turn on the tap there is a lot of pent-up demand. I will leave it there. Thank you for your time. I have nothing to add on notice.

Senator FIFIELD—I have some questions in relation to the National Dialogue on Universal Design. Does that fit as part of housing, or is that more in the disabilities area?

Dr Harmer—It is more in the disabilities area.

Senator FIFIELD—I will park those there. Are you sure? Are they going to come back and say it should be the housing component? I know this never happens, but it may.

Dr Harmer—No, it does not ever happen.

Senator Chris Evans—I am enjoying this; I suffered this for many years.

Dr Harmer—I will check in the break. It sounds like I would need to take it on notice anyway because it does not sound like we have someone at the table who could answer that. We will have a shot at the question.

Senator FIFIELD—Is there anyone at the table who has responsibility for the National Dialogue on Universal Design?

Dr Harmer—No.

Senator FIFIELD—If that is the case then disabilities might be more likely. If you would not mind, can you check on that?

Dr Harmer—Yes.

Senator Chris Evans—That does not come up for a little while, so at least Dr Harmer can be warned and he can see whether anyone is around who might be able to help.

Dr Harmer—If the people in disabilities say it is housing I will get them to find out from the housing people so that they are ready to answer.

Senator FIFIELD—Thank you.

CHAIR—By that process, my previous plan will now work. I think you have earned 10 minutes break after that. We will go to women at 4 o'clock, which will take us through until 4.30 when we will have a longer break.

Dr Harmer—I will just note that there has been a request for the Equal Opportunity for Women in the Workplace Agency to come along. Given they have travelled from Sydney and there is a timing issue, you might want to consider, for example, if we are still on women's issues generally at 4.30 pm whether just before 4.30 if there are only a few questions—

CHAIR—Absolutely.

Dr Harmer—You could even start with them.

Senator BOYCE—I do get a bit confused sometimes, Dr Harmer, as to what is in the office and what is in the agency. I am happy to try to address the agency questions first.

Dr Harmer—In terms of their travelling that would be great.

Senator Chris Evans—We will bring them to the table at 4 o'clock.

[3.59 pm]

CHAIR—We will now deal with Outcome 6: Women. Welcome to the officers from the Office of Women and also from the EOWA. Do you have any opening statement for this particular segment?

Ms Burns—No, I do not.

Senator BOYCE—As I explained to Dr Harmer I sometimes stray between the agency and office, so if I am looking at the wrong person please let me know. You were going to review the Equal Opportunity for Women in the Workplace Act. Can you tell me where that is at?

Ms Burns—The confusion is that it is the Office for Women which is reviewing the Equal Opportunity for Women in the Workplace Act and agency. That is why there is a bit of confusion. When it is about the review the Office for Women will largely have those answers. The review consultation period has ended. That was late last year and I think last time we met we gave you an update about consultation processes. The consultation report which was done for the Office for Women by KPMG is available now on the FaHCSIA website.

Senator BOYCE—What happens now?

Ms Burns—Now the report is being considered within the Office for Women and advice is being prepared for the minister and then the minister in consultation with other ministers, as necessary, will decide on a way forward.

Senator BOYCE—When will you be sending your recommendations about the report to the minister?

Ms Burns—The timetable has not changed, which was early in this year so in the near future we will be making recommendations to the minister. But then, of course, it is up to the minister.

Senator BOYCE—You would expect by the end of March?

Ms Burns—We would hope that it would be in the next short while.

Dr Harmer—I do not know whether we could give you a time.

Senator BOYCE—You cannot be that specific. I shall just have to keep my eye on that one. As to the affirmative action reporting that is undertaken, have you had any changes in compliance in the past 12 months? I am sorry, I guess is the question I am asking: are there any since the annual report.

Ms Steele—No, we have not.

Senator BOYCE—Do you still have a minority of companies who are—

Ms Steele—Yes.

Senator BOYCE—You did tell us about moves you were making to try to encourage better compliance.

Ms Steele—We are always trying our best in that regard. We currently have 12 noncompliant organisations. Those are listed on the website and in the annual report.

Senator BOYCE—Have they changed?

Ms Steele—Since the annual report, no. However, if any of them choose to become compliant and submit a report which would be compliant then they will come off that list.

Senator BOYCE—We have probably talked about this a half a dozen times now. What prevents you from being more forceful in terms of seeking compliance?

Ms Steele—We are constrained by the legislation and by contract compliance guidelines.

Senator BOYCE—In fact, these companies simply know their rights and they are saying, ‘We do not have to comply. We are choosing not to.’

Ms Steele—They are choosing not to comply, yes. However, I have to say that two businesses on the list have approached us and we think they may submit reports now.

Senator BOYCE—Is that in response to your attempts to seek compliance?

Ms Steele—We would like to think so, yes. The list towards the end of last year did get quite a bit of publicity. That obviously has an effect. I think we also wrote to all members of parliament with the list. We got more of a response this year, I should say, about the noncompliant list.

Senator BOYCE—I note you are still the acting director of the agency?

Ms Steele—That is correct.

Senator BOYCE—Why is this? Because it has not been confirmed yet?

Ms Steele—I really do not understand it, myself.

Senator BOYCE—Can we assume that the position is still being filled in an acting capacity because of the review?

Ms Steele—That is correct.

Senator BOYCE—The ASX announced earlier this year that they were planning to ask the top 200 companies to report on their targets for women directors—women on boards. Was the agency involved in any way with the ASX in coming to that decision?

Ms Steele—Not directly. The agency produces the census of women in leadership, which gives the bottom line numbers for women on boards and women in senior executive positions. We are obviously very glad that they are taking some action in this regard, but that is really up to the ASX and their guidelines.

Senator BOYCE—What actions if any might the agency take to encourage, monitor and support this move?

Ms Steele—We will be running the census again this year?

Senator BOYCE—When is that due? Does the review affect that?

Ms Steele—Hopefully not, no.

Senator BOYCE—You are undertaking the census now?

Ms Steele—We are considering who is going to conduct the research for us. That will be conducted later this year and there will probably be a report in the second half of the year.

Senator BOYCE—I suppose on that basis it is a little anecdotal to ask you: because of the financial problems that companies have experienced, et cetera, have you seen any changes in companies' action around affirmative action or the employment of women?

Ms Steele—I do not think I can comment on the employment for women. We do not really have an analysis of the details yet, but we did ask our reporting organisations last year whether the financial crisis had impacted on the programs. These are very preliminary numbers—we have not gone through and cleaned the details and so on—but just under 30 per cent of organisations said there had been an impact and, of those, 43 per cent reported a decrease in the budget and resources for equal opportunity programs.

Senator BOYCE—That is very high, isn't it?

Ms Steele—Yes, it is a bit concerning.

Senator BOYCE—Are you able to explain what that means? What does having a 43 per cent decrease in their equal opportunity programs mean that employers are not doing or may have stopped doing? Do you know?

Ms Steele—It is difficult to tell. It can vary tremendously from perhaps just stopping a particular program or suspending it to merging the EO function. We really do not know. That is basically the results from that question.

Senator BOYCE—And 30 per cent of companies said they were, what, employing fewer women or it had affected their employment of women? What does that mean, too?

Ms Steele—They said there was a decrease in the budget and resources for equal opportunity programs. Another third of organisations reported an increase in flexible working

arrangements as a result of the GFC. Over half of the reporting organisations cited a decrease in training and development.

Senator BOYCE—For women.

Ms Steele—Yes.

Senator BOYCE—Will that form part of the census? You said they are quite preliminary figures. What will happen now?

Ms Steele—The census deals only with women on boards and women in senior management, so the population for the ASX 200 for that. This survey was asked of 2,500 reporting organisations. As part of our feedback to organisations once they submit a report, we ask a short survey at the end of that telephone call.

Senator BOYCE—You mentioned that they were fairly preliminary figures. What happens now?

Ms Steele—We just go in and make sure that the numbers are correct and then we can do further analysis, for example, by industry; perhaps certain sectors have been more affected than others.

Senator BOYCE—When would you expect to publish that?

Ms Steele—I am not entirely sure when that will be published but it should be within the next couple of months, I think. We are talking to our sponsors of the survey soon.

Senator BOYCE—Those figures are for 2008-09 financial year, are they? That is the reporting year?

Ms Steele—Yes, the detail was collected in 2009.

Senator BOYCE—I note from your website that you run workshops for companies on how to be compliant with your reporting program and they cost \$440; is that correct?

Ms Steele—Yes, that is correct.

Senator BOYCE—Could you just tell me how many of the companies who are required to report have actually attended workshops? What would be a meaningful time in that regard: the last two to three years, by year, or something like that?

Ms Steele—I would have to take that on notice.

Senator BOYCE—Has the number of companies attending workshops changed in the past year or two?

Ms Steele—I understand that we are running workshops in Brisbane next week and there has been a significant increase in the numbers attending. It is not thousands of people that come to the workshops, but there is increased interest in Queensland for some reason.

Senator BOYCE—I think Senator Moore and I will have to take the credit for that!

Ms Steele—I am sure you will.

Senator BOYCE—Going back to those, off the top of your head, what would be the percentage of companies who are required to report who would have attended workshops?

Ms Steele—No.

Senator BOYCE—We cannot say ‘more than half’ or ‘only a small number’?

Ms Steele—I would say only a small number.

Senator BOYCE—So, could we just find out about that. The \$440 presumably is designed to do what—make a profit or cover costs?

Ms Steele—Just cover costs.

Senator BOYCE—Perhaps if you would not mind providing on notice a list of where the workshops have been, how many attendees there were and also how many companies out of the 2,500 have actually complied.

Ms Steele—Yes.

Senator BOYCE—I had better move on to my other women questions. Paid parental leave is the area where I first wanted to start. We talked about this last—

Mr Sandison—Excuse me, Senator.

Senator BOYCE—Not here?

Mr Sandison—PPL is in the families group which is following this, but it is picked up as part of the broader families area.

Senator BOYCE—I can slow down then.

CHAIR—So, we add more to families; that is what we need! Senator McEwen has got two questions; that is how we work out the time.

Senator BOYCE—Yes, that is fine.

Senator McEWEN—I wanted to ask a question about Beijing +15. Could we just get an update of how preparations are going for Australia’s attendance at that and whether we have got a delegation sorted out and who it might be? Answer that and then I will see how I go.

Ms Moyle—We are preparing and getting close to the final stages of preparation now for Beijing +15, which is meeting from 1 March to 14 March in New York. We have a solid delegation led at this stage by myself and we have SES representation across government. I understand my colleague, Ms Steele, is attending as well and we also are funding two Indigenous delegates and a community sector delegate. We are fully funding each of those delegates, so it is the first time the government has fully funded each of those delegates and, from our experience last year, we know that supporting a strong delegation means that they are able to contribute strongly to the outcomes in the Commission on the Status of Women.

We have also done a lot in the run-up to Beijing +15; we have funded a community organisation, Justice, Equality Rights and Access, to conduct national consultations around the country with women of all ages—predominantly young women—to find out what their positions are in relation to how we are progressing on women’s rights. That report has been prepared and is what the community sector will be taking to Beijing +15 to input into the review.

We, as a government, have prepared our responses about how we are tracking and that has been the basis of considerable consultation across government and with states and territories. That report has also been lodged with the United Nations and is on the website.

We are supporting the Pacific nations as well in their preparations, because often the Pacific is overlooked a great deal in CSW and the United Nations in general. So, we are supporting a report on progress towards Beijing +15 by Pacific nations, we are supporting capacity development programs for participants when we are in New York and we are also funding two government delegates to attend as well so that we can make sure that there is Pacific representation.

Senator McEWEN—You are supporting two government delegates from which Pacific nations?

Ms Moyle—It has not been finalised at this stage.

Senator McEWEN—You said you are working with the Pacific nations so that they also get representation at Beijing +15; are they mainly women's organisations that we are supporting in the Pacific area? I am just conscious of the lack of female representation at levels of government in the Pacific area and the difficulty in actually getting representation.

Ms Moyle—This year we are funding two government representatives to attend.

Senator McEWEN—We do not know whether they are women yet or not.

Ms Moyle—Community sector women. I am sure there will be and we are working closely with the Pacific Islands Forum Secretariat and SPC to maximise the attendance of women from the Pacific, both government and non-government.

Senator McEWEN—With regard to the consultations that you did to develop Australia's position to take to the forum, you said there were wide consultations. Did that involve forums? There was a survey, I understand; I think I have seen it on the website. Did that get a good response and were there also face-to-face forums that you had, particularly with young women?

Ms Moyle—This was a process that we contracted an NGO to conduct and it was a caravan process around the country. At this stage I have not got before me the number of round tables that were conducted but there were several thousand women that were consulted through that process.

Senator McEWEN—That is excellent. Thank you very much for that update.

CHAIR—Senator Boyce.

Senator BOYCE—Is this the right spot for the time for action plan to reduce violence against women and children?

Ms Moyle—Yes, at other end of the table.

Senator BOYCE—There were 11 recommendations to government from the plan. How many of those have subsequently been adopted?

Ms McKenzie—When the Prime Minister accepted the time for action report of the national council, he announced a series of immediate measures, he announced government support for a number of other measures and he also announced that we would take to the states and territories discussion of the other priority recommendations.

Senator BOYCE—Through COAG?

Ms McKenzie—Yes. We are moving on all the measures that were to be implemented; that is the social marketing, the Respectful Relationships program, the 1800 number and online, the establishment of the violence against women advisory group and the Attorney-General's Department has also moved forward on the training for judicial officers. Those things are all proceeding and, in addition to that, we are moving through the COAG process. A ministerial council was established to develop this and they have met three times.

Senator BOYCE—The ministerial council being—

Ms McKenzie—There is a special ministerial council that is reporting to COAG on this issue.

Senator BOYCE—It is what, the ministers for—

Ms McKenzie—It is being chaired by Minister Plibersek, with the assistance of the Attorney-General, and each jurisdiction has put forward one or two members to that so that there is a broad range of portfolio ministers that are represented, including housing, Attorney-General's, women, community services and indigenous affairs—a very broad range. They have now met three times.

Senator BOYCE—Am I to understand that one state might have sent their indigenous affairs minister and another state sent the Attorney-General, et cetera?

Ms McKenzie—That is right. The idea was to be able to cover the breadth of issues that need to be covered in the development of the national plan and to do that right across the jurisdictions.

Senator BOYCE—Has that met?

Ms McKenzie—That has now met three times; it met twice last calendar year—I can give you the dates if you are wanting them—and it has just met recently.

Senator BOYCE—Yes, please.

Ms McKenzie—The dates are 22 September, 5 November and 28 January.

Senator BOYCE—If we can just go back to the recommendations, which ones were not accepted?

Ms McKenzie—It was not that any were not accepted. What happened was that there were some that the government agreed to move on immediately and those were the ones that related to the \$42 million worth of new measures. The immediate government actions were outlined in this publication.

Senator BOYCE—What feedback did you get from the government about the ones that were not for immediate action, so to speak?

Ms McKenzie—The feedback that we have had from the broader community has been some very positive support for the actions that are being pursued through the \$42 million. The other recommendations and actions have all been discussed at these COAG ministerial council meetings as they put together a COAG agreed national plan working off the draft plan that was prepared for them by the national council in their *Time for action* report. All of the actions that were drafted up by the national council have gone forward for these ministers to

discuss and to come up with an agreed national plan through COAG. They are certainly utilising the work that the national council did.

Senator BOYCE—Are you able to, either briefly now or on notice, give me the amount that is being committed and over what period for the social marketing and Respectful Relationships programs that you have just mentioned?

Ms McKenzie—I can do that now, if I can find it.

CHAIR—We might just put that on notice. It will be there somewhere and as soon as you finish you will find it, but I know Senator Boyce has a couple more questions.

Senator BOYCE—What I am interested in is the amount committed, over what length of time and the amount that has been expended to date on the programs that have been committed to for action.

Ms McKenzie—In terms of what was committed, there was agreement to invest \$12.5 million for a new national telephone and online crisis service. At the moment we are going through the selection process for a provider for the online and telephone crisis.

Senator BOYCE—Is that a tender process?

Ms McKenzie—That is a very extensive tender process. We are currently working with Lifeline on the contract that they had previously to deliver the help line. There is an investment of \$26 million for primary prevention activities, including \$9.1 million to improve the quality and uptake of Respectful Relationship programs for school aged young people. The department advertised for community groups who wanted to bring forward a Respectful Relationships program for funding. I think those applications were due in October and we have been going through a selection process since then.

Senator BOYCE—Have some of those groups been told about their funding? Where is that up to?

Ms McKenzie—Not as yet. We are still progressing that. We were surprised at the extent of organisations that were very keen to be participating in this.

Senator BOYCE—Can you briefly explain what you mean by that?

Ms McKenzie—We had expected that we might have had a small number of organisations that would be keen to take a Respectful Relationships initiative forward. Instead, we had a very large number of organisations who had obviously put a lot of time into developing their proposals. It has just meant that it has taken us a longer time.

Senator BOYCE—Do you have a figure on that, not exactly?

Ms McKenzie—I can tell you that we had expected less than 100 and we received more than 250.

Senator BOYCE—Did this include groups that you found unusual to be applying?

Ms McKenzie—No. It was not that the groups were unusual, it was just that there were a large number of groups out there.

Senator BOYCE—I am sorry, I was not talking about the groups per se being unusual, but there interest in this topic, perhaps, might have seemed unusual.

Ms McKenzie—The issue is that Respectful Relationships, in many ways, is a new idea. We had not necessarily thought that it was going to be a mainstream activity that a lot of community organisations had experience and expertise in, that they had thought about and were able to put forward an excellent proposal. That is the thing that surprised us. There is obviously a great deal of interest in the community in Respectful Relationships and taking it forward. It has just made the selection process a bit more complex and difficult for us in terms of choosing.

Senator BOYCE—Your expenditure on that, to date, has been around advertising it and assessing the applications?

Ms McKenzie—Yes, plus there was round 1. This is round 2. In the Respectful Relationships we had phase 1, which is about gaining the evidence to be able to do this. We then had phase 2. Phase 2 is about the rollouts of the various rounds. We are already funding round 1, which we talked about at the last estimates, and now this is moving into round 2, which will add new activities.

Senator BOYCE—Can you give me a breakdown of those costings, as well, when you give me the others?

Ms McKenzie—Yes.

Senator BOYCE—Could you tell us about how much you have spent on the social marketing measure and what you have done there?

Ms McKenzie—I am not sure that I can give you a figure for expenditure at the moment.

Senator BOYCE—Again, that can go on notice.

Ms McKenzie—Certainly. The issue with the social marketing is very much to move from an awareness raising into an attitudinal and behavioural change. The work that has been happening up until now has been very much the market research and then moving through from some very comprehensive market research into the actual selection process, which we are engaged in at the moment. In terms of the market research, we have done research particularly in relation to Indigenous people and how young Indigenous people understand respectful relationships. We have done extra research around called communities and we have done research in both focus groups and desktop research around young people and their various attitudes to violence.

Senator BOYCE—That program is still in the research phase.

Ms McKenzie—It is the research stage.

Senator BOYCE—I am very aware that the chair is going to stop me in a moment, so I will ask what may be one last question. I am not quite sure whom I should direct this to. At estimates yesterday I noted that the National Men's Health Ambassador Speaker Program has been dropped. You have no involvement at all?

Ms McKenzie—No.

Dr Harmer—I suspect it must be a Department of Health and Ageing initiative.

Senator BOYCE—Yes. I understood that it was to assist the domestic violence side of issues as well, but obviously not. Could I just ask one last question?

CHAIR—Yes.

Senator BOYCE—In terms of both the social marketing and the Respectful Relationship programs, have extra staff been employed at this stage for either of those programs?

Ms McKenzie—In the department there is a certain budget that has been set aside for the safety task force, which has taken these things forward.

Senator BOYCE—Is that in the \$42 million?

Ms McKenzie—No. The \$42 million was administered funds. That did not take into account the departmental staff. The safety task force is taking this forward and the safety task force has, at the moment, been able to do that within existing resources.

Senator BOYCE—Which are?

Ms McKenzie—We have about 25 staff working in the safety task force.

Senator BOYCE—Just to be clear, are they full-time equivalent or bodies?

Ms McKenzie—It would be about 25 full-time equivalent.

Senator BOYCE—I have lots more questions, but I am happy to put them on notice.

CHAIR—Thank you very much to both the office and the agency. There will be a considerable number of questions put on notice. Both the opposition and the Greens have indicated that they have some as well. We will now suspend and we will go back into families when we resume.

Proceedings suspended from 4.32 pm to 5.05 pm

CHAIR—We will reconvene and go to Outcome 1, Families. I know that Senators Siewert, Humphries and Boyce have questions. We will start with you, Senator Siewert.

Senator SIEWERT—I would hate to disappoint those of you who are so keenly following our questioning about Family Relationship Services. First, I would like to follow the perennial online issue. Can you give us a rundown on where we are up to with client identification issues?

Ms Fleming—Yes. We have enabled in the system the capacity to operate a de-identified data collection system and we are working with the sector to develop a business process that will support that. Once we have that, we will be able to enact the system on a provider-by-provider basis; but we have to work to develop a business system that works for the myriad of service providers rather than impose a single system.

Senator SIEWERT—You have said a ‘business system’. I am a non-data head.

Ms Fleming—We still require the services to know who they are providing services to so that, when we do a major evaluation, as we have just done, we can say, ‘Here’s a set of numbers that we have screened for a set of presenting-need filters; can you please, in your system, take those numbers and pass the survey questions that we might need completed to the participants who participated?’ They then, on a voluntary basis, will be able to provide the services back. So we never know who the person is, but we can match it to assist. We need to be able to assure ourselves that the service providers have that system in place, which will enable our research and analysis work to continue within the program system. Once we have

that business system worked through with the service providers—we do not think it will be a big problem for most of the service providers, as they keep that data anyway—we, ourselves, need to ensure that it works within the state based statutory systems, holding records for five years, or however long it might be, keeping those address details as up to date as they can be within the system. That data has supported evaluation such as the one released just recently.

Senator SIEWERT—How long do you think it will take to get the business support process underway?

Ms Fleming—I spoke with Family Relationship Services Australia recently and we think we will be able to work something up with the sector quite reasonably. I would be reluctant to give you a specific time frame, but we would hope to have a process up probably by the middle of this year.

Senator SIEWERT—So it is four or five months away.

Ms Fleming—Yes, for the business process. We would put that into our approval requirements and then, provider by provider, we would do the assessment. Some providers will take longer than others because their systems will take longer.

Senator SIEWERT—Once you have done that process, we could have something in place by the second half of the year?

Ms Fleming—The system will be enabled by June this year; we hope to have the business process settled by June. However, how quickly providers take up that system will be a matter of provider-by-provider processes.

Senator SIEWERT—Come June, any of the providers will be able to—

Ms Fleming—That is our aim.

Senator SIEWERT—It is then back in their hands. Is that correct?

Ms Fleming—That is our aim.

Senator SIEWERT—I have questions on issues around workforce and pay equity. When you provide funding, do you look into movements in SACS awards? I am thinking particularly of the situation in Queensland. Have you been asked to address that issue by the providers in Queensland in light of their recent changes?

Mr Sandison—I might answer this question. We are obviously aware of the decisions that have been made up in Queensland. We do not collect specific information about employment conditions as they relate to the services of the department. Basically, they receive our grants in our funding arrangements and we are aware broadly of the issues. But, in terms of their direct relationship with their employees and the salaries that they pay, we leave that up to them.

Senator SIEWERT—There is a problem here. You expect services to deliver the services that, according to their contractual arrangements, they have said they will provide, and there are requirements to pay SACS awards. There is a test case coming up nationally—

Mr Sandison—Yes.

Senator SIEWERT—so this will be not just a Queensland issue but a national issue. However, if services then have to pay increased wages—this is a particular issue for me

because, having come from an NGO background, I know that NGOs struggle with this all the time—how do you plan to handle it? I understand that you do not get involved in specific staff management issues; but, with the Queensland issue, there is a serious issue here about paying workforce award conditions.

Mr Sandison—Obviously we have considered the broader issues and, as a department, have given advice to government, with the range of community organisation programs that we fund. But the key issue links back to industrial relations and that is a question that is managed by the DEWHA portfolio. All I can say is that, as a department, we have considered the issue and have provided advice to our minister.

Dr Harmer—We certainly are aware of the significance of that issue. We absolutely understand the issue and you and many others from the non-government sector have pointed it out to us. Mr Sandison is saying that we have provided advice to the government and it is something that is under consideration. We cannot go any further than that about what a government might do.

Senator SIEWERT—I recognise that we are moving into that space, but could you tell me how recently you provided advice to the minister?

Mr Sandison—I do not have the explicit timing. We are just one part of the department that manages community programs, but there has been some interaction between the department and the office over some months. Obviously, we are aware of when it was being considered by—

Dr Harmer—There is no specific time that we could say that we gave it.

Senator SIEWERT—What I am after is whether you dealt with this in the past, or was it fairly recently in response to the situations that have arisen fairly recently?

Mr Sandison—I would have to take that on notice and ask the people from the program coordination area.

Dr Harmer—Advice on these matters is an ongoing process. The Queensland situation is a particular, new issue; but this is an issue that is longstanding in all of our grants programs.

Senator SIEWERT—I appreciate that, and it has never been properly resolved. Many of us would like to see it resolved more satisfactorily. But I realise that it is a bigger picture issue.

Dr Harmer—You would understand some of the difficulties in resolving that. It is about the contribution—

Senator SIEWERT—I understand; I do, yes.

Dr Harmer—It is not just about funding; it is about precedent in terms of the role of government versus a non-government organisation et cetera.

Senator SIEWERT—Thank you. I have questions around Indigenous service delivery. Are there any new initiatives that you are undertaking? I am particularly interested in this one. When we had debates, a long time ago now, around the establishment of these types of services—in fact, I remember asking questions when the various pieces of legislation connected with this process were being debated—I asked specific questions around how these

services would be provided to Aboriginal communities. So I am interested in following up on what new initiatives, if any, you have been undertaking in terms of providing support for Aboriginal communities.

Mr Sandison—Is that specific to Family Relationship Services?

Senator SIEWERT—Yes.

Mr Sandison—There are some that I think we have discussed at previous hearings that we can update you on the progress of; they are the specific ones.

Senator SIEWERT—Yes, that would be useful.

Ms Fleming—I think the sector has mainly been pursuing the initiatives that we outlined to you previously. I do not think there is any single new initiative. Of course, within the sector, we have specific Indigenous advisers within Family Relationship Services. The sector itself has been looking at its own engagement strategies to try to see how it can better engage with Indigenous communities within the catchment areas that they have. In addition, we have been developing some resources and tools that better equip the sector to understand Indigenous culture and kinship models, and we have been doing that in conjunction with SNAICC.

Senator SIEWERT—Can you tell me about that and the SNAICC program?

Ms Fleming—We have been working with SNAICC to develop a resource—it would be available to practitioners across the Family Relationship Services program and, potentially, other programs—that would help people to understand Indigenous family kinship models and cultural issues and also help people within their practice to provide more Indigenous focused practices. A lot of the service providers within their own structure—whether it be Catholic Community Services, Centacare or Relationships Australia—have, as part of their own strategies, models where they are trying to bridge and engage Indigenous communities.

Senator SIEWERT—Are those resources readily available?

Ms Fleming—The SNAICC resource I think is close to finalisation but has not yet been released.

Ms Cornelly—It is a web based resource and it is available at the moment; it is going up on the web.

Senator SIEWERT—Is it available now?

Ms Cornelly—It is to be available very soon.

Senator SIEWERT—So it is not finalised yet?

Ms Cornelly—No.

Senator SIEWERT—When you say that it is a web based resource, does that mean it is accessible to anybody; or is it a specific web based resource that service providers can access?

Ms Fleming—It is a web based resource designed for Family Relationship Services, but we would be making it more available to other services, other practitioners.

Ms Cornelly—And it would be available on the SNAICC website.

Senator SIEWERT—Members of the committee could access it through the SNAICC website?

Ms Cornelly—Yes.

Senator SIEWERT—Was it a contracted service between the department and SNAICC?

Ms Cornelly—Yes, it was.

Senator SIEWERT—Can you remind me of how much?

Ms Cornelly—\$46,000.

Senator SIEWERT—Do the services have to pay for it, or is that a service that you then provide to the services?

Ms Cornelly—It is a free service.

Senator SIEWERT—How soon will that be available?

Ms Cornelly—It is imminent. I am not quite sure when.

Senator SIEWERT—As in the next month or two?

Ms Cornelly—Yes.

Senator SIEWERT—I know this is going to be a sensitive question, given all the detail that we have gone through in the past about protecting people's privacy, but how many Aboriginal people are accessing the services? I ask that because of my previously expressed concern about making sure that we are providing culturally appropriate services and whether there is an uptake.

Ms Fleming—We do have a figure for the percentage of Indigenous people using Family Relationship Services. That figure is derived from where clients have registered, nominated—

Senator SIEWERT—And identified.

Ms Fleming—and identified themselves as Indigenous. As we have said, I think, at previous estimates, we believe that that figure underrepresents the number of Indigenous clients using our services. If you would just bear with me for a moment, we will find that figure for you. Perhaps, if you have another question, we can come back to that.

Senator SIEWERT—I have another question in terms of Indigenous people accessing services. With these new resources becoming available, is there a plan to evaluate their use and see whether they are, in fact, helping people better meet the needs of Aboriginal people? Are you going to be evaluating that? Is there a process of evaluation?

Ms Fleming—We tend to make these tools available to the sector and through the Family Relationship clearing house services. We would look at the use of those services within our annual status report to see whether they were taken up within the sector; we would not look beyond the sector.

Senator SIEWERT—But you will monitor that within the sector.

Ms Fleming—Yes. We would use our annual report that we have with the sector to survey and to say, 'These tools were put up; did you find them useful, have you used them and how do you think they are impacting on your service?'

Senator SIEWERT—Thank you.

Mr Sandison—The other broad response to your question about services for Indigenous people is that obviously one of the major issues for us from our portfolio is to make sure that we link these sort of services through into the remote service delivery strategy and the other elements of the Closing the Gap Committee—you will hear more about that tomorrow in general terms—run within the department to ensure that there are linkages between mainstream programs, even those that target Indigenous in particular areas. But certainly the Remote Service Delivery Strategy is part of the linkages we make, as we work through Family Relationship Services.

Ms Fleming—I would just like to give you those figures: for the 2008-09 financial year, there were 7,386 Indigenous clients; and for 2009 to the end of January 2010, there were 4,624.

Senator SIEWERT—If that is to the end of January, they are at least stable, if not increasing.

Ms Fleming—We have been gradually increasing over the last couple of years.

Senator SIEWERT—I will just pick up on what you have said, Mr Sandison. Looking at the remote provision of services—I remember at the time that we were having discussions around remote access, including teleconferencing and things like that—I wonder whether I should ask about that here, or would I be better off asking about that tomorrow?

Mr Sandison—I think remote access, including teleconferencing, is a broader one than just the family program area, so it is probably one for tomorrow.

Senator SIEWERT—I will follow it up there; thank you. You have mentioned the evaluation process that you have just undertaken. What is the process from here with that evaluation process? I am thinking of ongoing funding. This funding cycle, as I understand it, ends in 2011.

Ms Fleming—That is correct.

Senator SIEWERT—Where do we go from here with the evaluation process and possible ongoing funding?

Ms Fleming—I think there are two processes here, if I understand your question. The new family law evaluation that was undertaken by ACE is a review of the legislation. It is one of a series of reviews that the Attorney-General's Department and we, in part, commissioned. The review of the legislation is a matter for the Attorney and that will be taken forward through the Attorney. The review of the services and the impact of the services that were touched on in that will form part of the information that we take into the assessment that we are doing of the restructure of the program, in the Family Support Program context, and that is a matter that we are considering.

Senator SIEWERT—That is the ongoing process at the moment?

Ms Fleming—That is right. So we are in the process of analysing and assessing that information, together with the feedback that we got from the Family Support Program consultations, and we will be providing advice to government on that.

Senator SIEWERT—Could you tell me what the time line is? I will not ask you what is happening, because I know what you will say.

Ms Fleming—The Family Support Program is designed to be implemented on 1 July 2011.

Senator SIEWERT—I am sorry; the new process?

Ms Fleming—Yes. At this stage, we are still in the process of providing advice to government.

Senator SIEWERT—How long will it be before you do that? Will there be an announcement before the new process starts?

Ms Fleming—It is an ongoing process at the moment; that is how I have to answer that question.

Mr Sandison—I think one of the things that the minister was talking about in the announcement in February last year was that it would be a progressive implementation or more an evolution than an announcement and something beginning on a particular date, as such. The work we are doing is to provide advice about how we take things forward, with a target of saying that, in general, the new initiatives or the new approach would be looking more at being from July next year.

Senator SIEWERT—When do service providers find out? I take on board that you have just referred to it being an evolution rather than a revolution but, if they are not informed and kept in the loop, people can still get anxious about evolution. I am just wondering when service providers will know how the evolution is going.

Mr Sandison—I think we would say that, through the course of the first half of this year, we would be looking to engage further with the sector in taking things forward. But we have to work things through with the minister and that is where we are providing her with advice on some of the next stages. Then decisions will be made so that we can work on the next stages of engagement with the sector.

Dr Harmer—That is probably about as far as we can go.

Senator SIEWERT—I understand, but I just want to clarify that it sounds as though, as you are working through this, you will be undertaking more consultation with the sector.

Mr Sandison—Yes. We have engaged and consulted with the sector even just through general terms, as Ms Fleming has said. Engagement with FRSA as the peak body and so on is a way of continuing that engagement. It might be on the small scale or it might be as we have done previously with stakeholder working groups—which we have told you about—where we have sat down with 20 people and talked through particular issues. It is that kind of engagement that we would envisage.

Senator SIEWERT—That is going to continue to happen over the next couple of months, is it?

Mr Sandison—Yes, we would expect that to happen during the first half of this year.

Senator SIEWERT—I presume that I have gone as far as I can go with that one. Thank you very much. That concludes my questions.

Senator BOYCE—I can now ask those paid parental leave questions that I mistakenly asked in the wrong place previously. I know that this was raised at the last estimates, but it was relatively new at the time. We have net costs of \$731 million over five years for paid parental leave. How are those costs to be allocated across the five years?

Mr Warburton—I can give you that. They are net costs of the scheme. In our portfolio budget statement, we have the gross cost of the scheme across the forward estimates. Would that assist you most?

Senator BOYCE—Is it possible to have both?

Mr Warburton—Yes. Do you want this just for the administered appropriation, or do you want departmental costs included?

Senator BOYCE—Could we have administered and departmental?

Dr Harmer—Perhaps we might give you a table.

Senator BOYCE—That would be good.

Dr Harmer—Mr Warburton probably has them here, but—

Senator BOYCE—Rather than flipping backwards and forwards, yes.

Dr Harmer—it sounds as though it would be better to give you a table. We will do what we can in terms of the figures between the notes.

Senator BOYCE—So we will get a breakdown of what are administered costs and what are administrative program costs; is that right?

Mr Warburton—Perhaps I can give you total costs.

Senator BOYCE—Yes.

Mr Warburton—The best reference is page 236 of Budget Paper No. 2. That will give you total costs and savings across all departments. The administered expenses, the ones that were in the FaHCSIA budget statement—that is on page 25—were \$2.35 million in 2009-10; \$234 million in 2010-11; \$464 million in 2011-12; and \$477 million in 2012-13. They are rounded to the nearest million.

Senator BOYCE—This may be a question for you, Minister: why was July 2011 chosen as the date for implementation of this scheme? We have had other schemes with far less time for their implementation to be sorted that are coming in, for instance, in July 2010.

Dr Harmer—We believe that we can answer that.

Mr Warburton—The question is: why the delay with the start date?

Senator BOYCE—Yes.

Mr Warburton—Essentially, a range of things are to be done. Basically, the government, in the budget, accepted the broad recommendations of the Productivity Commission, but a considerable level of detail underneath that needed to be worked out. The government also, because it wished the scheme to be as simple as possible for employers, wanted there to be a period of consultation with the community, including employers, and we did that in the second half of last year. We then essentially need to organise a whole new bill, so we have to

articulate the scheme in some detail for the legislative drafters. We also need to specify for Centrelink, in quite a considerable amount of detail, the changes that they will need to make to their systems and the administrative processes that they will need to put in place. In addition, we need to allow time for employers to modify their payroll and administrative systems so that they are easily able to deal with it. When you put all of that together, it is an intensive program of work right up until the program starts.

Senator BOYCE—Perhaps we could go through some of those elements. For instance, there are the consultations that were undertaken in the last half of last year. Can you tell me how many groups were consulted, how many rounds were had and how many people and organisations et cetera you spoke to?

Mr Warburton—We had 32 separate consultation meetings, some of which were teleconferences, with over 200 representatives of stakeholder groups. The groups consulted included major employee and employer peak bodies, representatives of small business, family and community stakeholder groups, tax professionals, payroll specialists and software developers.

Senator BOYCE—Where were these held?

Mr Warburton—In a considerable number of locations.

Senator BOYCE—Perhaps you could give me the list on notice.

Mr Warburton—Yes. Are just cities sufficient? They were primarily held in Brisbane, Sydney, Melbourne—

Senator BOYCE—Yes. I do not want the names of the hotels or anything like that.

Dr Harmer—In the capital cities, primarily.

Senator BOYCE—What was the cost of that consultation process?

Mr Warburton—We do not have a separate costing for the consultation process. It was done within our overall departmental resources. We managed that within the branch.

Dr Harmer—It clearly would be possible for me to ask Mr Warburton to go back to basics—

Senator BOYCE—And tell us what the cost was?

Dr Harmer—but it would be a significant diversion, so I would rather—

Senator BOYCE—Yes, I am prepared to accept that at the moment. So we have done the consultation. The next thing you were talking about was employers and the realigning of their ‘pay systems’, I suppose, for want of a better term. What has to happen there and what is being done about it at the present time?

Mr Warburton—When it comes into their accounts, the sorts of things that they need specific details on are: what its status is, whether it is to be taxed, how it relates to superannuation, the forms of notification they have to provide to people when it is paid, how it is to be recorded on payment summaries and so forth. We need to spell out all of that detail for them. We currently intend to produce a document that we will make available to software

developers and employers so that essentially they can modify their systems and it will make it easier for them to deal with the funds.

Senator BOYCE—I should have asked whether there has been any published document as a result of those consultations that you had.

Mr Warburton—Not at this stage. We have prepared a report and advice has gone to the government on the consultations.

Senator BOYCE—Can I ask when that advice went to the government? Well, I can ask.

Dr Harmer—You can ask. It will have gone recently.

Senator BOYCE—Can we slightly define ‘recently’?

Senator Chris Evans—You can ask but, if he tells you, he loses his job. You did in a way, but go right ahead.

Mr Warburton—At the end of last year. We ran the consultations in August, September and October and we then prepared a report. At the same time we had an IDC that was considering policy. We packaged up those two things at the end of the year and made them available to ministers.

Senator BOYCE—During the consultations, what were employers telling you about this system?

Mr Warburton—Broadly, there was widespread support for a paid parental leave scheme. Many employers indicated that they would prefer the Family Assistance Office to make payments. Some stakeholders suggested that employers who wished stay connected with valued shorter term employees should be able to opt in and make payments.

Senator BOYCE—I am sorry; I do not quite understand that. Would you say that again?

Mr Warburton—The policy that has been announced is that employers will be required to make these payments only for their longer term employees—essentially, those who have been engaged for 12 months. Some employers put the position that, for shorter term employees, they should be able to opt in to make the payments. Some employers put the view, ‘We’d rather not make the payments.’

Senator BOYCE—But it is the government that is providing the funds. So they were suggesting that the government should be funding paid parental leave for people who had been employed for less than 12 months; is that what you are saying?

Mr Warburton—Two sorts of people are eligible for the program: those who will be paid through their employers, who are longer term employees of the employers; long-term employees who have not been long term with one employer; and casual and short-term employees, who will be paid direct by Centrelink. So there are two classes: those who will be paid direct by Centrelink; and those who will be paid through their employers.

Senator BOYCE—And the employers would only pay the long-term employees.

Mr Warburton—That is correct; broadly, those who will have been in their service for 12 months at the expected date of birth.

Senator BOYCE—You mentioned that some of them thought that the Family Assistance Office should be doing it. What percentage of employers would have had that view?

Dr Harmer—Given that in the many consultations we have had there will have been a great variety of views—

Senator BOYCE—I realise that.

Dr Harmer—I doubt whether it is possible for Mr Warburton to give you a summary of trends in the views.

Mr Warburton—Those parameters of the scheme were essentially—

Senator BOYCE—A given?

Mr Warburton—Announced—that is right—and people put their views to us, and we have tried to faithfully represent what went on in consultations. But we did not keep stats or anything on proportions putting particular views.

Senator BOYCE—Did a majority of employers prefer not to have to be the payer of these funds?

Mr Sandison—I think one of the issues for us is that the consultations, as they were called, actually had a high level of technical engagement. So they were not really in the position of being consultations that engaged with thousands of employers around the country. Then the input through those discussions and engagements is basically the basis of the advice that we have provided to government.

Senator BOYCE—Was the view put to you that employers should be paid for this processing that they are being asked to do?

Dr Harmer—I would be very surprised if some of the employers did not say that.

Mr Warburton—Yes. That was a view that from time to time was put.

Senator BOYCE—Were any figures attached to that view?

Mr Warburton—No, not that I recall.

Senator BOYCE—Under the program, we are told that 148,000 new parents are estimated to be eligible. Is that correct?

Mr Warburton—Yes.

Senator BOYCE—Can we break those figures down into fathers and mothers? Is there any sense of that?

Mr Warburton—The vast majority of those are mothers. There would only be very small numbers of fathers in those figures. The figures were essentially based on the labour market participation of women.

Senator BOYCE—My next question was going to be how you got to 148,000. Perhaps you could tell us a bit about that.

Mr Warburton—Essentially, we looked at the labour market participation of women. In many cases in our costing we relied on the modelling work that the Productivity Commission had done. In the course of the Productivity Commission's inquiry, we were working with the

Productivity Commission. To get their information on the labour market behaviour of new mothers, they were using the longitudinal survey of Australian children. Is there anything that I still need to tell you?

Senator BOYCE—No. I think that sort of gives me the sense of where you are going and what trend lines you were following in terms of the estimate.

Mr Warburton—The program is very much targeted at new mothers, and—I have forgotten the particular recommendation—fathers will come directly on to the payment only in exceptional circumstances. Essentially, the way that the payment will work is that mothers will claim but then have a fairly broad ability to transfer the payment to their partners.

Senator BOYCE—Have there been any changes to the proposed scheme since it was announced, in terms of eligibility or other areas?

Mr Warburton—As I said earlier, the broad parameters of the scheme were announced. We have worked through in a fair amount of detail how the scheme will work and we have had a range of internal discussions amongst agencies along the way. So there is another level of detail on the scheme that is to be announced.

Dr Harmer—As you would appreciate, it would not be up to us to announce any of that.

Senator BOYCE—Presumably, that would be announced by the minister, in light of their reaction to your report on the consultations. Is that correct?

Mr Warburton—That is correct.

Senator BOYCE—So your report includes recommendations, does it?

Mr Warburton—Yes. We had two simultaneous streams of work going on, one of which was working through the finer detail. We were doing that as the consultations were going on. To some extent, that was informed by the consultations. Those things were packaged together and put to ministers, and consideration of that is still occurring.

Dr Harmer—And it is in the form of advice to government. That is about as far as we can go.

Senator BOYCE—I was going to ask the obvious next question, Dr Harmer, but you have beaten me to the punch. There is the defined time period during which someone can apply for paid parental leave around the ‘birth event’, for want of a better term. How much time will people have to apply?

Mr Warburton—We are providing for people to be able to apply three months before the expected date of birth.

Senator BOYCE—Is there a cut-off on the other side?

Mr Warburton—The payment has to be received within 12 months of the date of birth; that is effectively the end limit. But it is an 18-week payment. People need to receive the 18 weeks within the first 52 weeks after birth. So, to get the full payment, you should have applied by week 38—hang on, it is 52 minus 18.

Senator BOYCE—So the intention is that, within 38 weeks of giving birth or adopting a child, you would apply for the leave.

Mr Warburton—Thirty-four, if I do my maths.

Senator BOYCE—Why 18 weeks?

Mr Warburton—You would still be able to apply later, but it would not be to your advantage to do so.

Senator BOYCE—Why was 18 weeks chosen as the length of time?

Mr Warburton—The Productivity Commission went through a process of looking at the leave behaviour of new mothers, as it is now. It looked at the evidence about what was an optimal or desirable time for a child to be cared for by its parents continuously straight after birth. It was pretty clear that there was strong evidence that six months was important, if you like. In its judgement, it was balancing what would be the cost of the scheme against what might be necessary to enable mothers to have six months off. On its figuring, it believed essentially that 18 weeks was a sufficient amount to enable most parents to look after their child at home in the first six months, if they chose to.

Dr Harmer—It was a government decision based on pretty firm evidence and recommendation from the Productivity Commission.

Mr Warburton—And all of that is in its report, which is public.

Senator BOYCE—But, in fact, six months was really considered the optimal period for paid parental leave, or the optimal period for parental leave under the current practice of—

Dr Harmer—I think the way that Mr Warburton has stated it already is the accurate way to read that.

Senator BOYCE—Must that 18-week period of paid parental leave be taken continuously?

Mr Warburton—Yes. The nature of it is that, broadly, the mother or the recipient will indicate the period over which the payment is to be received. The recommendation was that that be a continuous block. That applies also when the payment is being transferred from the mother to the father.

Senator BOYCE—So there can only be one transfer?

Mr Warburton—Other than in exceptional circumstances. That will be the general rule.

Mr Sandison—I think there are still issues in advice to government. There are the decisions of government that were made public; then there is the working through of all of the details of how the systems will work, which will be part of the advice to government, and that is still ongoing.

Senator BOYCE—Employees can receive paid parental leave and, if they exist, employer leave benefits concurrently?

Mr Warburton—Yes.

Senator BOYCE—But again, using your previous 34-week figure, you could also choose to stagger them up to that—

Mr Warburton—That is correct. Parents will be able to exercise choice as to how they put their paid leave together, how they link it, when they receive the money. If the father is going

to care for the child after the mother has done so, they will be able to organise for it to be transferred. So there will be a fair amount of discretion for families to decide on the best way to put things together for themselves, if you like, so that they can achieve their objectives.

Senator BOYCE—Who could assist them with sorting through that, if they needed help or had a query about how it works? Would you expect their employer or Centrelink to assist?

Mr Warburton—Probably Centrelink. They could certainly discuss it with their employer.

Senator BOYCE—But you intend that Centrelink would be able to advise people who were being paid PPL by their employer?

Mr Warburton—Yes, we would expect that.

Senator BOYCE—The other side of that is: when do employers get the money to pay the PPL?

Mr Warburton—In advance of being required to pay it to the individual.

Senator BOYCE—How long in advance?

Dr Harmer—I am not sure that we can answer that at this point.

Mr Warburton—No, I do not think we can; and it may well differ.

Senator BOYCE—That is where I was going to: weekly, monthly, fortnightly and all that sort of thing.

Dr Harmer—I think we ought to stop at just ‘in advance’ because it may differ.

Mr Sandison—It is still under consideration.

Mr Warburton—We did consult on how the money would flow to employers. It is a matter on which we have provided advice, which government is considering. The principle, if you like, that employers will not be required to pay money to any employee until they have received it from the government is already clear.

Senator BOYCE—What controls do you intend to have around this that would stop, perhaps, a small business which is concerned about its potential insolvency using this money for another purpose, either with the intention of doing it short term or just simply defrauding?

Mr Warburton—That is really going to a level of detail of the scheme that will be made public when the ministers have finished their deliberations and the legislation is put out.

Senator BOYCE—Have you made recommendations on that point?

Mr Warburton—We have certainly looked at how compliance would work and we have put proposals to the government on that.

Dr Harmer—It is a matter of micropolicy, which you can be assured we have thought about and will have given some advice to government about. We are well aware of that potential.

Senator BOYCE—What evidence will be required, in terms of a birth or adoption certificate, for people to claim PPL, and who will they be supplying it to?

Mr Warburton—It is quite clear that eligibility for this payment will be assessed by Centrelink.

Senator BOYCE—In all cases?

Mr Warburton—Yes. That was one of the things that came up and employers were keen to clarify with us during the consultations—

Senator BOYCE—But they did not have to be a policeman.

Mr Warburton—and was generally well received. Those sorts of processes that you refer to, I guess broadly we are trying to align those with existing arrangements for other family payments. We are trying to make sure that this is integrated with Centrelink's other assistance for families and that we do not duplicate them. For instance, currently with family assistance and the baby bonus, parents are required to produce a certification of the birth, essentially a piece of paper, if you like, that is signed either by the doctor who was at the birth or a midwife. They are meant to take action to register the birth. Our broad intention is to try to keep this streamlined and simple so there is a single process for families, but we are working through that.

Senator BOYCE—Where it is relevant to the PPL would I also have to produce a letter of employment or some such?

Mr Warburton—On the claim we would certainly be seeking details that enabled us to both assess whether a person had met the work test and was so eligible for the payment. That also enabled us to decide whether their employer would make the payments to them.

Senator BOYCE—Would this only work for employers who use a computerised payroll system?

Mr Warburton—At this point in time what has been announced is that if you have been with your employer for 12 months they would make the payments.

Senator BOYCE—So even very small businesses that might still use a handwritten record, so to speak, or an Excel spreadsheet rather than a program that actually does the payment would do it?

Mr Sandison—I think the issue for us is that the government is taking into account the various kinds and sizes of businesses and how to best make sure that that process is—

Senator BOYCE—Yes. What about self-employed applicants for paid parental leave? What level of documentation will you be expecting from them?

Mr Warburton—It is quite a level of detail. We are working on those issues currently with Centrelink.

Mr Sandison—We will be providing advice about the requirement for evidence for the various kinds of definitions of employment that might come into play.

Dr Harmer—That is a micro policy issue.

Mr Warburton—It is also about managing risk. It can differ depending on the circumstances.

Senator BOYCE—Are you talking about almost exceptional cases there?

Mr Warburton—We already have information on customers.

Senator BOYCE—But a lot of these people will not be customers though, will they?

Mr Warburton—A lot also will be. If it is an established family, they are in the family tax benefit system and we have information on their income in the past; we may well be confident in respect of an individual and that person may have a very minimalist evidentiary requirement placed on them. It might not be the case that you can say that there is a blanket rule for self-employed people, it might depend on what we already know, for instance.

Senator BOYCE—You might need a new customer rule, so to speak.

Mr Warburton—With a new customer you are obviously going to be seeking more information than for an existing customer.

Senator BOYCE—Would you expect that compliance and accountability within this would be covered by Centrelink's current processes?

Mr Sandison—They are all micro policy issues that we are following through with and providing advice to government.

Mr Warburton—There will clearly be new processes related to this payment.

Senator BOYCE—Once the paid parental leave scheme is in place, would there be a limit to the number of times that a mother—for the sake of using the term—could access the paid parental leave? If she had 15 children can she have 15 lots of paid parental leave?

Mr Warburton—Yes. If she meets the eligibility criteria she can have 15 lots. There is no rule that says you only get three lots, or anything like that.

Senator BOYCE—The upper income level is \$150,000 for PPL. Is that gross income?

Mr Warburton—It is the adjusted taxable income of the recipient. That is an area where we are seeking to align it with what we use in the family tax benefit. So adjusted taxable income will mean what it means in the family tax benefit system.

Senator BOYCE—Will PPL recipients cease to receive family tax benefit, independent spouse benefit and child housekeeper and housekeeper tax offsets, et cetera, during the time that they are on the PPL?

Mr Warburton—If they receive paid parental leave they will not receive the baby bonus. They will not be able to receive family tax benefit part B or those rebates that you referred to for the period of receipt of PPL. PPL will count as income and may affect receipt of family tax benefit part B and those rebates in the period outside of the period of receipt of PPL and that income may affect receipt of family tax benefit part A, but that income will not count as income for income support purposes.

Senator BOYCE—Who would assist families to know what their position was going to be?

Mr Warburton—The vast majority of people will be better off obtaining paid parental leave than the current suite of family assistance. As we talked about at the last Senate committee, you can have a conjunction of circumstances that means that is not the case. We are working with Centrelink to develop an estimator so that parents can assure themselves that they will be better off in receipt of paid parental leave.

Senator BOYCE—A 'what if' would be your attention.

Mr Warburton—Broadly you will be able to go in and put in your details and put in your intentions and when you intend to receive it and it will calculate whether you are going to be better off in net terms. You will be able to check that in the longer term you are making the right decision.

Senator BOYCE—Once the leave period finishes would those people automatically be able to resume the eligible payments or will they need to approach Centrelink again to ascertain what their eligibility is?

Dr Harmer—I suspect at this stage you are again getting into a micro policy. Mr Warburton probably does not at this stage know the answer to that one.

Senator Chris Evans—It sounds like we ought to get you to design the screening. You have thought of all the issues involved.

Senator BOYCE—No. I only want to critique it. If because of the period of work a father were eligible for PPL but a mother was not, can the father apply to be the primary carer for the 18-week period?

Mr Warburton—Only in special circumstances.

Senator BOYCE—What sort of special circumstances, just roughly?

Mr Warburton—Broadly if a mother were killed or was incapable of looking after the child.

Senator BOYCE—Do you mean in the circumstances where the father would become the primary carer anyway? Is that what you are basically saying?

Mr Warburton—I think so.

Dr Harmer—Broadly, I think but I do not think we can—

Senator BOYCE—No, okay. I will not hold you to it.

Mr Warburton—I think we have talked about this before; there is a mix of objectives for the scheme, one of which is increasing women's workforce participation. Women's workforce participation generally is a bit of a gateway to the payment for the family but, once that is met, it is fairly easy to transfer it to a father. But if a mother does not qualify there are limits on that. That is the proposal that was put in the Productivity Commission's report.

Senator BOYCE—We have already had the announcement made that couples who have a stillborn baby would be entitled to receive paid parental leave. Is that for the 18-week period?

Mr Warburton—Yes.

Senator BOYCE—Can those couples opt to take the baby bonus instead, as they currently would?

Mr Warburton—Yes. There are some micro policy matters that we are working through but broadly in those sorts of circumstances we are seeking to ensure that there is compassionate administration in place.

Senator BOYCE—Is superannuation paid on PPL and, if so, by whom?

Mr Warburton—No. Again, I think if you go back to the booklet that the government put out it made it clear that superannuation would not be payable on paid parental leave but the government has announced that there is going to be a review of the scheme down the track and there is a whole range of issues that might be looked at in that review. There is an evaluation to be done in the interim. That sort of activity will really start after the payment has been in place for two years and the government indicated in the book it would be concluded by the end of 2014.

Senator BOYCE—We just talked about when was the cut-off that you could apply for paid parental leave, et cetera. When do expectant mothers or new mothers have to make the choice between whether they want the baby bonus or the paid parental leave? Does that also come right up to the 34 weeks that we were talking about before?

Mr Warburton—Again, you are getting right into the micro policy.

Dr Harmer—We are getting well beyond where we should answer the micro detail, some of which might not be entirely settled just yet.

Mr Warburton—That is right. Broadly our approach here is to be as flexible as we can for families so that if their plans change they do not find that they have put themselves in a position where they have disadvantaged themselves. Administration means that you always ultimately have to put some limits on things, but our approach to designing this payment is to try to make it flexible for families and let them make their choices about their caring arrangements and how they put it together with their other income and so forth.

Senator BOYCE—Perhaps I will get the same answer here, but the timing of making the decision about whether to have paid parental leave or to take a baby bonus, particularly if you are getting employer leave paid as well, your ready-reckoner or the estimator would be—

Mr Warburton—The timing of the payment can affect the benefit to families, so our intention is that they be able to put their intentions into the estimator and check on the basis of what they are planning to do.

Senator BOYCE—Can you give me an example of how the timing would affect the payment?

Mr Warburton—You are being paid over an 18-week period; if you have the baby early it might occur all in the current financial year. If you have it later it might be spread across two financial years. If you push it even later it might be in the next financial year.

Dr Harmer—It is really about timing in relation to the end of the financial year.

Mr Warburton—It can interact with what your income was before the birth, what your income might be some period after the birth. If the labour market status of your partner is changing it could interact with that.

Senator BOYCE—Truancy trials that are being conducted—

Mr Sandison—The school enrolments and attendance measure?

Dr Harmer—That is income management under outcome 3.

Senator BOYCE—This is a fairly broad question around grandparents. There are a growing number of grandparents who have either got the full-time or the part-time care of

their grandchildren. Can I have an overview of what the department has been doing in this area in the past 12 months?

Mr Sandison—We can provide a broad answer. It obviously arrives in a number of different areas across the department, from Indigenous issues into carers, disability and other spaces. We can start with an answer within the families space.

Senator BOYCE—I have been having trouble working out where to put the bits of the questions.

Mr Sandison—We will start here and see how we go.

Dr Harmer—The bulk of the answer to that would be grandparents looking after children in child care and so on.

Senator BOYCE—It is whether they are providing child care for their child by looking after the grandchildren, but also the area of grandparents who have the care of their grandchildren, without being formally the carers.

Ms Mackey—Under the National Framework for Protecting Australia's Children there is certainly a focus on kinship and grandparent carers. As part of taking forward the framework the Commonwealth has been working with the states and territories through the governance arrangements that were set up under the framework. One of the early steps that has been taken is to look at what is the financial and non-financial support available to grandparent and kinship carers.

Senator BOYCE—From government?

Ms Mackey—From governments, that is state, territory and Commonwealth. Victoria was initially taking that work forward. They sought to lead that work. Due to resourcing constraints we agreed to take that work forward towards the end of last year.

Senator BOYCE—So the federal government took it over?

Ms Mackey—We are still working collaboratively with the states and territories, but we are now putting together basically the first step of that work, which is compiling what is actually out there. There is quite a mix of arrangements, particularly when you look at the non-financial support that is available. That work, once collated, which should be in the next month or so, will be made available to the National Framework Implementation Working Group, which is the group that I was mentioning, which also includes NGOs in the representation of it.

Senator BOYCE—Will it be made public?

Ms Mackey—I do not think the group has considered what the next steps will be. Until they consider that they would probably like to think about how they are going to take that work forward.

Ms McKenzie—That group reports to the Community and Disability Services Ministerial Council, so that work would progress through to the council and it would be up to the council to consider the work, what it meant and whether they were going to take any action about it, including whether they were going to release the report.

Senator BOYCE—It should be quite interesting information because it currently does not exist; is that correct?

Ms Mackey—It does exist, but it is very difficult to find in one place. This will be the first time.

Senator BOYCE—I mean all in one place.

Ms Mackey—Yes. We are certainly conscious, particularly from the NGOs who are participating quite fully in the progression of the national framework, that there is keen interest for this information to be made available in a simplistic form so people can access it and know how to find their pathways through the different government agencies that offer these services. That will certainly be a consideration. That group is due to meet again at the end of February and it will be an agenda item.

Senator BOYCE—One of the purposes of this will be to develop a directory? There is currently one for older Australians. Is that one of the things that you think you might be doing?

Ms McKenzie—When the governments were signing up the national framework they decided on a number of priority areas that required further work. One of the areas that needed further work was the area of better understanding the support that is currently available to grandparents and kinship carers, and also looking at what may be required to deal with some of the issues that were happening. It may well be reasonable for releasing this in a way which would enable grandparents to be able to access more services, but that will be a consideration for ministers.

Ms Mackey—There is also a range of other initiatives across the department, particularly targeting grandparent carers. The department is one of five partner agencies in an ARC linkage grant that is led by the Social Policy Research Centre at the University of New South Wales. That is particularly investigating the needs and special circumstances of both formal and informal grandparent carers, and that is over a three-year period.

Senator BOYCE—The needs and special circumstances or the needs in special circumstances, did you say?

Ms Mackey—The needs and special circumstances. Some of the commitments that were announced as part of the national framework were that grandparent carers would be provided access to supported play groups and also that they would be a specific target group under their Communities for Children Plus initiative.

Senator BOYCE—Can you give me any figures on how many grandparents are being supported under those two initiatives? It does not have to be now.

Ms McKenzie—We would need to take that one on notice.

Senator BOYCE—You could take it on notice and perhaps do it in a state-by-state breakdown.

Ms Mackey—In terms of the Communities for Children Plus program, that is still in its infancy of being rolled out. I do not think that we have engagement numbers in terms of carers at this stage.

Dr Harmer—It sounds like it might be quite difficult.

Senator BOYCE—Are you at the stage where people have applied to offer?

Mr Sandison—There is only one where there has been a specific reference with the provider identified and other work that is ongoing to identify the other sites. From that, once the minister makes announcements—

Senator BOYCE—Where is that site? Has that been made public?

Mr Sandison—We will dig it up. We can come back to you if you want to follow through with anything else.

Senator BOYCE—The question that most grandparent and kinship lobby groups would like answered is: when are they going to see the sort of work that would assist them to have some supplementary funding, either in terms of covering out-of-pocket expenses or providing them with the sort of childcare payments you would get if you were using a day care centre, for instance?

Ms McKenzie—The most important thing to do before you can get to that place is to look at and understand what is available now. The difficulty is that states and territories have chosen different ways to do this in the past. We need to really understand what people are able to access. We also need to understand which parts of the services and support that they are accessing is really of greatest benefit and, where one state has been doing one thing and another state doing another thing, which may have been very successful or not quite as successful. While it may take a bit of time to gather the evidence base, we see that the gathering of the evidence base and ensuring that it is a comprehensive one, which has not been done in the past, is going to be very important.

To go back to your question about grandparents being able to access information, Centrelink has a booklet which enables grandparents to be aware of the kinds of payments and services that might be available from the Australian government, but some of the other jurisdictions have not yet provided that. Even that is one of the ways in which some jurisdictions have provided an easy pathway through with information that is easily accessible and other jurisdictions have not been able to provide that kind of information.

Senator BOYCE—It is interesting the way that states can often provide easy pathways to the federal government's money but not to their own, but that is a different issue.

Ms McKenzie—I do not think I can comment on that.

Mr Sandison—We have the answer about the Communities for Children Plus.

Ms Pearson—Those four sites that have been announced are in Ipswich in Queensland, Launceston in Tasmania, Cardinia in Victoria and Playford in South Australia. Anglicare Tasmania is delivering services in Launceston and selections are underway for the other three sites. In relation to the four remaining sites, selections will be undertaken in the near future.

Senator BOYCE—When are you anticipating the three in-train sites would be operational?

Ms Pearson—In the next three to four months.

Senator BOYCE—That is all I have got on grandparents for now. I have another question and I am not sure if this is the correct place to raise it, but let us give it a go. As part of the special disability trust legislation that was put through initially, there was a component of funding for family relationship centres to offer succession planning information and/or advice to families. I know that this money is paid by FaHCSIA to NGOs in the main to do this.

Mr Sandison—I will just check whether it links in with the disability area that is on after dinner. We will talk to them. It is linked to the disability area.

Senator BOYCE—I can ask it later.

Mr Sandison—Either way, we will both be here to answer the questions.

Senator BOYCE—That was going to be one of my questions: was it only available to parents who had a child with a disability or could any family that was using family relationship services seek succession planning advice?

Ms Fleming—Succession planning advice under the program was only available to families with children with a disability when it was developed. There are financial planning services more broadly available that people can access.

Senator BOYCE—Maybe I should look into the camera and say that I would be really interested in knowing the numbers of families that have used that service.

Ms Fleming—We have that number, but they have not all used the service for succession planning. Over the life of that program it has taken on a broader counselling role for families with a disability. I think, by memory, the number is around 3,500 for the 2008-09 financial year, but I can get that exact number for you.

Senator BOYCE—That would be good, and if I could have a state-by-state breakdown. Perhaps going centre by centre would be too individual.

Ms Fleming—I can take that one on notice.

Senator BOYCE—Whatever breakdown you are able to give me so that I have a sense of who is using it and where would be good.

Ms Fleming—In that case I will take it on notice.

Senator BOYCE—Thank you for that.

CHAIR—Dr Harmer, if there are questions about the process around the apology to people in institutions, is that in Most Vulnerable?

Dr Harmer—That would be here.

Mr Sandison—That would be here and now.

CHAIR—Why?

Mr Sandison—It was linked into the children policy because of the status.

CHAIR—It was just a general question. Senator Siewert and I were talking. We can put it on notice.

Mr Sandison—It is like having a mystery shopper!

CHAIR—I did not mean to scare you away. We really have a question. We were asking about where we ask a general question about the process.

Senator SIEWERT—My first question is regarding the general feedback that you have had since the apology. What has been the wash-up of that? I got a very positive response and I am wondering if there has been a universally positive response. Following up from that, who takes the lead responsibility for implementing the measures that the Prime Minister announced for forgotten Australians and former child migrants?

Ms McKenzie—The response has been overwhelmingly positive. We received hundreds and hundreds of emails for the next couple of days after the apology from a whole range of people, many of whom said that they did not think it would matter to them, and they did not think that they would be moved, but in actual fact it was something that meant a lot to them when it happened. The minister is still getting large numbers of letters from people who are wanting to put on the record how much it meant to them. We continue to have people ringing the department in a considerable number to talk these issues through. We have also been talking to some of the groups who the forgotten Australians will ring and talk to and they say that they are getting that kind of reception as well.

Ms Mackey—The other interesting thing is that we are getting a lot of spouses and children of forgotten Australians and child migrants who are also making contact and saying how important it was for their family to have the apology.

Senator SIEWERT—My follow-up question is about the program and then I want to ask about a response to the committee's third and latest report, so maybe if you could follow up with how the package is being implemented and who takes the lead.

Ms Mackey—FaHCSIA is taking the lead in terms of putting into place the find and connect service and at this stage we are still in the early phases of going forward with that. We did have a consultation with the Alliance for Forgotten Australians and CLAN in the past two weeks in starting to flesh out how we could set up that service so it best meets the needs of both forgotten Australians and child migrants.

Senator SIEWERT—Did you say you have consulted the alliance and CLAN? So, are you going to go wider? It is the same question, I must say, that I asked about the aged-care initiative last night, because, while those two organisations are two essential organisations, as you know there is a wide number of organisations.

Ms Mackey—As Ms McKenzie was mentioning, we have had a large amount of correspondence around the apology and the measures that were announced. We have certainly been taking on board a whole range of suggestions and comments that have been made about how we might best take forward that service and certainly, as we develop the model further, we will need to think about how we best engage users and providers of the model.

Ms McKenzie—The other important aspect of find and connect is to really link it in with the state systems, which are all at different stages of development. We have a meeting with the states and territories in the next couple of weeks to talk about how that might work the best and what would be the kinds of priorities and the kinds of things that could be done first, second and later.

Senator SIEWERT—I suspect I am going to run out of time, but obviously there is the issue around records. I want to go back to a couple of comments, Ms Mackey, that you have just made but I would particularly like to follow up on the records issue. As you know, that is one of the big issues that people are having problems with and various states have different processes and different levels of accessibility. Is that on the table and what progress are you making?

Ms McKenzie—Absolutely.

Ms Mackey—One of the first things we are doing is trying to ‘unpack’ how people currently access the records and to find where the roadblocks are. There are roadblocks in terms of record keeping but also legislative requirements around privacy. The range of providers, as well as governments, who hold the records is so diverse that this is not a one-size-fits-all answer in terms of what is the best way to access. That is why the comment around needing to liaise with states and territories is so critical in terms of being able to take forward the service.

Senator SIEWERT—What is the time line? I am aware that states and territories can take an awful long time to respond sometimes, and I am not trying to malign the states and territories; from experience I just know that. So, you are setting a time line on that process. Presumably, setting up the initiative is not going to be dependent on all these issues being resolved beforehand.

Ms Mackey—One of the things that we have discussed in our discussions so far has been the importance of this being a process rather than an announcement. It will be important that it is added to over time and that we understand what we can start with first, how that is going to work and how it will fit in with the current state systems, recognising that some of them have only recently introduced significant improvements and that there may be a capacity for other jurisdictions to also learn from the lessons that they have learnt in establishing them. So it is not going to be that one day everything happens and there is a find and connect service; it is going to be more a find and connect service that gradually moves its way into being a comprehensive service that will enable all the needs of the forgotten Australians to be met.

Senator SIEWERT—I appreciate where you are coming from on that, but the concern I would have is if people start trying to use the service and then, because there are some issues, they might get put off because they have not been able to get an effective outcome. So is there going to be a way of dealing with people’s disenchantment? The feedback that I have had from people is just the same as what you have had—overwhelmingly positive from across family members—and so I would say there is an awful amount of goodwill out there at the moment to use the services and to want to use the services. How are you going to match the expectations with the fact that the full shebang may not be up and running straight away?

Ms McKenzie—That is a process that we need to work through and, as I said, we really need to understand where the states and territories are, and we need to also more broadly understand where the stakeholders are. We need to understand which elements can be brought online fairly quickly and which elements might take a little bit longer. We need to understand whether there are any workarounds to enable people to be able to have some level of support while other things are happening. Those are the discussions that we are currently having with

the states and territories. They are some of the issues that we raised when we were talking to the two groups you mentioned and they are the things we are thinking about inside the department at the moment.

Senator SIEWERT—So, bearing in mind the comment that you made about the whole thing not being up and running straightaway, when do you anticipate the first stages to be up and running?

Ms McKenzie—As I said, we are still talking to the states and territories about that.

Senator SIEWERT—Six months?

Mr Sandison—I think it is too early to know. I think it is probably worth saying, for the record, that probably the teams that are involved are suffering from the fact that they did such a great job within a short period of time and the expectation is huge. As for managing that expectation, I think it would be a disservice if we tried to pick a time frame on it. The next step is that engagement with the states and territories.

Senator SIEWERT—I understand what you are saying and I understand the issues around expectations. I will put on the record that I think you did an excellent job pulling off, in the time lines, the apology. I personally appreciated being involved to the degree that I was involved in the process, but you are right: there is an expectation out there and that is why I am conscious to make sure that you dot all the i's and cross all the t's, but there is a time frame in which people can expect to know when it is going to be up and running.

Mr Sandison—I think the minister is aware, as are we; yes.

Senator SIEWERT—Thank you.

CHAIR—I think this committee will probably ask for a briefing in that area because of the interest that we have had.

Senator Chris Evans—I think the department should be congratulated on what a great job they did in managing that. It was really well done, but I also think—I can do this; I am not a member of the committee—we ought to keep reminding people that it was as a result of the committee and the work of the Senate committee that actually made this happen. That is not often acknowledged.

Senator BOYCE—It is a continuation of work.

Senator Chris Evans—I meant the continuing work; I do not mean necessarily the committee as currently constituted, but I think it is one of the great examples of the way the Senate committee system can work, so I think that we ought to keep acknowledging that is the Senate at its best in that regard and it would never have happened if it were not for the succession of Senate inquiries and pressure.

CHAIR—The committee just wants to put on record at this stage—and we have talked about it a few times and we have passed it on to the department before—it was not only the work leading up to it but the amazing work of the departmental staff in volunteering on those couple of days. That was particularly noted and so beneficial to so many people. I think the amazing outpouring of work that was done there, and I forget the colour of the shirts—

Dr Harmer—Blue.

CHAIR—I should never forget that, but they were everywhere, so we wanted to put that on the record. We have done well and we now break for an hour and come back and we will go into disability and carers and then lead into community capability and the vulnerable.

Proceedings suspended from 6.32 pm to 7.36 pm

CHAIR—We will reconvene with questions on disabilities. We have questions from Senator Siewert and Senator Fifield. Senator Fifield will begin.

Senator FIFIELD—Dr Harmer, I am going to start off with questions on the consultations about the harmonisation of disability parking permits across Australia. I was on your website today and saw that there was a summary report there. I had not noticed it there before, so was the summary report released today?

Dr Harmer—I will need to rely on one of my colleagues.

Ms Bruce—Yes, it was released today.

Senator FIFIELD—Lovely timing. I thank the department for that. I had a quick flick through it. A table on page 10 noted that 69 per cent of submissions received recognised that there was a need for consistent eligibility criteria across Australia, which I guess is no surprise and a good thing. I was a little surprised when I turned to page 16 and read the proposition that the proposed scheme will increase the availability of disability parking for those who really need it, that only 28 per cent of submissions agreed with that concept. The next question: that the proposed scheme will limit abuse by those who should not really have a permit? Again, I was surprised to see that only 29 per cent of submissions agreed with that statement. I was slightly more heartened by the next proposition, which was: overall the proposed scheme will be more effective than the current schemes? Some 39 per cent of submissions agreed with that. Are you disappointed or do you see those results as indicating a lack of support for the scheme as proposed in this summary document?

Ms Bruce—What the report has done is reflect comments that were made in the submissions, and so it is really collecting feedback from the submissions. The consultation was specifically asked about three components. The first one was around nationally consistent eligibility criteria. The second one was around national minimum standards for parking permit concessions and the third one was around nationally consistent parking permit design. We did not ask specific questions about those statements on page 16.

Senator FIFIELD—You did not ask specific questions?

Ms Bruce—Correct.

Senator FIFIELD—From the way that this is presented it looks as though these are propositions that were put and that the submissions were responding to those propositions; that is how this presentation reads.

Ms Bruce—That is not the case. As I said, we did consult on three key elements around the eligibility criteria, the concessions and the permit design, and the feedback on page 16, which you have just referred to, really is just summarising other comments that were made in submissions by people.

Senator FIFIELD—So these are not propositions that submissions were responding to but merely a summary of the views put in the submissions?

Ms Bruce—That is right.

Senator FIFIELD—It is still nevertheless not a strong endorsement of the proposed scheme that you have 27 per cent not agreeing that the proposed scheme will increase the availability of parking spaces, which is a pretty significant component of the submissions; 25 per cent who do not think it will limit abuse by those who should not have a permit; and 45 per cent or 46 per cent of people on those last three points are agnostic about the scheme. I appreciate that the submissions are not responding to propositions put. Nevertheless you cannot say that the submissions are an overwhelming endorsement of the scheme as it is proposed. Is it unfair to say that?

Ms Bruce—We wanted to reflect the breadth of comments that the submissions had included. I think elsewhere, when you refer to the comments specifically around the criteria or the areas of the consultation that we specifically sought comment on, there was much broader support for what was proposed.

Senator FIFIELD—I appreciate that people agree with the concept. I cannot find it, but there is a table where people say that they think overall there would be an improvement, but when you go down to the detail that does not seem to be borne out.

Dr Hartland—I do not think those comments that we were just talking about should be taken as indicating that people do not support the scheme, which I think is what you were perhaps alluding to just a second ago. The scheme has a number of aspects and there is clear support for the harmonisation involved in the scheme.

Senator FIFIELD—The concept is embraced?

Dr Hartland—Yes.

Senator FIFIELD—I accept that. I have just found what I was looking for before. ‘The proposed scheme will be less confusing for people who travel or move interstate’—66 per cent agreed. So people agree that it will be less confusing. Being less confusing does not necessarily mean that people endorse a proposal; it just means they know where they stand.

Ms Bruce—One of the benefits of the consultation, obviously, was that we got some very good feedback on what we were consulting about, which I guess has made us have another look at what would be the best way forward based on the feedback. This was the absolute benefit of the consultation. So this is just merely reflecting quite honestly what the submissions reflected.

Senator FIFIELD—We are all for honest representation but I think the presentation would lead the casual reader to think that submissions were responding to these propositions, and you are fortunate that I am not a *Herald Sun* or *Daily Telegraph* journalist because I would look at this and I would type that an overwhelmingly majority of people lack confidence in the proposed scheme. That is why it is useful to ask these questions.

Senator Chris Evans—That is the advantage of us knowing you are an intellectual.

Senator FIFIELD—You are too kind. That is why this is of benefit to probe through. Nevertheless, do you feel that the submissions, on balance, endorse the scheme as proposed?

Ms Bruce—Yes.

Dr Harmer—I think it is reasonable to claim that they are broadly endorsing the scheme as proposed. As I understand it, a lot of the comments from the submissions went to issues that were not ever really necessarily a feature of the scheme. They represent different understandings of what the commitment means, and it is not surprising that we get various views about the importance of various aspects.

Senator FIFIELD—A large part of the consultation was on the actual physical design of the permits themselves, and I know it was an issue of contention as to whether a windscreen display or a rear view mirror display was the optimal way of presenting a permit. As a result of this summary is there a preferred position in relation to that?

Ms Bruce—The hook design, which is a current feature in a number of jurisdictions, will remain as an option. You will have the standard permit design consistent across all jurisdictions and a couple of slightly different attachment mechanisms, depending on particular jurisdictions' preferences.

Senator FIFIELD—I think it might have been two estimates back when we first discussed the permit harmonisation. The government was not able to give a guarantee that people who currently have permits would still have them under the new scheme, but I think subsequently the decision was taken that no-one who currently has a permit would lose the permit. I just want to check that that is still the case as a result of the conclusion of the consultations.

Ms Bruce—It is still the case, yes.

Senator FIFIELD—Thank you for clarifying the permit scheme. Can I move to, if it is appropriate here, the national dialogue on universal design?

Dr Hartland—Yes. We will need to get another officer up to the table.

Senator BOYCE—May I ask one question on the National Disability Parking Scheme?

Senator FIFIELD—Yes.

Senator BOYCE—I am sorry I was a little late arriving. Has there been any discussion of the fact that you are planning that no current person with a disability parking voucher would be worse off because of the scheme?

Dr Hartland—Yes, ministers have discussed that and agreed that that should be the case.

Senator BOYCE—There have been some conversations within the disability sector around this point today actually pointing out that one of the concerns that people who are genuinely in possession of a voucher is around the number of people who are not, in their view, genuinely entitled to a voucher. Examples were given of someone with a broken leg who got a voucher for a number of years and a widow who uses her late husband's disability parking sticker because it is still current; it does not run out until 2020. What sort of audit are you planning around that misuse of the system to ensure that vouchers are only available to people who are entitled them, irrespective of how good or bad the states were at handling the systems beforehand?

Ms Bruce—That will really remain a responsibility of the states, who will continue to administer the scheme. There is no permit that I am aware of that is in existence for longer than a period of five years so it would not be a case of someone having an entitlement to a permit to 2020, for example. But the states have preparations well in train as to how they will continue to make sure that only legitimate, valid users are in the scheme.

Dr Harmer—The Commonwealth was never proposing to take over the administration. The commitment was to standardise and rationalise the different schemes across the states, which is what we are moving to.

Senator BOYCE—I will try to pursue that further elsewhere.

Senator FIFIELD—There was a gathering at Kirribilli House on 27 October last year. I am not sure if they were a forum at that stage, but what was the nature of the group who met on that day at Kirribilli House?

Ms Bedford—The discussion was a drawing together of people involved in housing design, government bodies that looked after housing design, premises, standards et cetera, and disability policy. They came together to look at whether there could be a national approach to promoting universal design and to provide Australians with a greater range of homes as they aged or if they had a disability. It was a bringing together of people who could influence promoting universal design in housing in Australia.

Senator FIFIELD—Was that the dialogue for that meeting on that date? Was it the first dialogue?

Ms Bedford—That was the first dialogue.

Senator FIFIELD—A higher level working party came out of that dialogue?

Ms Bedford—Yes.

Senator FIFIELD—It is not proposed that the working party is being charged with reporting back?

Ms Bedford—Yes.

Senator FIFIELD—The press release said, ‘The forum expressed a commitment to form a high-level working party to achieve substantial progress within six months.’ It has been almost four months since then. Has there been significant progress made?

Ms Bedford—They met again on 17 December. I think they are due to meet again on 2 March. They have four groups under that working group that are progressing—do you want me to run through what the four working groups are progressing?

Senator FIFIELD—Yes. Are the four groups in the press release?

Ms Bedford—I do not think so, no.

Senator FIFIELD—That would be good, thanks.

Ms Bedford—There is a group working on objectives—key concepts, time frame for development and implementation, definitions, scope, strategic goals, key targets and performance indicators.

Senator FIFIELD—Is that four groups?

Ms Bedford—No, that is one group. There is another group looking at universal design, the model guidelines for that universal design. There is another group looking at market research—the case for universal design and market and community perceptions around universal design. There is another group looking at implementation, so market transformation and implementation plus marketing incentives and how the scheme might roll out.

Senator FIFIELD—Will those four groups report on 2 March?

Ms Bedford—Yes. The next meeting is 2 March and that will deal with how the work is progressing.

Senator FIFIELD—I am sorry, that is four months to 2 March, not six. The Victorian government recently proposed new building regulations, which would be a similar concept at the state level. Does what Victoria is proposing complicate the work that the working parties are doing in that there will already be a benchmark or a model way of doing things? Does that make things more difficult, from your point of view?

Ms Bedford—Victoria is an active participant in this working group and I think the learnings that they have had from progressing their work are feeding into the work that the housing working group are progressing. I think it has been a benefit as much as anything.

Dr Harmer—They are innovators.

Senator FIFIELD—I guess that makes it more likely that whatever is to become national will be similar to what the Victorians are doing.

Ms Bedford—All right. I could not say that.

Senator FIFIELD—It is possible that you could have a national concept that is actually at odds with what Victoria is doing.

Ms Bedford—I think the idea is to have a national conference—

Dr Harmer—I think that is unlikely if they have been a member of the working group.

Senator FIFIELD—I appreciate that this is a decision for government as opposed to the department, but the department may be aware when the government is intending to respond to the House of Representatives Legal and Constitutional Affairs Committee report into the draft disability access to premises building standards?

Ms Bedford—That sits within another portfolio.

Senator FIFIELD—Which portfolio does that sit in?

Ms Bedford—Attorney-General's. It is innovation, industry, science and research.

Senator FIFIELD—Is that because they have an interest in building standards in general? Would that be why, even though it is particularly into disability access standards? I assume FaHCSIA would have input into Attorney-General's response.

Mr Innis—Yes.

Senator FIFIELD—I am sorry, Attorney-General's response or infrastructure's response?

Mr Innis—It is industry, innovation, science and research.

Ms Bedford—They do work closely with the Attorney-General's Department.

Senator FIFIELD—Was the report *Helping people with dyslexia: a national action agenda* submitted to the department, the minister or the parliamentary secretary? What was the lodgement point for that?

Ms Bedford—The working party provided the report to the parliamentary secretary in January.

Senator FIFIELD—Has the department provided any feedback regarding the report to the parliamentary secretary or the minister?

Ms Bedford—The department is working on feedback to the parliamentary secretary, but we have not provided that at this stage.

Senator FIFIELD—Are costings part of that report—that is, costing the recommendations of the working party report?

Mr Innis—That is in the territory of advice to—

Senator FIFIELD—If I actually asked what the costings themselves were it would be, but merely asking if costings are being done I do not think goes to advice to government.

Dr Harmer—Are you asking whether costings were done in the report that was given to the—

Senator FIFIELD—No, whether the department is doing any.

Dr Harmer—We do not normally answer those questions. That is, as Mr Innis has said, too close to advice to the minister.

Senator FIFIELD—Too close to?

Dr Harmer—We do not normally answer questions about whether we are costing particular proposals, particularly in a phase as we are now in the lead-up to a budget. We have never done that.

Senator FIFIELD—Costings do not imply intent on the part of the government or even the department.

Dr Harmer—No, but we do not—we have not, anyway, in my experience—indicate at an estimates hearing whether we are costing any particular proposal.

Senator FIFIELD—Let me give you another opportunity to give the same response.

Senator Chris Evans—Why don't you tell us what you are after and then we will see how we can help you?

Senator FIFIELD—Has the department asked for any modelling to be done, including on dyslexia as a recognised disability, and what costs would be associated with that?

Dr Harmer—It would be the same answer. But if you are asking whether we are giving consideration to broader issues of dyslexia I guess we are, given that we have a report. But that is all we can do.

Senator FIFIELD—If the consideration of the report did not include costings or modellings, I am not too sure what it would cover. It would not be terribly enlightening.

Dr Harmer—I would take that as a comment.

Senator FIFIELD—Indeed. Has the government stated publicly for our consumption a date by which it is intending to respond to the report—or would like to?

Ms Bedford—No.

Dr Harmer—I do not believe so.

Senator FIFIELD—I asked Centrelink the other night when the annual characteristics of disability support pension recipients report would be released and they said, ‘That is not us. That is FaHCSIA.’ On your website it does not appear that the 2009 report has been released.

Dr Harmer—No, it has not.

Senator FIFIELD—When is that report typically released in a year?

Dr Hartland—We do not have a definite release date. It is a report that we work on throughout the year. We are working on the 2009 report, but it is in the very early stages. It is hard to be very precise. I would anticipate that it would be around about the same time.

Senator FIFIELD—Is that sort of towards the middle of the year or the end of the year?

Dr Hartland—Towards the end of the year.

Senator FIFIELD—Does that report contain information or data only provided by Centrelink or by other agencies?

Dr Hartland—I am not sure.

Ms Rose—The report does include data from Centrelink. That is the main source.

Senator FIFIELD—I suggested that that would be the case to Centrelink and they said, ‘Oh, no, it is from a wide range of other sources.’ I was just perplexed. I thought surely the characteristics of disability support pension recipients would be something which you had the prime knowledge of?

Dr Harmer—I think the reason for their hesitancy would have been that it is ours—

Senator FIFIELD—It is your document.

Dr Harmer—and they cannot really speak for it. I think that would probably be more the reason.

Senator FIFIELD—That is fine and they did not attempt to, so everybody will be happy about that. I might just move to the extension of outside of school hours care for teenagers with disability program. The announcement of new places was made on 16 December last year. Who makes the ultimate decision as to who to allocate any places to? Is that purely a departmental decision? Is it a decision that has ministerial or parliamentary secretary input?

Ms Bruce—A reasonably robust process in terms of an open selection process was undertaken. The department analyses the submissions received and makes a recommendation to, in this case, the parliamentary secretary, who approved the department’s recommendations.

Senator FIFIELD—The department’s recommendations in all cases were approved? There was no variation to that?

Ms Bruce—Yes.

Senator FIFIELD—But it is ultimately the parliamentary secretary's decision. He or she could vary it if they chose to.

Dr Harmer—Yes. Ultimately it is their decision. We make recommendations. In most cases they follow the recommendations, but sometimes they may be aware of information that we are not.

Senator FIFIELD—I am sure there is a range of criteria used to determine the allocation. Are the criteria used available or is that something that is not easily documented?

Ms Bruce—No. The criteria were published in the open selection criteria at the time.

Senator FIFIELD—I am sure there is a good explanation for this. Why were no new hours allocated to Tasmania, the ACT or the Northern Territory, if that is indeed correct?

Ms Bruce—I would have to go back and have a more comprehensive look. One of the things that we were trying to do was increase geographical coverage. I would assume, but I can go back and double-check, that there were already some services operating in those states and fewer in others. One of our criteria was to increase coverage.

Dr Hartland—We will have a check. It may be that we did not feel that the tenders were competitive.

Senator FIFIELD—Do you need to be careful in relation to commercial-in-confidence?

Dr Hartland—We would not want to criticise a provider if there was only one person from Tasmania who tendered. I would not want to go back to the Senate and say—

Ms Bruce—That is a really valid point. The quality of the application may just not have been up to scratch.

Dr Harmer—I think it is likely to be the spread of the distribution.

Senator FIFIELD—Could you take on notice to see if it was the issue of the spread?

Dr Harmer—We will confirm.

Dr Hartland—We will take it on notice.

Senator BOYCE—I think there were 1,052 places over 48 locations. Could we have that listed out on notice?

Ms Bruce—Yes.

Senator FIFIELD—Can we have a full breakdown in terms of states, providers, locations and the number of teenagers accessing at each location?

Dr Hartland—Yes, we can do that.

Senator FIFIELD—This may or may not be possible, but I will ask. It might go to commercial-in-confidence and it might give away things about people's tenders. I think 76 applications were received.

Ms Bruce—That is right.

Senator FIFIELD—Would it be possible to get the locations and numbers of places represented by those applications?

Dr Hartland—Yes, so effectively the whole picture and the picture of this latest tranche by location?

Senator FIFIELD—That is right; a picture of the applications that the applications were nominating for.

Ms Bruce—We certainly have that information. I just need to double-check that we can release the information for the unsuccessfuls.

Dr Harmer—If we can, we will. I am not sure about giving you the unsuccessful bids in terms of numbers and locations.

Senator FIFIELD—The 76 applications would include successful and unsuccessful.

Ms Bruce—Yes.

Senator FIFIELD—I am not seeking to have just the unsuccessful.

Dr Harmer—I know. The successful ones are easy. We can do that.

Ms Bruce—I would want to check.

Senator FIFIELD—I appreciate you would need to, because it might give something away about individual applications.

Dr Harmer—Yes.

Senator FIFIELD—I understand the answer. I think there are 1,052 outside-school-hours care places for teenagers with a disability; is that right?

Ms Bruce—Yes.

Senator FIFIELD—I think it is 48 locations.

Ms Bruce—Yes.

Senator FIFIELD—Have any of those been suspended, temporarily relocated or moved?

Ms Bruce—Not that I am aware of.

Senator FIFIELD—What prompted the question was an article in the *Australian* newspaper from 11 November last year that cites the Mount Lawley out-of-hours care centre in Perth, which had to make way for a new hall being built under the federal government's school halls program.

Ms Bruce—I am not aware of that, but I could double-check if it was one of ours.

Senator FIFIELD—If you could. I am aware of that one case from the paper, but if you could take on notice whether there have been other instances where the locations have had to move as a result of the school stimulus spending that would be helpful.

Ms Bruce—Yes.

Senator BOYCE—On the out-of-school-hours program, are all of those 48 locations for teenagers with a disability only or are they inclusive settings?

Ms Bruce—All but three are disability specific.

Senator BOYCE—Which ones are inclusive?

Ms Bruce—I do not have that information.

Senator BOYCE—If you could provide that on notice, that would be good.

Senator FIFIELD—This morning in cross-portfolio when I asked about procurement expenditure from FaHCSIA for services purchased through Australian Disability Enterprises I was directed that this was the appropriate place to ask.

Dr Harmer—I do have someone at the table who was listening.

Senator FIFIELD—I am sure they were. If this is not at your fingertips, feel free to take it on notice. I would be interested in the number of disability enterprises that FaHCSIA has a relationship with and also the dollar amount of those contracts. I might have been given a dollar amount this morning.

Ms Bruce—Yes, this morning you were given a figure of \$39,000. That was to 31 December. The figure I have to 31 January is \$50,847. After a quick count of this table I think there are 16 separate Australian disability organisations that make up that \$50,847.

Senator FIFIELD—Would you be able to provide on notice the organisations and the services that they provide?

Ms Bruce—Yes. I have that here.

Senator FIFIELD—Just to save you reading them out.

Dr Harmer—Yes.

Senator FIFIELD—As to those 16 enterprises, have they come about as a result of the department exercising the right to use the tender exemption that Finance provides?

Ms Bruce—Yes. We have been pretty active in promoting the opportunity within our own department.

Senator FIFIELD—Have the Chief Executive's Instructions for procurement in FaHCSIA changed as a result of Finance's changes to procurement guidelines?

Dr Harmer—I will need to check on that, because my instructions are updated periodically, so I do not know whether they reflect that change yet. As Ms Bruce has said, we are operating on the basis of that anyway and next time we update them they will be.

Senator FIFIELD—You do not need instruction to do it.

Dr Hartland—Ms Bruce can talk about what we have done within FaHCSIA to promote the change to the procurement approach, which is quite extensive, if that would assist. You ask the questions, not me.

Senator FIFIELD—I appreciate that. That is helpful.

Ms Bruce—It will also cover what we have done outside of the department if that is okay.

Senator FIFIELD—Yes, thank you.

Ms Bruce—It really just updates the information that I provided at the last estimates. We have obviously launched the website where Australian Disability Enterprises are listed by business category, state and area of service. We are in the process of updating the website to make it easier to navigate and more accessible to government. Some of the feedback that we

have had from users from government organisations is that they would like a government portal so it clearly articulates the opportunity this exemption provides. We have also had the business directory and a couple of other publications, which have been widely circulated not only within our own agency but within all other agencies governed by the Commonwealth Procurement Guidelines. A number of fact sheets have been developed. I think last time we mentioned that we had been advertising internally, and some of our state managers have met with counterparts in state offices to make them aware of the exemption.

A national procurement coordinator position was established in December and is funded for 12 months with National Disability Services. They are really starting to make good inroads into the sort of work that we have articulated. That includes building relationships with key procurement contacts in appropriate government departments. We are also going to host an Australian Disability Enterprises procurement round table on 22 February this year. That will bring together Australian Disability Enterprises and key government departments to talk about how we can better utilise the opportunity. Some of those departments include Defence, Human Services, Foreign Affairs and Trade, Centrelink and DEEWR.

We have also developed a government buyers kit, again aimed very much at government procurement people, so that they can understand the simplicity of what the exemption means and try to increase their purchasing from Australian Disability Enterprises. We are doing a lot of work with the sector so they are aware how they need to respond to government procurement requests. There are also opportunities for the sector to work more collegially together to respond to some of the bigger opportunities. We are tackling both ends, so to speak.

Senator FIFIELD—Is that procurement position at NDS which you are funding for 12 months?

Ms Bruce—Yes.

Senator FIFIELD—Will there be a review of the effectiveness of that role during that time to see whether it is something which should be ongoing?

Ms Bruce—Absolutely. We are quite keen on making sure that we really get some tangible results from that opportunity.

Senator BOYCE—Will you be collating a dollar value of the all-of-government purchasing through this?

Ms Bruce—We will not be, but I think the Department of Finance is starting to look at work around that area. Certainly the procurement coordinator position will attempt, I guess as part of justifying the value of the position, to show what benefit that has been, and that will need to be reported back to the department.

Senator FIFIELD—I am not sure whether you were here when I mentioned it earlier today, but the Department of Finance has undertaken to try to collate that information across government, which would be good. You mentioned the portal. Is there an Australian Disability Enterprises website?

Ms Bruce—Yes.

Senator FIFIELD—Is that a FaHCSIA website?

Ms Bruce—No, it is a separate website.

Senator FIFIELD—Who runs that website?

Ms Bruce—The department is supporting it, but it is a separate website.

Senator FIFIELD—Is that run by NDS?

Ms Bruce—No.

Senator FIFIELD—I am just not sure what ‘supported by the department’ means.

Ms Bruce—It is updated by my staff.

Senator FIFIELD—You would know how many people have accessed that website?

Ms Bruce—Yes.

Senator FIFIELD—Can you share that?

Ms Bruce—I have data for the last few months of last year. Would you like that, starting perhaps in June?

Senator FIFIELD—Yes. Is that something that is better tabled than your reading out columns and columns?

Ms Bruce—I can table it. I will give you a clean copy without my scribble.

Senator FIFIELD—There is a ‘log a job’ section on there.

Ms Bruce—Yes.

Senator FIFIELD—How many ‘log a jobs’ have been received? Is that part of that table as well?

Ms Bruce—Yes.

Senator FIFIELD—We will find that out from the table. It will be very interesting to see the data that Finance has been able to collate. As I said this morning, it is good that there is the tendering exemption, but we need to know how things fare.

Dr Harmer—As to whether it is being put into practice.

Senator FIFIELD—That is right. That would be good. Thank you for that. Could you give us a quick update on where the Autism Specific Early Learning and Care Centres are at?

Ms Winkler—There are six Autism Specific Early Learning and Care Centres. Three of the centres have commenced operations, but I will start with Burnie, which was the last centre to be announced. That centre is being operated by the Burnie City Council and the Alexander Beetle House Childcare and Specialist Early Learning Centre. They are extending an existing childcare centre and it has an alternative model to the other centres, with a main centre and hub arrangements.

In Liverpool, southwest Sydney, there is a consortium led by KU Children’s Services to open the KU Marcia Burgess Autism Specific Early Learning and Care Centre. That is due to open in June 2010. Burnie is also due to open in 2010. They demolished and are in the process of constructing a new building in that centre. Bundoora in Melbourne is a consortium led by La Trobe University. The La Trobe University Margot Prior Autism Specific Early

Learning and Care Centre is due to open in June 2010. Its construction has commenced on extending the existing state-of-the-art La Trobe University Community Childrens Centre. The centre at Prospect in Adelaide was the first centre to open. It is a consortium led by Anglicare South Australia. It is at the Daphne Street Childcare and Specialist Learning Centre. It was an existing childcare centre with minimum capital works that had to be done. They had to build an additional toilet facility—

Senator FIFIELD—I have driven past and it looks lovely from the outside.

Ms Winkler—They have good outside areas now. They did a whole lot of work on the outside area to make it accessible to the children. They currently have 33 children enrolled at the Adelaide centre, with this number expected to increase. All of the centres have 20 childcare placements, which can be made up of a number of children going for different periods.

Senator FIFIELD—Is there a waiting list at Prospect?

Ms Winkler—Not at this stage. Nathan in Brisbane is a consortium led by AEIOU. They commenced orientation on 1 February. A new building is being constructed at Griffith University, Nathan campus—

Senator FIFIELD—Is the orientation open or is that the first—

Ms Winkler—They will commence operations this month. The Nathan Centre has 34 children enrolled. Warwick, Perth, is a consortium led by the Autism Association of Western Australia in conjunction with Jelly Beans Childcare Centre. It actually opened on 1 February. That was a refurbishment of an existing childcare centre, which was completed in December. As at 30 January they had 19 children enrolled at that centre.

Senator FIFIELD—There are no waiting lists in Brisbane and Perth?

Ms Winkler—Not at this stage.

Senator FIFIELD—Are there any others that are open at the moment?

Ms Winkler—It is Brisbane, Perth and Adelaide.

Senator FIFIELD—So it is just the three at the moment.

Ms Winkler—Just the three.

Senator FIFIELD—What were the criteria for the choice of location for the six, the three that are open and the three which have starting dates for this year?

Ms Winkler—I do not have the information as to how the sites were selected.

Senator FIFIELD—The physical sites is one thing, but the general geographic location is what I am more interested in.

Mr Lewis—I think we have talked in the past about some of that process. I think the process involved consultation with local autism people and we have an advisory board/group, as we have talked about in the past.

Senator FIFIELD—And that all feeds in?

Mr Lewis—That all feeds into who can do the job on the ground. As you know, Tasmania was an election commitment. There is a mixture of reasons why certain sites were chosen. We talked at the last estimates—and I think the time before—about the link with educational institutions and wanting to have capacity to learn. There are a whole lot of reasons that—

Senator FIFIELD—Putting aside that fact, which was an election commitment—that happens across portfolios and from government to government of different persuasions—was the starting point for the other sites someone deciding, ‘Let’s go for Perth, Brisbane and Adelaide first’, and then from that decision working down to where the best place is to put those in consultation with the local autism association? What was the threshold decision? Was it the actual capital city and, if so, who took those decisions?

Mr Lewis—I think two estimates ago we talked about some of the profile of children with autism and what happens. It is interesting that there are high-density profiles in certain cities and in certain parts of Australia. That happens for a lot of reasons. It happens for access to providers. It happens for family reasons. People might choose to move and as a consequence you do have a pooling of numbers—

Senator FIFIELD—In each capital city you would have an area where there was a pooling?

Mr Lewis—Yes, so you have that critical mass issue. You then have the issue of whether you have an academic institution with the capacity or history and/or facilities.

Senator FIFIELD—Did all of those things feed into the decision to go to Perth, Brisbane, Adelaide first?

Mr Lewis—Yes.

Senator FIFIELD—Or was the decision Perth, Brisbane Adelaide and now let’s look at where the pooling is?

Dr Harmer—I think what Mr Lewis is saying is that there is a whole stack of considerations that went into our advice to government. The government made a decision about locations.

Senator FIFIELD—Did government accept your advice on location?

Dr Harmer—I do not know and we would not be able to tell you that.

Senator FIFIELD—Although you did say earlier in relation to—

Dr Harmer—It was a very specific—

Senator FIFIELD—the out of school that in all cases government accepted your advice.

Dr Harmer—But this was not. This was a different process.

Senator FIFIELD—You could say government accepted your advice in every case where they accepted your advice, but you are not necessarily prepared to say where that might not be the case?

Dr Harmer—It was very easy. It was a different process.

Senator FIFIELD—The processes are different, but the principles are the same. Advice tendered by government; did government accept that advice or not? If in one circumstance

you are prepared to say, 'Government accepted our advice', I am just looking for the rationale as to why—I can very well think of a rationale—

Dr Harmer—We were probably too helpful on the first occasion.

Senator FIFIELD—You have to start the way you mean to finish.

Ms Winkler—These autism specific centres are part of a broader government commitment to early learning and care centres.

Senator FIFIELD—I appreciate that. We will leave that as an open question as to what happened first, whether cities were chosen first and then the other factors were considered or if it was a—

Dr Harmer—I think from what Mr Lewis was saying it is fair to assume that concentrations were a key factor—

Senator FIFIELD—Sure. Once you have taken the decision as to which city you then look for the concentrations, but I assume there are concentrations in Perth, Brisbane, Adelaide, Sydney, Melbourne.

Senator Chris Evans—It was not anywhere near as cut and dried as that. There was a process where as an advisory group, the ASDAG that we established—and these are experts, including Prior & Roberts, whom we talked about in previous sessions and who advised us on critical mass and/or facilities—provided advice to government. But I honestly cannot recall whether it was a chicken or egg, whether it was a cut and dried, 'We'll choose those cities.' I think it was actually on data. It was on advice from a range of professionals. The parliamentary secretary took advice from outside government.

Senator FIFIELD—You said you cannot recall and when you cannot recall something, taking a question on notice is an option.

Dr Harmer—I think it was a government decision based on advice, is all we can tell you.

Senator FIFIELD—I know it was a government decision.

Dr Harmer—We were more than helpful on the first occasion, but that is not usual.

Senator FIFIELD—I do not believe that. You are always more than helpful.

Dr Harmer—We try to be.

Senator FIFIELD—You are as helpful as you should be.

Dr Harmer—As helpful as we can be.

Senator FIFIELD—Five of the six sites are in capital cities. The one which is not is one which was an election commitment. Was it 33 or 38 sites planned all up?

Ms Winkler—That is part of the broader government commitment. There are only six autism specific sites planned.

Senator FIFIELD—Does that represent an accurate coverage of the spread or the pool Australia wide?

Ms Winkler—These sites were intended—because there is a significant research component with them—to look at building the evidence base in relation to these sorts of services for children with autism.

Senator FIFIELD—Would you be able to give the autism statistics for those cities, or those pools, in whatever the most relevant and meaningful way is to identify the concentrations in the city and how they are specifically in the area around those sites, given that is part of the rationale?

Dr Harmer—I am not sure we would be able to give you that but we will have some information we used to provide advice to government. We will see if we can do what you ask. I suspect it might be difficult.

Mr Lewis—It might be difficult and, as Dr Harmer is saying, some of it was derived from carer data and other things so it quite a complex picture but we will have a look.

Senator FIFIELD—Whatever you think would be helpful in getting a handle on that would be good. I will ask a specific question that has been put to me, and perhaps this can be a way of explaining why some areas are selected and others are not. The Western Downs Regional Council area in Queensland, which, being a Victorian senator, I am not particular personally familiar with—

CHAIR—As much as I am.

Senator BOYCE—Don't believe her—she is very biased!

Senator FIFIELD—I am told that it has an autism spectrum disorder occurrence of one young person in 53. In that area there are lots of felt needs. I was going to ask you to take me through Burnie, but that is an election commitment, so I guess that is a different category. Can you take me through Liverpool versus the Western Downs Regional Council area?

Dr Harmer—I do not think we can go beyond the fact that we provided information to government and government made the decision. Unless it is something specific to that area, presumably in our advice we would have provided a whole range of information about the distribution and government would make the decision.

Senator Chris Evans—They are agreeing with Dr Harmer.

Senator FIFIELD—They are not silly, Dr Harmer. Let us just say I am from a regional area and I say, 'I think we need one of these centres in our area,' what is the response that a local community would get from FaHCSIA?

Ms Winkler—Currently there are no additional funds available under this initiative. If there were issues raised from a particular community about service needs then we would look at putting the community in touch with relevant autism associations and early intervention providers that we know exist within those regions.

Mr Lewis—That would be a decision for government. They would take it on board as part of their deliberations. The general thing that we should say is that the centres sit within a framework of a range of services that are provided. Yes, there are six ASELCCs, but there are other services that are provided nationally and can be accessed by families and people as and where they like, and that then comes to other parts of the package. There are other routes that

people can choose to access autism advisers or other service provisions. I do not want the picture to be painted that we do not have other services in other places simply because we have ASELCCs in some spots.

Senator FIFIELD—I appreciate that. I will just move to the National Autism Register. Can you give an update on the status of that?

Ms Winkler—Yes. In relation to the register, a steering committee was formed last year comprising the Australian Advisory Board on Autism Spectrum Disorders, researchers from the Western Australian state autism register and epidemiologists to develop a proposal to government. The proposal was submitted to government. We have undertaken some review of that. We provided some initial advice to the parliamentary secretary. There is a range of issues that required additional follow-up. These kinds of issues include the proposed infrastructure of the register, benchmarking against some of the other similar registers and data integrity issues and there are a range of issues associated with using multiple data sets and setting a reasonable foundation in terms of going forward with the register. We will be putting forward some additional information within the next fortnight and looking at the way forward.

Senator FIFIELD—Is there a target date for establishing the register, or is it too early?

Ms Winkler—There was never an initial target date set for establishing the register, but we would be looking to do some other scoping and feasibility to move forward because, obviously, there is a whole range of issues around consent in terms of using information for registers. Within FaHCSIA itself, as a result of the setting up of the Helping Children with Autism package, we have a range of data now available to us via our funding management system that is recorded through the autism associations when children are diagnosed. We think that there are some opportunities to leverage from that, but we cannot leverage that information without some additional consent requirements and also knowing what our national structure is, infrastructure wise, for the register.

Senator FIFIELD—Is there an aspirational view of, say, 2010 or 2011?

Ms Winkler—We would be hoping to progress some phases over the next few months, as in scoping, feasibility and piloting.

Senator FIFIELD—We will watch this space. Can you give an update on the autism advisers? How many families are on waiting lists at the moment in each state and territory?

Ms Winkler—As at the end of January our autism adviser services had supported some 7,186 families. As you may be aware, there were some policy changes in October last year and as a result of those policy changes where approximately 900 families would have exited out of being able to access service provision, those families have then re-engaged with the system, as well as additional families.

Senator FIFIELD—They exited eligibility, but came back in?

Ms Winkler—Yes. As a result of that, the waiting list back in September was around 46 and it has increased to 82 families.

Senator FIFIELD—Is that 46 nationwide?

Ms Winkler—Yes.

Senator FIFIELD—Forty-six to 80-odd.

Ms Winkler—Eighty-two. I can give an explanation around some of the issues associated with those waiting times. Most families are accessing the adviser service within a few days, except in Victoria, where demand has been significantly higher than first thought, and in New South Wales, where the majority of families on their waiting list are actually waiting for documentation such as written diagnosis prior to attending an appointment with an adviser. There are some requirements for the program for children to be able to access the early intervention services. In Tasmania there were waiting list issues associated with some staff changeover, but as at the end of January there were 32.9 full-time equivalent advisers operating across the states.

Senator FIFIELD—Can you give a breakdown of the waiting list?

Ms Winkler—Yes, I can. In the ACT there is currently no waiting list. This is all as at 30 January. In New South Wales there was a waiting list of 25. There is no waiting list in the Northern Territory, Queensland or South Australia. Tasmania had a waiting list of 21; Victoria had 33 and Western Australia had three.

Senator FIFIELD—There are some big variations with Queensland versus Victoria, but you mentioned some of the particular issues.

Ms Winkler—Victoria is just slightly behind New South Wales in the number of children who have actually seen an autism adviser.

Senator FIFIELD—The response to a question on notice said 15 advisers had left their positions and all those positions, at that time, had been filled. Was there any particular reason for advisers leaving? That was question on notice 155.

Ms Winkler—In terms of our discussions with the autism associations there has been no one common reason identified for that. Some have moved to other positions within the existing associations. They are not all full-time positions, a number of them are part-time positions, so there is some turnover in that.

Senator FIFIELD—Is the department providing any financial support or other support for the Autism Awareness Month and World Autism Awareness Day?

Ms Winkler—At this point in time there has been no commitment to specific activity. Obviously, we provide funding to the autism associations and they are involved. There may be some proposals in relation to activity for those days that are yet to be considered.

Senator FIFIELD—Thank you for that. I might just jump to the carer adjustment payment that has been raised at the last few estimates. I think that as of 31 December it passed from being—is that correct?

Dr Hartland—Can I ask you to repeat that?

Senator FIFIELD—It is the carer adjustment payment. I think it ceased to be on 31 December.

Dr Hartland—No.

Senator FIFIELD—It did not cease to be. It had ceased before that.

Dr Hartland—No, it is still operating.

Senator FIFIELD—It is still operating?

Dr Hartland—It is still operating.

Senator FIFIELD—When does it cease?

Ms Rose—The minister has rolled the program over until 30 June this year.

Senator FIFIELD—Was it due to finish on 31 December?

Ms Rose—Yes.

Senator FIFIELD—Hence my confusion; I missed the rolling over. When was the rolling over announced?

Ms Rose—It is up on our website. There was no formal announcement made.

Senator FIFIELD—I need to pay closer attention to your website than I do. At the last estimates the department said that the government was considering what to replace it with, so the government has decided to roll it over. Is the government still considering what to replace it with after 30 June?

Ms Rose—Yes.

Dr Hartland—Yes, that is the case.

Senator FIFIELD—How many people access the carer adjustment payment each month? Can you give me the relevant time frame?

Dr Hartland—I think we have some figures that we can make available to you. Between 1 July 2008 and 30 June 2009 there were 320 grants. Perhaps I should have given you this figure that I am about to give you first. From the beginning of the scheme to 30 June 2008 there were 410 grants.

Senator FIFIELD—When did the scheme or the payment start?

Ms Rose—It was in 2007.

Senator FIFIELD—I used to know, but it left my head. Is that 410 from the start until 1 July 2008?

Dr Hartland—The 410 is 30 June 2008. From 1 July 2008 to 30 June 2009 it is 320 grants.

Senator FIFIELD—Do you have from 1 July 2009 to 31 December 2009?

Dr Hartland—I have figures here for 1 July 2009 to 22 September 2009. It is 94 grants.

Senator FIFIELD—Is there an average payment for each?

Dr Hartland—Yes. For total since commencement, the average is \$6,761.

Senator FIFIELD—We will watch this space as to what replaces it or if it rolls over.

Senator Chris Evans—And the space on the website.

Senator FIFIELD—Yes. I do have some questions on carer payment, but I will pop those on notice in the interests of time. I might ask for an update on the development of the National Carer Recognition Framework, the carer's legislation.

Dr Hartland—I need to get another folder. We have it coming to the table.

Dr Harmer—It is a big, complex program.

Senator FIFIELD—Before you do that, is New South Wales the only state that currently has carer recognition legislation, or do some other jurisdictions have it?

Ms Bedford—A number of other jurisdictions have it.

Dr Hartland—While Ms Bedford is looking at the papers, I can advise very broadly as an update that we are in the process of developing carer recognition legislation. That is very close to being at a stage where it will be available to the parliament.

Ms Bedford—The legislation is due in the Autumn sitting.

Senator FIFIELD—You mentioned that there are other jurisdictions that have recognition legislation other than New South Wales.

Ms Bedford—Yes. There is a mixture of states and territories that have legislation and/or policy around carers. I am not sure that I have brought that breakdown with me.

Senator FIFIELD—That is okay. I know some of my colleagues will know that off the top of their heads, but you could provide that on notice.

Ms Bedford—Yes, happy to do that.

Senator FIFIELD—Part of the consultations over the recognition legislation involves the state and territory jurisdictions, I guess?

Ms Bedford—We are certainly going to talk to states and territories. We have been looking at the different legislations in states and territories and the different policies. We need to go to a number of ministerial councils because, as you know, the issue of carers goes across many areas, including health and employment. We will be talking to quite a few Commonwealth and state officials during this process.

Senator FIFIELD—Could you provide a list of the stakeholder groups that have been consulted in this process?

Ms Bedford—We have not yet gone out to stakeholder groups around this. That will be done along the way. We are planning to talk to carer groups in the near future.

Senator FIFIELD—Chair, I know that other colleagues will have questions in this area and Senator Scullion has some for outcome 3. I might wrap it up there.

CHAIR—We will put any other questions on notice.

Senator FIFIELD—Dr Harmer, just before I yield to a colleague, because I might not be here a little later—with the indulgence of the chair—you have established the practice in outcome 3 of tabling a Commonwealth bushfire reconstruction update.

Dr Harmer—I have it ready to go.

Senator FIFIELD—I was just going to ask if that could happen. I might place any questions that are prompted by that report on notice. I do appreciate that the Commonwealth involvement is very much winding down in that activity, so the committee's time would be better served if I had a look at that and then put any questions on notice from that.

CHAIR—Senator Boyce, you have questions on one small area.

Senator BOYCE—This is not a question that FaHCSIA can immediately do anything about. It was brought to my attention just recently that a young man, 19, with muscular dystrophy was being supported by Montrose Access in Queensland for his education and for in-home care until he turned 18 and that there is currently no obvious funding package available to this young man who is now 19, wanting to attend university, but obviously needing assistance to do so. It was put to me by people in the muscular dystrophy area that one of the reasons that he is now in a queue with other people who are not receiving support packages—simply because there are not enough under state legislation—was that all this was drafted in the time when it was anticipated that people with muscular dystrophy would die young and not be going on to university. It raises the question for me, which I wanted to raise verbally—but I appreciate the answer may have to go on notice—what is the department doing in terms of looking at those sorts of rapid changes that can now happen in disability areas, applying them to policy and pushing flexibility through the disability system?

Senator Chris Evans—Good question. I would like to hear the answer to that.

Dr Harmer—I certainly cannot and I do not know if anyone at the table can do justice to the answer to that, so I would prefer to take it on notice. We will give you a considered answer to that.

Senator BOYCE—Thank you.

Dr Harmer—We have a National Disability Strategy.

Senator BOYCE—I realise that.

Dr Harmer—I do not want to pretend that that is dealing specifically with this, but we may have other things that I am not aware of.

Senator SIEWERT—Where are we up to with the legislative amendments on special disability trusts?

Ms Rose—That is really a matter for Treasury and on the question that you put on notice.

CHAIR—You have waited all night for that answer.

Senator SIEWERT—Surely the minister's office is cooperating quite strongly with Treasury to ensure that legislation is put in place as soon as possible.

Ms Rose—I do not think that is something that I can comment on.

CHAIR—Senator Siewert knows that.

Senator SIEWERT—In all seriousness, you are aware that we have been chasing this for some time and we have been promised the amendments for some time. I think it was this time last year, was it not, that I was sitting here asking about the government's response?

Ms Rose—It was a few months ago, anyway.

Senator SIEWERT—We were told either this time last year or the May estimates and we have been waiting patiently. The minister has been helpful in providing my office and others with briefings, but it is getting to the pointy end now and we are waiting for those amendments. Do I have to ask Treasury?

Dr Hartland—We will relay your concerns again to our colleagues in Treasury.

Ms Rose—Yes, we will.

Senator SIEWERT—Is it Treasury or the minister?

Dr Hartland—The minister and her office will be aware of the comments of the Senate community affairs committee on this. What we are undertaking to do, in addition to that, is to talk to our colleagues in Treasury again.

Senator SIEWERT—Is this a government issue or is this a backlog in Treasury issue?

CHAIR—Minister, do you wish to comment on that?

Dr Harmer—We would not want to suggest that it is a backlog in Treasury issue.

Senator Chris Evans—I did not understand the question, so I probably cannot help.

Senator SIEWERT—Is it simply a queue issue about when you get to legislation or is this a political process issue?

Ms Rose—Knowing your interest in this matter, I have been following this up recently and I cannot get a definitive answer to that question from the officers.

Dr Harmer—It sounds like you need to ask Treasury that question.

Senator SIEWERT—That is amazing. From the answers that we are getting, I think that these days we should just have one long estimates with Treasury.

Senator Chris Evans—I would make the point that, given the number of bills already in the Senate, budget bills and so on, we have a backlog. As you know, the Senate can be a bit pesky about inquiries, delays and things, not to mention the bills that have been defeated and will be reintroduced. Just to be realistic about legislation, there is quite a backlog so I think the chances of new substantive bills getting through this year are not good. Unless it is introduced as an urgent bill, it will be a while.

Senator SIEWERT—I am so tempted to enter into a dialogue, but I am not going to.

Senator Chris Evans—I am trying to fire the place up a bit.

Senator SIEWERT—I am aware that we have two hours, that I have a series of questions here and that we have income quarantining still to come. I would like to go on to young people in nursing homes. I am not sure if you are aware that I was following this up last night with Health.

Ms Bedford—I saw it.

Senator SIEWERT—I have a series of questions: I will ask some preliminary ones and then I will put some on notice. I was provided with the figures last night that the number of young people in nursing homes as a proportion of people going into supported

accommodation had decreased. How many people have been assisted out of aged care facilities in the three categories?

Ms Bedford—At June 2009 a total of 97 people under 65 years—but the majority of those would have been under 50, because that is the priority group—had moved out of residential aged care.

Senator SIEWERT—Is that overall for the three categories?

Ms Bedford—No, 97 were moved out; 205 had been diverted from entering residential aged care—

Senator SIEWERT—Okay, 205?

Ms Bedford—Yes, and 469 have been provided with enhanced services.

Senator SIEWERT—Thank you for that. Yesterday we started to enter into the lag in new accommodation. They could not answer that in depth but they gave me, as I said, information around reducing the number of people that were going in. The lag in new accommodation and building or in accessing new accommodation—are we likely to meet the five-year targets for the program, given that there has been a lag in accessing new accommodation?

Ms Bedford—We have been looking at that and we believe that by 2011 the states will have met their overall targets.

Senator SIEWERT—So although there has been a lag, they will catch up?

Ms Bedford—Yes.

Senator SIEWERT—All states?

Ms Bedford—Yes.

Senator SIEWERT—Thank you. Are you able to—and I think this is where I ran into trouble last night—provide details of expenditure by the states and territories on the program? Do you ask them for that?

Ms Bedford—No.

Senator SIEWERT—They are not required to provide it to you as part of the program?

Ms Bedford—No, Senator. The states are responsible for the day-to-day management of the program and the younger people in residential aged care funding is now part of the national disability agreement—the Commonwealth's proportion of the funding—so it is paid from Treasury through the new Commonwealth-state financial arrangements.

Senator SIEWERT—Would Treasury have that or are the states and territories just not required to provide it?

Ms Bedford—They are not required to provide it.

Senator SIEWERT—I just wanted to check if I should ask Treasury another question.

Dr Harmer—They would not have that information.

Senator SIEWERT—Thank you. Are you doing any assessment of the remaining unmet need?

Ms Bedford—We know the numbers of people under 65 in residential aged care. I think that Health and Ageing talked about some of the numbers last night.

Senator SIEWERT—Yes, they did.

Ms Bedford—Certainly, we have undertaken a mid-term evaluation as well, which is giving us a bit of a picture and should be released in the very near future. We are hoping to get that out very quickly. We are also working with the states through the Community Services and Disability Ministers Conference around the future of this program and our younger people in residential aged care and the need there.

Senator SIEWERT—You say the evaluation is going to be released shortly. Does that mean it is with the minister and you are waiting?

Ms Bedford—No, it is going through the process of getting on the web site.

Senator SIEWERT—So it has already been released—oh fantastic! So we are talking within days?

Ms Bedford—Yes.

Senator SIEWERT—Okay. What is the process? You talked about the release of it and the ongoing discussions with the states.

Ms Bedford—Commonwealth and state officials are meeting and working on a way forward. We will be going to ministers in April.

Senator SIEWERT—Thank you. How is the allocation of funding between the three categories determined?

Ms Bedford—We do not determine that; it is determined by the states.

Senator SIEWERT—That is what I wanted to clarify. So it depends on the state and the individual circumstances of the person.

Ms Bedford—Yes. And the officials working group is certainly looking at why some of the people that are remaining in nursing homes are choosing to do that and not move out or be supported to move out.

Senator SIEWERT—Is it because there is no accommodation to move out into and there is still a process that needs to be addressed, or is it because people prefer to stay there with the additional support?

Ms Bedford—There is a mixture of responses and that is one of the areas that we really want to explore. There is some comment that people, if they do not know anything different, are a bit wary of moving out. Sometimes it is that parents have an adult child who is in a nursing home and they are fearful about what would happen if the child moves out. So there are a number of reasons and sometimes there may not yet be the support to put in place around that person. But there would be a mixture of reasons.

Senator SIEWERT—Has there been a process of looking out for those people that, for the reasons you just mentioned—are people, once they become more secure and confident about moving out and they have already received assistance, then able to receive assistance to move out or have they had their bit of the program?

Ms Bedford—The states run it on a day-to-day basis but they seek that person's desire as to whether they want to stay there or move out, so if there is capacity to help them move out I am sure that is what they would be doing.

Senator SIEWERT—I understood the department last night to say that the number of young people as a proportion of the number of people that are entering care has reduced. However, there are still people entering aged care facilities. When this package finishes is there already ongoing consideration about what happens to ongoing support for people who are entering facilities?

Ms Bedford—That will be part of the group that is looking at that.

Senator SIEWERT—That is being considered, is it?

Ms Bedford—I think Dr Cullen said last night that the number of people under 65 in permanent residential aged care has increased—I stand corrected if he did not.

Senator SIEWERT—Under 65?

Ms Bedford—Yes. But he said under 50 had decreased.

Senator SIEWERT—Yes. How I understood what he said was that it was a reducing proportion of the number of people entering.

Ms Bedford—Yes. And it is to do with the aging population—I think he was indicating that it was to do with the aging population.

Senator SIEWERT—Thank you. We want detail around the types of accommodation services that have been provided by the states. Do we have to ask the states or do you have that information?

Ms Bedford—We would have to ask the states if you wanted us to get it for you. We have an idea of what the states are doing in this area but to get detailed information on all the accommodation they are providing we would need to go out to them.

Mr Innis—Senator, to get accurate information a direct approach to the states would be the most appropriate. We are happy to provide information about who to contact if that would be helpful.

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

Ms Bedford—It might also be available in the mid-term evaluation. I would have to read it again.

Senator SIEWERT—I will obviously have a look at the mid-term evaluation, but if you could provide the contacts that would be much appreciated. I will not have to chase it myself.

Ms Bedford—I am very happy to do that.

Senator SIEWERT—Those are all the questions that I had in that area. I have a couple more that I will put on notice, but I do have mental health questions. You will be aware that I asked some mental health questions last night and wanted to ask about some areas that are covered in this portfolio. In particular, I wanted to ask about the funding for the new personal helpers and monitors program.

Dr Harmer—The mentors program?

Senator SIEWERT—Yes, the mentors program, sorry. Can you clarify for me what funding was originally allocated for this program, what it is now and whether it has been cut?

Ms Winkler—The original allocation for the Personal Helpers and Mentors Program was around \$81 million and the ongoing allocation in the out years through to 2012-13 is from \$81 million up to \$82 million as result of some indexation in that program.

Senator SIEWERT—So the funding for that program has not changed?

Ms Winkler—No.

Senator SIEWERT—Where are we up to with expenditure on the program?

Ms Winkler—There is significant commitment currently for expenditure on the program. There is still some funding for this financial year to be committed. We are in the midst of a restricted selection process currently and that will lead to commitment of the remaining funds.

Senator SIEWERT—Could you explain what a restricted selection process is and why that process was chosen?

Ms Winkler—A restricted selection process is one where a cohort of organisations is invited to participate in the process. It is not advertised openly to the broader market. In one of the previous Senate inquiries into mental health, there were some issues raised about departments like FaHCSIA and DoHA et cetera giving some consideration to those particular processes. We have conducted restricted selection processes for a number of areas.

Senator SIEWERT—Was it a deliberate decision to have a two-stage process for the allocation of that funding, or was it because there was not enough uptake under a previous process for that particular—

Ms Winkler—It is not as a result of lack of uptake from previous processes. Some of it is related to the minister giving some significant consideration to the broader social inclusion agenda and ensuring that vulnerable groups are better targeted as a result of this process.

Senator SIEWERT—So you refocused it with a view to the social inclusion agenda. I am not trying to put words in your mouth, but is that an appropriate understanding?

Ms Winkler—Yes. The broader model for the program has remained the same. We are currently in the process of finalising a broader evaluation for the program and obviously we are going to take the findings from that to assist in looking at the broader program going forward. What it means is that there will be some more specific targeting of special needs groups.

Senator SIEWERT—When do you expect that? Will it be in this round or in the out-year rounds?

Ms Winkler—We have already undertaken some refocusing with PHaMs round 3. We did some specific training with those organisations around homelessness and, for example, working with Indigenous groups and the stolen generation. In this more recent cohort there is an even stronger focus on those groups. There is a range in our special needs groups, and we are also looking at some broader training for other existing providers around some of those issues that were not offered in the original rounds of training for those providers.

Senator SIEWERT—And will that focus be maintained for the rest of the program or is it likely it will change and be refined a bit more?

Ms Winkler—Certainly, we have always had the special needs groups there and, obviously, in some areas you will get a different representation of people with severe mental illness who are homeless or who might have been institutionalised et cetera. I suppose it is providing an additional focus in some particular areas where we know there are fairly significant populations of Indigenous people or whatever. It is about ensuring that the program targets as broadly as possible those individuals who may not always access a service as easily as some others.

Senator SIEWERT—Can I ask about the program Helping People with a Mental Illness to Enter and Remain in Employment?

Ms Winkler—That is not our program.

Senator SIEWERT—That is not your program? I thought I would get in trouble for that one. I will have to put that one on notice, because I cannot be in two places at once, as fast as I am. What about the Support for Day to Day Living in the Community program?

Ms Winkler—That is DOHA.

Senator SIEWERT—DOHA, right. The Helping Young People Stay in Education program, that would be DEWR. The more respite care places to help family and carers program?

Ms Winkler—We have got additional places.

Senator SIEWERT—I thought that might be here! Can you tell me what the funding is for that one, and is it as it was originally committed?

Ms Winkler—The original commitment was \$48.5 million. That funding predominantly remains the same over the out-years—slightly more, as it goes up to \$49 million.

Senator SIEWERT—Okay, and that funding is committed?

Ms Winkler—All of that funding is committed.

Senator SIEWERT—Thank you. Rather than me getting you to read out the projects that are funded, can I ask you to take that on notice.

Ms Winkler—Just projects in the respite space or projects across the program, because we do have that prepared?

Senator SIEWERT—Projects across the program. That would be appreciated but I am conscious of the time so if I could ask you to take that on notice it would be appreciated.

Ms Winkler—Yes.

Senator SIEWERT—Thank you. Community links to illicit drugs and mental health—that should be—

Mr Lewis—DOHA.

Senator SIEWERT—And I think the other one should be too.

Senator Chris Evans—If you have got an Immigration one I might be able to help!

Senator SIEWERT—I am just double-checking to see that I have asked all the ones that I can. Yes, the next one is also DOHA so I will leave it. There were a couple—I know we were tight for time for last night—that I did not get in last night in an attempt to help facilitate proceedings, so I will put those on notice. Thank you very much.

CHAIR—That is the end of outcome 5, disability and carers. What I would suggest is that if we have a five-minute break before we go into the last program, which is outcome 3. We have Senator Scullion, Senator Siewert and Senator Boyce with questions.

Proceedings suspended from 9.20 pm to 9.27 pm

[9.27 pm]

CHAIR—We will start on the last item on the program, which is outcome 3.

Senator SCULLION—I am just seeking some explanations about the income management arrangements and I will work through whether it should be here or tomorrow. I think we have a general idea. As I understand it, you are proposing to expand income management across the whole of the Northern Territory and potentially nationally for some income support clients. I will leave the latter out at the moment; I really just want to talk about the context of the Northern Territory. When you move from the prescribed areas into the areas outside of the Northern Territory Emergency Response, in terms of the management will you be issuing a BasicsCard to the recipients, or something of that ilk?

Mr Sandison—The intention is, yes, the BasicsCard would be a starting point but work is being done on looking at all options for advice to government.

Senator SCULLION—When we say a BasicsCard—and I understand about the differences in policy that you may be exploring at the moment—is it simply an expansion of the existing arrangements within the prescribed area, in terms of the BasicsCard, to other areas? Will the actual process be saying, ‘There are certain items that you cannot purchase’ and the process will be—

Dr Harmer—The answer is yes.

Senator SCULLION—Just to get it clear, you are not sure at the moment whether or not the BasicsCard will be used to provide that differential in the purchasing options?

Mr Matthews—The BasicsCard is run by the Department of Human Services but it is—

Senator SCULLION—It is Centrelink, I understand that and we will be seeing them tomorrow, I understand.

Dr Harmer—The reason we hesitate a bit is because it is the other department’s responsibility. As far as we are aware at the moment, the intention would be to use the BasicsCard.

Mr Matthews—The intention is to use the BasicsCard. It is one of the delivery mechanisms of income management.

Senator SIEWERT—What would be the other forms of delivery?

Mr Matthews—The BasicsCard is not the only mechanism by which a person accesses their income-managed funds. It happens through a number of things. For example, rent

deductions will usually be made through a direct payment to the person's housing organisation.

Senator SIEWERT—I appreciate that. I am talking about when they are accessing the money to buy things that cannot normally be deducted, like food—like when I want to go into a shop.

Dr Harmer—We are not trying to be obtuse. There is not some strange other process that we are aware of. Because we are not responsible for the delivery and the BasicsCard, we have to be a little careful. We are not aware that there is anything else in the pipeline, I think.

Mr Matthews—No. In general terms, the BasicsCard is the way to deal with those more day-to-day transactional purposes, which was the intention of the BasicsCard. There are other ways. Centrelink sometimes make one-off payments to stores for ad hoc items and things like that. So there are other mechanisms, but the BasicsCard is generally the main one for the day-to-day transactional purpose. Direct debits or direct payments are usually for the more fixed deductions that a person has.

Senator SCULLION—I will speak to Centrelink tomorrow, as part of Human Services, to talk about the expansion of the immersion rollout. They are going to be able to provide that. There is nothing you can provide for me in that area. Have you done any costings for rolling that out? Will that be in their area?

Mr Sandison—Specific to the card?

Senator SCULLION—For the expansion of—

Mr Sandison—For income management, we have provided advice in proposals that have gone to government on costs and assumptions. But, specific to the BasicsCard, those calculations or any work and advice is done through Human Services.

Senator SCULLION—In more general terms than that, they have made a decision to expand it, a decision has been made and an announcement has been made that it is going to be expanded to the rest of the Territory. Are you aware of what that is going to cost?

Mr Sandison—I can check on the figures.

Mr Matthews—I do not have a breakdown of the specific costs for the BasicsCard as such. The announced funding for the package overall is \$350 million—about \$349.8 million in fiscal balance terms—over the forward estimates period.

Senator SCULLION—I will just catch that again. Was that \$350 million over the—

Mr Matthews—Yes, approximately \$350 million.

Senator SIEWERT—Over three years?

Mr Matthews—Over the forward estimates period.

Dr Harmer—Four years.

Senator SIEWERT—That is what I thought.

Mr Matthews—The only breakdown I could provide today would be a breakdown by agency.

Senator SIEWERT—Could you provide that?

Mr Matthews—Yes. Centrelink is \$308.4 million, DEEWR is \$0.8 million, DHS is \$24.1 million—

Senator SIEWERT—I cannot write that fast, sorry.

Mr Matthews—Where did you get up to?

Senator SIEWERT—DEEWR.

Mr Matthews—DEEWR is \$0.8 million, approximately. The Department of Human Services is \$24.1 million and FaHCSIA is \$16.4 million.

Dr Harmer—So the bulk of the costs will be for Centrelink's service delivery.

Senator SIEWERT—Presumably the cost for Human Services is in administration?

Mr Matthews—It would include the BasicsCard, administration, contracting, transaction fees and those types of things. For the detail, you would have to ask Human Services.

Senator SCULLION—I understood from the announcements that there is going to be an additional 16,000 and it is now going to go to about 20,000.

Dr Harmer—That is the estimate.

Senator SCULLION—So that is about right—the estimate? You do not have any—

Dr Harmer—We do not have any more accurate a figure than about 20,000.

Senator SCULLION—What was the process of calculating an additional 4,000 people? Was it that you said there will be some less—for example, in the NTER—because of the changes in being able to get in there, as there are some categories that are no longer in there? It is very hard to know where the 4,000 came from, because it is all outside the NTER—

Dr Harmer—We will do our best to give you that.

Mr Sandison—Basically we had to use a ground-up set of assumptions. It is not just a case of there being 4,000 more, because there are ons and offs. Working on the government decisions around the new approach, we made a series of assumptions on the different number of income support groups that are now involved and the age profiles, because that is part of the issue. There were also the vulnerability indicators. We make a series of assumptions. They are part of advice to government. Based on that, the calculation we did was approximately 20,000.

Senator SCULLION—Would you be able to provide to the committee, in terms of those assumptions, a breakdown of the people in the same way you said: by category and the movement between categories? For example, in the NTER area, if aged care is no longer going to be available—apart from a voluntary process, as I understand it—it will come off it notionally and other areas will be vulnerable to going on it. Perhaps you could provide that on notice to give me a better understanding.

Dr Harmer—We will need to take that on notice. I think it would be fair to say that the numbers in the prescribed communities that are currently on income management that will not be on it under the new system will be pretty small.

Mr Sandison—I think we took that question on notice for the Senate hearing last week, so we will go back to the office and provide that answer if we can.

Senator SCULLION—I just want to make sure that that is right: over four years, we are spending \$350 million to put 4,000 people on some sort of a different approach to income management?

Mr Sandison—No, that is the total cost of the 20,000. That is the full cost of the new approach.

Senator SIEWERT—What is the difference?

Mr Matthews—What is the difference between the previous funding and the new funding? That I would have to calculate. I do not have the comparison, because the previous measure was not funded over the forward estimates period. For 2010-11, for example, there were no pre-existing costings forecast, so I am not sure that we could do a direct comparison.

Mr Sandison—We would have to take on notice the extent of the balance of the current-year estimates for income management and then what it would be for the first year of this to give you a comparison.

Senator SIEWERT—There is a big table that they give us each time we do cross-Indigenous estimates.

Mr Sandison—We will take it on notice to give you a comparison of an annual year figure.

Senator SCULLION—It appears to be a calculation. I know how enthusiastic you have been tonight, but it would be just fantastic if we could have it at least before tomorrow morning. Anyway, I know you will do your best.

Mr Sandison—We will work on it.

Senator SIEWERT—Presumably you are going to give us that big table again tomorrow; it is very helpful for us. Hopefully it will not take that much to pull those figures out of there.

Mr Sandison—We will check that with the financial area that comes and starts the Indigenous session with that table.

Senator SCULLION—In the policy sense, have you done some modelling or given some thought to the impact for a particular demographic—for example, the intention to protect all the demographics that were put in there across the board, such as people in a community who were older and were receiving an aged-care pension? It has been well discussed. I know most of you understand the term ‘humbug’—when other people in the community hassle you for money; it can be pretty intense. The Institute of Health and Welfare provided some independent advice to you that was published. The figure, off the top off my head, was something like 52.3 per cent of respondents—and there has been some criticism about the number, but I will take it at face value—were delighted that the amount of humbugging had stopped. There seemed to be a decrease in that. Given that this particular demographic would, anecdotally, be at the higher end of the vulnerability range, have you done some work on how they would not be negatively affected by this?

Mr Sandison—We did a range of work, looking at some of the demographics—the numbers—and the results of the various sorts of information that came through from the

review and the evaluation and general feedback. That was part of the consideration of government and part of our advice to government.

Dr Harmer—So the answer to your question is that we are certainly aware of that issue and have been for a long time. That was part of the consideration of government.

Senator SCULLION—I am assuming that because it was part of advice to government you are not going to be useful about it.

Dr Harmer—I cannot say any more than that, Senator.

Senator SCULLION—Perhaps I can ask the minister. There is no mischief to this. I understand you have made a change to how you approach this.

Senator Chris Evans—The policy decision was announced as part of the release of the legislation.

Senator SCULLION—I understand that. Perhaps there may be parts that you have not announced in the minutiae that deals with this particular issue. I do understand that as part of the announcement there was a voluntary process to opt in.

Dr Harmer—Yes.

Senator SCULLION—I thought you would respond in that way. I am not sure whether that is covered in advice to government. Are you relying on that other aspect of the announced policy to ameliorate the issues that were previously associated with humbugging, particularly in the age sector?

Senator Chris Evans—The officer can tell you what the announced policy is, and in fact they have. That is about what they can do.

Dr Harmer—I can answer that. We would expect a number of the people in that category, who are fearful of that, to enter into voluntary income management.

Mr Sandison—The other element, which is a part of the announced policy position of government, is the vulnerability indicator and the capability for Centrelink specialist staff to make a decision around the vulnerability of individuals, which does go to the categories you are talking about.

Dr Harmer—So the combination of those two measures, we would think, would ameliorate the concern about humbugging.

Senator SCULLION—Are the Centrelink staff, or whoever is doing those assessments, able to make an independent assessment and say that a person is vulnerable?

Dr Harmer—That is correct.

Senator SCULLION—Therefore, their capacity to volunteer and put their names forward for income management—

Mr Sandison—And therefore they can be put onto income management.

Dr Harmer—They would be included, yes.

Senator SCULLION—But it would not be up to their volition to move that forward?

Mr Matthews—If you are asking whether the person would have the choice to voluntarily go on income management then the new model has the capacity for people to self-elect to go into income management as well. An age pensioner anywhere in the NT, when it is switched on, could volunteer for income management.

Senator SCULLION—Thank you for that. That does clear that up. My question really went to this. If it was observed that there was a problem happening and an individual was not in a position to voluntarily opt back in again, could a counsellor say, ‘I think that particular individual should be on income management’?

Mr Sandison—The answer is that a Centrelink specialist officer could make that decision.

Senator SIEWERT—They have to do it on an individual basis, don’t they? They cannot say, ‘Everybody in this community is vulnerable.’

Dr Harmer—It is done on a case-by-case basis.

Senator Chris Evans—They can voluntarily seek to do it but then a Centrelink officer can, if that has not occurred, make a decision based on the vulnerability factors that it be applied without the client volunteering.

Senator SIEWERT—The appeals process applies to that as well, doesn’t it?

Mr Sandison—That is correct, yes.

Senator SIEWERT—But they can’t do the other process where you can ask for an exemption? They could not use that process; they would have to use the appeals process.

Mr Matthews—I think you are referring to the exemption processes for the other two categories around work, study and those types of things. For the people who are referred in by the Centrelink social workers, the path out is the reverse—the social worker decides that it is no longer required. The person can obviously seek to have that decision reviewed and they can seek for the Centrelink social worker to review the decision. In general, it requires the delegate to make a decision to cease income management, but the person has the capacity to seek a review of that decision.

Senator SIEWERT—I appreciate that additional information. If you are vulnerable and Centrelink decides that you are, the way out of that the appeals process, isn’t it?

Dr Harmer—The way out of that would be the appeals process.

Mr Matthews—There are two different things. The way out of it is for the Centrelink social worker to make a determination that the person’s circumstances have changed and they no longer need it. That might happen. If the person’s circumstances have stabilised and they no longer need income management then the Centrelink social worker would choose to end the income management arrangement.

Senator SIEWERT—So you have to go through that process first. If they still say, ‘No; sorry, you are pinged,’ then you appeal?

Mr Matthews—Then the person can appeal and that would go through the appeals process and it may be upheld or it may not be.

Senator SIEWERT—So there is a less traumatic process to begin with, because the appeals process is much more full-on and more traumatic?

Mr Matthews—Yes.

Senator SIEWERT—Thank you.

Senator SCULLION—I am just looking at the exemptions process. Because of the nature of the announcement, it is a little bit confusing for me where you put the priority or where you weight the final decision. For example, if somebody is determined to be in the two principal demographics that are income managed then they will have their income managed. Say there are two parents, both of whom would be income managed notionally under the new arrangements, and they have decided their kid is going to attend school and is not going to miss more than five days. The kids start attending school—they have not before, but it does not matter—and a month later they say: ‘I don’t want to be income managed anymore; my kids are going to school. They have been at school for a month’. Have you worked out a scale for how you weight these things? On one side we are saying, ‘We will put you on income management simply because you’re in that demographic.’ Say someone is in that demographic and they have the capacity to apply for an exemption from within that demographic—because their kids have been immunised, because their have met the program or because of one of those other things—can you talk to me about how that all operates? How would they move from the demographic of being compulsorily provided income management to the exemptions?

Mr Sandison—Mr Matthews can give you some of the detail but in general terms the individual has the right to come back and say, ‘I believe I meet the criteria that would mean I am no longer income managed’. We are working on some of those criteria and, as we discussed with the committee last week, there will be various disallowable instruments that will determine some of that information. We will be going through the detail of that. That was one of the requests from last week about the listing of those instruments. Basically, they will have the right of providing evidence themselves. There are some cases—for example, for a student—where the intent is that they would not go onto income management in the first place, and we can cross match. To claim student allowance you have to have evidence around your student activities anyway. They might be in the age profile of the demographic—under 25—but the systems would show that, as they are claiming a student allowance, they are actually meeting the study requirements.

So there is one group for which there would be no need to go onto income management, and those that do will have the right to come back with evidence. We have to work out whether we need to wait one month or six months to show an evidentiary trail of whether your child, using that example, has been attending school sufficiently to establish a trail of attending school. After one month saying, ‘I have an appropriate level of attendance,’ might not be sufficient but that is some of the detailed work that we are doing now. There are some of the other elements that Mr Matthews can run through for you.

Mr Matthews—It is intended that the test for school attendance would be that a child was absent for no more than five days per term over the preceding two school terms. You would need to demonstrate a pattern that your child had attended school before the exemption would

be granted. As an example, if you have got your child to school for a month and that is all you have done, you would need to demonstrate that over two school terms before you could seek an exemption.

Senator SCULLION—So for this policy or legislative change and the regulations that would come in after a day—there would be a point in time—you would be using issues and information before that time to make decisions on the legislation? For example, when the legislation comes in: ‘I am at the end of the fortnight and I have met all the requirements about school attendance, mate. Little Johnny has been there for 14 days. It’s a miracle because he wasn’t there the entire five years beforehand’. That is terrific stuff. I am just seeing before me a bit of difficulty for the people who have to make decisions about changed behaviour. Are we drawing a line in the sand and saying, ‘From this point onwards, these are the provisions’? If you get six months and you have only missed 2½ days does that get a tick or do we take into consideration previous history? And how do you weight all of that?

Mr Sandison—I think that is one of the issues that we are working on now in getting the detail. This will be part of the legislative drafting and toward the instruments. They are some of the issues we cannot answer just now; there will be advice to government to make decisions around the instruments. But the intent is very much about the evidentiary trail and proof. I would assume that our consideration would look at two weeks worth versus two terms worth and history versus going from the date of the legislation. They will be issues we will take into account in providing advice to government.

Mr Matthews—I can probably provide some information further to Mr Sandison’s statement. The legislation under section 123UGD, ‘Exempt welfare payment recipient—persons with dependent children’, at clause 1 says:

(b) in relation to each dependent child who is a school age child—the Secretary is satisfied that:

(i) at the test time, the child is enrolled at a school, and the child has had no more than 5 unexplained absences in each of the 2 school terms ending immediately before that time ...

Senator SIEWERT—In other words, you do not have to stay on it for those two terms if you can clearly demonstrate that your child has been at school prior to that.

Mr Matthews—In broad terms. It will depend on the test time but, theoretically, yes.

Senator SIEWERT—Sorry, it will depend on what?

Mr Matthews—It depends on the time that you go and what the test time is. So, as far as I know—and I say this with the caveat that I am not a lawyer—that would mean that you could do that the day after legislation was passed, but you would have to meet the test requirements. So you would have to go to Centrelink with a school report or something that could be verified. That is the bit that Mr Sandison talked about: the detail of the actual evidence that you would give. But, in general, we would not be intending to set it up so that you could go and just say, ‘My child’s attended.’ You would have to have some documentary evidence that would be based on the NT school—

Senator SCULLION—I will just get this right: I turn up and say, ‘Young Johnny’s been to school, I’ve got this exemption and here is the school attendance thing,’ and they will say, ‘Fine.’ But if I cannot provide that or if his attendance prior to that point in time is not

available or is not up to scratch, then they would simply say, 'No, you don't get the exemption.' Is that correct?

Dr Harmer—Yes.

Senator SCULLION—And then I would wait—again, this is an assumption—and I would have to wait for a period of however long you decided, which are the sorts of things you are talking about. So in four months I could say, 'There's a quarter,' and, as long as he has not missed 1½ days or something around that, I could possibly have a review then? That is it, generally?

Senator SIEWERT—It is kind of unexplained attendance.

Mr Sandison—On the basis of whatever the benchmark is set at, the individual would initiate a request to say, 'I don't want to be on income management any longer and I believe that I've met the requirements.'

Senator SIEWERT—It is an unexplained five days, isn't it?

Dr Harmer—Yes.

Senator SIEWERT—I just wanted to be clear on that.

Mr Sandison—As with most social security legislation, there are elements of special circumstances, reasons and other exemptions for special cases.

Senator SCULLION—Let us start at that trigger point where someone applies for an exemption. You will no doubt refer me to the Centrelink staff, but whose department will be making the decision about whether or not you meet the requirements that you still have to finalise according to the intention of the policy or the philosophy around that?

Mr Sandison—Centrelink officers.

Senator SCULLION—And that is at the first stage?

Dr Harmer—I stand corrected there. I think the secretary of FaHCSIA will delegate to the Centrelink officer to make the decision.

Senator SCULLION—So the first tier of appeal to go and see if I am within that is through your organisation. But would there be issues that you would consider, Dr Harmer? Rather than having Centrelink officers in this whole appeal process, would you be saying, 'This is the minimum series of standards before you can be seen by Centrelink officer'?

Mr Matthews—I am not quite sure where the question is there on minimum standards—

Senator SCULLION—If 20,000 people say, 'I want an exemption'—

Dr Harmer—What you are asking is: will the Centrelink decision makers be given guidance about interpretation?

Senator SCULLION—No. The first thing is that your involvement, Dr Harmer, is only in a legislative sense. You have the power to get a Centrelink—

Dr Harmer—Yes.

Senator SCULLION—We will go to the next part, because it does not really have any rubbery bits. Is there a single Centrelink case officer or a team?

Mr Matthews—The actual administrative arrangements around that are something we will be working through prior to implementation. But, in broad terms, I think your question is: theoretically, would you get 10,000 people coming up on day one and seeking an exemption, and how would Centrelink manage that? Is that your question?

Senator SCULLION—No. I do not think there is really much of an answer to that, and let us just hope that it does not happen. I am not going down there. As the minister will know, where we have officers making decisions that are appealable, there is a considerable difference between the capacity of one officer making them and two officers making them as a team. It is often considered in a judicial sense that, if you have three people, it is more likely to be a better decision than if you have two or one. If a decision had been made with a single Centrelink officer making the first decision, have you thought about—

Mr Sandison—We are working through the processes with other departments to look at the actual policy detail of how it will be implemented. Just like many of the areas of social security, it is normally an individual Centrelink officer who makes a decision. You can have a review by the original decision maker and then you have the AROs that are worked in and the Social Security Appeals Tribunal and so on for appeals. But it is still being worked out.

Dr Harmer—I think it is an area of micro policy that the officers are saying is not yet settled.

Senator SCULLION—Fine, I will acknowledge that for the moment. If they disagree with what you say—you are very unkind to them and you do not believe Johnny has gone to school, or whatever it is—they have another right of appeal, I understand. Can you tell me about that?

Mr Sandison—That is where they can ask the original decision maker to reconsider the decision. They go to a more senior officer, the ARO—

Mr Matthews—That is the administrative review officer.

Mr Sandison—and then the Social Security Appeals Tribunal and the AAT.

Senator Chris Evans—I think the answer is that they can go through the normal social security processes for challenging a decision in the first instance.

Mr Sandison—That is correct.

Senator SCULLION—Perhaps you might be able to help me with this, Minister. I know you have a lot of knowledge in this area. We have somebody who has appealed quite reasonably—it might be a borderline case. They have managed to see a Centrelink officer—and I acknowledge that there are a few about in the community—and they now have to see a senior Centrelink appeals officer. I do not know how long that would take or how many senior ones you have got in Lajamanu or Ali Curung and Galiwinku and places like that. I was wondering if any consideration has been given to how this appeals system, the AAT meeting—which, let's face it, works in urbanised environments—is going to work? Perhaps I will have to talk to the Attorney-General's Department about this. Currently a lot of people who do not ever go there. Generally people have to move from places in here. Given the cost of transportation, what consideration has been given to the access arrangements to this onerous but pretty fair process?

Senator Chris Evans—Senator, I will let the officers answer but, effectively, what they have said to you, and it is not finally settled, is that the normal Centrelink processes will apply. What we are talking about is a group of people, most or all of whom are already Centrelink customers, and they will have the same sort of interaction, the same sort of access, that they have currently. I know there are problems in regional Australia and remote communities but, if you like, they are already set up for that—not as adequately as we would all like but they are set up for that. The appeal processes will be based along the normal social security decision-making lines.

Senator SCULLION—I know you are a pretty fair dinkum bloke so I can ask you this. If the circumstance is that we are saying, ‘You’re all going to have an opportunity to get off income management; all you have to do is go through this appeal process,’ I would note that most Indigenous people in those communities have not normally had access to appeals tribunals. My assessment—and that of many people I have spoken to—is that a lot of people will be talking about this: ‘How do I appeal? How do I get out of this particularly if I do not like it?’ I do not know about the AATs travelling to places—I would not have thought that in these circumstances it would have been very high. Given that, I suspect, there would be an increase because these are circumstances without precedent—

Senator Chris Evans—Centrelink would obviously have to respond. But my experience in such things, and certainly in the immigration context, is that a few early decisions tend to send messages. I think if you found you were getting a large number of approvals from appeals you might get more and, if you were not getting a large number of successful decisions, you might find enthusiasm for it to be variable. That has been my experience generally of such things. Obviously, Centrelink would have to respond. People have rights to appeal and if they appeal then they will have to cope with it.

Senator SCULLION—Perhaps you could take this on notice. I am interested, perhaps in a budgetary sense—and you may not be able to give me the answer—to know whether or not consideration has been given to the fact that many of these people are in regional, remote or extremely remote places and they are not used to the appeal processes, notwithstanding what the minister has said, and I accept much of what he said. Has consideration been given to, perhaps, some special access and how it will actually work in that remote environment? I am happy for you to take that notice.

Mr Sandison—I think I can make a generic comment, Senator, that the Centrelink experience in regional and remote Australia has been significantly enhanced over the past several years. They would have taken account, for consideration, of the approaches they would be using to provide an appropriate level of service for the government’s proposal—and that was taken up as part of the advice that we gave to government. This is a total package about a targeted approach to income management and a service delivery approach to implement it—and it would have drawn on the experience of the last two years.

Senator Chris Evans—I need to excuse myself. As I have not been to satisfy Senator Scullion, I am going to retire hurt and leave him in the capable hands of Senator Arbib, who will be much more proficient at dealing with his queries. I have a plane to catch. Thank you very much.

CHAIR—Thank you, Minister. Welcome, Senator Arbib.

Senator SIEWERT—I have some questions in a broad range of areas, but I just want to follow up—

CHAIR—Can I just break in at this stage. We have had a number of consultations around the table, Dr Harmer. It is our understanding that the only questions we have are to do with income management and also with financial management. Other officers who do not wish to stay—of course, you are welcome to stay—do not have to stay if they are not involved with those programs.

Dr Harmer—I think those two areas involve quite a lot of staff.

Senator SCULLION—They are very excited so they will stay.

Dr Harmer—Yes, they are very excited.

Senator SIEWERT—I want to follow up in the vein that Senator Scullion has been pursuing for a short while. You are also now going to be getting people who will be seeking exemptions in metropolitan areas. This is going to impact on a group of people who, I suspect, will know about it the first time when they get a letter in the mail saying, ‘Guess what guys? The income is quarantined.’

Mr Sandison—I know that was not a question, but I would say that there would be a communication process well before that to ensure that the level of awareness was improved significantly before a letter arrived and they would also be engaged through Centrelink officers.

Senator SIEWERT—I was actually leading into a question. In that case, at what stage will you be engaging with those people on income support payments that are in category E?

Mr Sandison—We would have to work out a timetable for implementation. We are working on the timetable now, with legislation due to be debated in March. We would be working through the implementation timetable. We have not yet got a formal approach for communication. That is one of the major tasks we have: writing the legislation, the policy detail, the instruments, communication campaign and so on.

Dr Harmer—We will have plotted it against our current time frame and would have built into our planning those various steps.

Senator SIEWERT—Whether they get the letter as their income is being quarantined or whether they get the letter two months before, they will still get a letter saying, ‘You’re about to be income quarantined.’ The instant response from a lot of people will be, ‘Why have I been income quarantined? I send my kids to school. I meet all my participation requirements.’ You will get a lot of people appealing.

Dr Harmer—Mr Sandison said that it may be the case with some. It would be silly to deny that there would not be some people who will not, for example, have access to some broader information campaign. If we are planning an information campaign, and I imagine there would be—

Mr Matthews—There will be an information campaign.

Dr Harmer—we would hope that there would be only quite a few people who would actually be surprised that it would suddenly commence.

Senator SIEWERT—Will they be able to seek an exemption prior to the legislation coming in?

Mr Matthews—No, because if the legislation is not in yet—

Senator SIEWERT—Sorry, I phrased that poorly. Will they be able to seek an exemption prior to the start date of the legislation?

Mr Matthews—No, because you could not apply for an exemption until the measure was switched on in the Northern Territory. Until the legislative instrument to declare the area valid for income management was in place, you could not seek an exemption. The legislative instrument would not be in place for it to be exempted from—if that makes sense.

Mr Sandison—Depending on the final engagement strategy, once it is in place, if somebody were to receive a letter that advised them about income management that said, ‘This is the approach, you’ll be asked to come in and talk to a Centrelink officer.’ Like with the current system, you are given the opportunity to engage with a Centrelink officer to determine how you want your income distributed and how to determine the money management side. Those linkages would be made. So, again, the letter that said, ‘In a week’s time you’ve got 50 per cent that’s being managed’, is an engagement with Centrelink officers. We have to work out the process of what that would look like and that depends on the implementation plan the government agrees to for the Northern Territory.

Senator SIEWERT—Let’s say I am a single mum sitting in Darwin; my kids are going to school; I have met all my participation requirements—how long is it going to take me to get off?

Mr Matthews—Part of the messaging out would be something to the effect that, if you were notionally in the subject category, ‘you can seek these exemptions if you have that documentation.’ As part of the initial interview with Centrelink, before income management commenced, the person would have the opportunity to say: ‘Well, look, I believe I would fit the exemption category. Here is my documentation.’

Senator SIEWERT—When will I have that opportunity—before or after 1 July?

Mr Matthews—They would only have that opportunity once the area is declared—

Senator SIEWERT—After 1 July?

Mr Matthews—No, not after 1 July. If the legislation is passed then it would come into effect on 1 July. Then, similarly to current arrangements, it works on what is a ‘declared area’. So, until the minister declares the area to be, in effect, ‘live’ for income management, it is not in place and has no effect in the Northern Territory or anywhere else in Australia. There has to be an instrument in place to give effect to income management in a particular area. That is when the whole framework comes into effect, allowing somebody to be income managed, and then they can seek exemptions.

Senator SIEWERT—I understood it was intended to declare the whole of the Northern Territory.

Mr Sandison—No, our statement last week, I think, was that the legislation would cover the Northern Territory. The prescription of areas or regions would be a decision of government about an implementation process, and that is something on which we have given advice to government. I think we used the example of certain geographic areas, but that is as far as we went. The rest is advice to government.

Senator SIEWERT—The legislation covers the whole of Australia.

Mr Sandison—Correct. Once the legislation goes through, the minister still has to prescribe an area and, depending on what the area is—

Dr Harmer—That is a practicality, Senator—

Senator SIEWERT—I am not trying to be pedantic, but can you—

Dr Harmer—The reason it is like that is because it would not be possible for Centrelink to do it all on 1 July. There will be some sort of staging for practical purposes of implementation.

Senator SIEWERT—Okay. I am not trying to be pedantic, but I am trying to understand what the difference is when we say, ‘This is for the whole of the Northern Territory,’ when it actually applies to all of Australia and you are still going to be declaring areas in the Northern Territory?

CHAIR—Mr Sanderson, How does it work now? What is the process to get someone onto income management now? It would not just be a letter saying, ‘You are on.’ There is an interaction between the person and the department—

Mr Sandison—and Centrelink.

CHAIR—You have to learn what it means and you have to find out what the process is going to be. In the current situation in Centrelink in the Northern Territory now, do you know—even though I know you are from FaHCSIA—how long the standard processes is between a client and Centrelink before someone is actually placed on income management?

Mr Sandison—I would not know a standard time. Obviously it varies significantly in the remote communities given the ability of Centrelink officers to engage with some of the people, but basically it is not an ‘if you are not there on the day, everyone is on’ process. The whole intent is an engagement strategy to work with—

Dr Harmer—Individual engagement.

Mr Sandison—The intent of the initiative is to work with the person, assist with financial management and support them. It is an engagement strategy rather than just ‘Here is the letter’ and you are switched on.

Senator SIEWERT—Can we go back to the issue of why we are now saying it is specific to the Northern Territory? That is a government decision, is it?

Mr Sandison—Yes, that is correct.

Senator SIEWERT—And so the minister’s intention, instead of declaring the whole of the NT, is to go and—sort of the same way you have done the prescribed areas that are essentially—

Mr Sandison—It will be a staged approach but, as we said last week, there is no decision on what the implementation approach would be or what kind of staging there will be, just that there is some—

Dr Harmer—We do not know what the stages, or how big the areas, will be, but there will be constraints on how quickly Centrelink can do the whole of the Northern Territory, so it will require some staging. That is about all we can say at the moment.

Senator SIEWERT—Let's say, then, that I am living in an area that the minister has declared. It will operate the same way as a disallowable instrument—the current way that the current areas operate?

Mr Matthews—Yes, declaration of an area would be by disallowable instrument.

Senator SIEWERT—Nevertheless, having received all my letters and having come in for my engagement, the first thing I am going to ask is, 'How do I get off?' I have read the letters; I am in category E—obviously, I am in category E because I have had my letters—and I know I meet all the requirements to get an exemption. How long does it take me to get off?

Mr Sandison—If they knew that they met all those requirements, and they had evidence that they could bring in to that interview—this goes to that discussion we had about how we are yet to finalise whether it looks backwards or looks forwards; but if it were looking backwards—they could say, 'Here is my evidence; this is what I am doing.' As an example, there is a current student, who is in the target groups, who says, 'I'm a current student; here is my paid-up membership.' But we are looking at cross-matching to save people in the student category having to come in at all; we would already be approving that target group to get a student allowance. If it were a mother, such as the one you described, and she were meeting her requirements by doing 15 hours of work per week, if she is an activity tested mother—

Mr Matthews—For the parents, it would be more about the school attendance, enrolment or the other things relating to people who are under school age. But if Centrelink sends their letter, say, and the parent turns up for their interview about it, then part of the initial information and communication that the secretary talked about would also include information about the exemptions and the documentation that would not be needed for that. Centrelink would have information on that. So somebody could theoretically come to their initial interview prepared for that and basically say, 'Here's my documentation about my child's school attendance for the preceding two terms', and they could be exempted from income management prior to actually being put on income management.

Senator SIEWERT—At that interview?

Mr Matthews—Yes, theoretically—

Senator SIEWERT—In theory?

Mr Matthews—The details are still being worked through, but that concept is something that we are looking at.

Senator SIEWERT—Thank you. What about if I am unemployed and do not have kids? I am not going to go through the other things that we went through last week, but I did not ask this question: if I am unemployed, I do not have kids but I am in category B because I have met the other criteria—I have been on Newstart for more than the required period—

Mr Sandison—Fifty-two—

Mr Matthews—Or 13 out of 20—

Senator SIEWERT—Yes, I understand the categories—although I slip up sometimes because it is late! But, if I meet all the categories—I am unemployed but I do not have kids—and I am meeting all the participation requirements, can I get off then?

Mr Sandison—No. I think we had this discussion as well about—

Senator SIEWERT—I did not ask this specific question.

Mr Sandison—If you are meeting your participation requirements for employment—as an unemployed person working through the Job Services side, you have participation requirements of looking for X number of jobs within a fortnight—that is different from the requirements to get you off income management. You used the term ‘participation requirements’. An activity tested job seeker can meet their participation requirements as part of being an unemployed person. Our goal here is that they get to 15 hours of employment a week, which is in line with the employment outcomes. That is how they would get off income management.

Senator SIEWERT—If they are in that 15 hours—

Mr Matthews—I should probably clarify that. In the policy statements that the government has made, the benchmark for somebody who is unemployed with no kids—so they meet all the other definitions, such as 52 weeks out of 104 or whatever—is 15 hours of work, on average, for 26 weeks out of the preceding 52, on at least the national minimum wage. So, basically, if you have been employed on average for 15 hours a week for 26 weeks out of the preceding 52 weeks—it does not have to be 26 consecutive weeks; it can be in blocks, such as seasonal work and things like that—then you can seek an exemption. So, it is somebody with a reasonable pattern of employment.

Senator SIEWERT—What about if I cannot get a reasonable pattern of employment—I don’t have the skills or whatever—and I do not have kids? I am trying to understand why I would be income quarantined. Say I am unemployed. If I have no history of gambling, alcohol abuse, drugs—the three that are commonly listed—why am I income quarantined?

Mr Sandison—I think we did have this discussion. I think I ended up saying that it was a decision of government to provide the targeting. We talked about full-time study as being the other mechanism for an unemployed person. Somebody had raised a question with us about training, and the level of training, and we took that on board as an issue that the committee had raised—

Senator SIEWERT—I think you took that on notice, didn’t you?

Mr Sandison—Yes. Otherwise, a pattern of employment, as Mr Matthews said, is the exit off income management.

Senator SIEWERT—Thank you. I will ask you this question, because you may be able to answer—you may have had some interaction with Centrelink over it: are you aware of how many people have used the appeals process, with the restoration of the merits review process?

Mr Matthews—I have some statistics on appeals for the existing income management scheme in the Northern Territory. Up until 1 January 2010, from the information I have, there have been approximately 114 appeals through the ARO process and, as far as I understand, there have been a reasonably small number of appeals to the SSAT, fewer than five. I do not think we can reveal the exact number because it is reasonably small.

Senator SIEWERT—That probably reflects the fact that we know the reason they want to appeal is connected to it being a prescribed area. You cannot appeal against having your income quarantined.

Mr Matthews—You can appeal against the decision of the delegate—and that is probably about as much as I can say.

Senator SIEWERT—Was that 114?

Mr Matthews—That is information that I have, yes—that is, 114 appeals through Centrelink's internal ARO process.

Senator SIEWERT—I come back to my original line of questioning—and I appreciate your response. If I am a single mum and I have gone in thinking I might be able to demonstrate my circumstances straight away, what if I can't? Will you set a maximum amount of time in which the exemption process will be undertaken? Does that make sense?

Mr Sandison—I think it will link to the benchmarks that we have set, such as school attendance. If you had no evidence at all and your child was not attending school to meet the benchmarks, and if the benchmark was five days each term and two terms of reasonable attendance, you would have to wait until that point in time. But you initiate that request for an exemption.

Senator SIEWERT—So if I go in and I cannot demonstrate my child has been at school, I presume I would be told no. That is what I mean about that process: I go in with my reports and the Centrelink officer does not feel that they can make a determination on the spot. Are you going to set a maximum amount of time that people have to wait for that initial yes or no?

Mr Sandison—I think we will have to take that as a part of the lower level policy that we are working through now about those time frames for decision-making processes. We need to give people reasonable opportunity, particularly if, as you said, the Centrelink officer felt that they could not make a decision on the spot. Then there may be a request for the person to come back in a week if they can find some additional evidence, rather than a categorical no because there was nothing there.

Senator SIEWERT—But a person will be able to make a decision on the spot. They do not have to go and talk to somebody else; they will be able to make that call.

Mr Sandison—I think our answer to Senator Scullion was that we are working on the assumption that there will be a similar process to the current Centrelink models from remote Australia, but that has not been finalised. He raised the question of whether it was an individual person, a senior person or a team of people making decisions. That has not been ascertained yet.

Senator SIEWERT—But before you said—and I am not trying to trick you—

Dr Harmer—We think it is quite likely that that will be the case, but I think what Mr Sandison is saying is that—

Mr Sandison—We cannot guarantee.

Dr Harmer—Because some of that micro-policy is not yet settled, we cannot be definitive. But on the balance of probability, a Centrelink officer will be able to make a decision on the spot at the time. We need to be careful because some of that is not yet settled.

Mr Matthews—The service delivery intention would not be to make it unduly onerous on the person.

Senator SIEWERT—Should I be asking Centrelink about how much of the \$308.4 million it has been given has been used to pay for extra staff? Part of where I was coming from in the previous line of questioning, besides all the other information you gave me, is that this is going to be a quite intensive process as it involves taking people on, going through interviews—

Senator SCULLION—A bit over \$4,000 each.

Senator SIEWERT—Yes. It is going to be an extensive process. It is going to be longer than the process of just—I do not mean ‘just’, because how you do budgeting with people is obviously a very important thing—determining whether you are in or out et cetera. That is another layer. How many additional staff are Centrelink going to be putting on for this?

Mr Matthews—I think that would be a question that Centrelink would need to answer. The only thing I could say is that costings are not a simple process. It is quite complex when you have metropolitan locations and remote locations. The servicing requirements for those are very different. There are ‘ons’ and ‘offs’. So I do not know that it would be quite as simple an answer as you are probably hoping.

Senator SIEWERT—Okay, thank you. Before we go I do want to make sure we cover the issue that I raised this morning about the AIHW report. I also want to ask about some of the logistics relating to the overall process of rolling out the BasicsCard. I do not know whether I should be asking Centrelink that tomorrow.

Dr Harmer—If it is to do with the process of rolling out the BasicsCard, it would be a matter for Centrelink. As I understand it, they are on notice that that will be addressed tomorrow. What I would like to do, if I can, is handle tonight—because I have the officers here and I would rather not bring them back tomorrow—anything in relation to the income management scheme, the policy, the financial management support et cetera. We have all those people here. I would rather not bring them in tomorrow, but I do know that Centrelink will be here tomorrow to answer questions on the technicalities of the BasicsCard.

Senator SIEWERT—I appreciate that. I would like to ask about the financial counselling process as well.

Senator SCULLION—I wonder if I could just finish up on the issue of income management. I do not have too much. Then they can take off.

Senator SIEWERT—Yes, that is fine.

Senator SCULLION—I have always had a bit of difficulty about who actually sets the process, not so much who I can ask questions. I can recall being involved in the previous government. As you know, Dr Harmer, we started off with the philosophy, particularly in this area, where we said, ‘What we want to do, the mischief we want to prevent with this legislation, is to prevent people from purchasing four types of product.’ That was the basics on which we went ahead. My memory may be a bit wobbly, but I will give it the benefit of the doubt: there were probably some other benefits we sought, where we really wanted to ensure that people bought better things, and that they were available in the Outback Stores et cetera. So it was not just about prohibiting those four items—there were some other things—but, principally, that was it. We seem to have moved away in some areas, which may be a difficulty relating to implementation, and that is a question for Centrelink. But I am going to put these questions to you. You will flick some of the technical ones to Centrelink—or you will attempt to—but the issues I am getting to are: the rollout of the BasicsCard has had some fundamental issues with competition and its capacity to continue. I hope we would all acknowledge—I have lobbied this government, and you have made some changes, as have other people—that there are issues relating to the efficacy of the BasicsCard. If you do not have access to the BasicsCard in an Indigenous community like Katherine, you did not do very well for a year—and plenty did not. There was no mischief; that was just how it happened. But, in view of the fact that we are now rolling it out again, I would have thought that we would have learned the lessons from the past. I can cite an example. There is a camera shop in Alice Springs. I am allowed to mention them, because they have written to the minister about it. Basically, they have lost quite a lot of money. For whatever reason, they cannot get access to the BasicsCard. They do not sell pornography, gambling equipment, cigarettes or alcohol. They do not sell those at all; they just sell cameras, so people can record the history of their families and those sorts of important things. They particularly sell disposable cameras—

Dr Harmer—Senator, I am not trying to be difficult here, but I think I know the line of questioning. The only reason I am stopping you is that this would absolutely, in my assessment, be a question for Centrelink, not us.

Senator SCULLION—It comes back to the policy question, Dr Harmer. Across the road from this shop is Woolworths, who sell three of the prohibited items, which the BasicsCard stops you from getting—but they also sell cameras. I know we have been through those inequities, but I think it is still a policy issue relating to the further rollout, because you are going to have more difficulties outside communities. Communities have a sort of hub—maybe one or two shops, which are Outback Stores—and it is not difficult. But if you are in Darwin, and you are suddenly saying to this camera shop, where a lot of people have traditionally bought things: ‘Sorry, you are going to have to go to Woollies to buy your camera’, there is going to be a whole new level of community feeling. What I am saying is that there is an opportunity, in a policy sense, since we are now in a different situation. What are your thoughts? Have you put your thoughts to how you are going to deal with that in a philosophical sense? Is the policy now to prevent the purchase of those items, or is it simply to encourage the good items or whatever?

Mr Sandison—The policy intent around the use of a card and the income management does sit with FaHCSIA. I think the minister, in some of the policy documents, has made the intent fairly clear. I do not think it has shifted too far from some of what you described as the original intent which is about preventing purchase of some things and trying to improve the purchase of others, including food items. Some of the original policy that was around the particular shops, where there was access through the card, was based on the primary items that they sold, being food and so on. That crosses over, obviously, with some other items that those shops sell. In terms of looking ahead, we take on board your comments and, in all of this looking at the broader policy parameters and within the context of what the government has decided already, it is for us to provide policy advice, as will the Department of Human Services, to government about ways in which we can improve on the system, and take into account that it is in different areas and that there are different situations we need to take into account.

Senator SCULLION—As a lobbyist in that area, given that you will now be dealing with what you have described as the most vulnerable, the price and cost of items is really important. Just in this instance, one of the largest supermarkets, which is six metres away from the provision of the cameras, charged 30 per cent more for their disposable camera. The notion of competition in that particular space, I think, is important. I commend you very much to consider that.

Dr Harmer—I understand the point, Senator.

Senator SCULLION—I will ask about the details of the specific issues with Centrelink tomorrow and they should be able to deal with that. I do not think there is any doubt as part of this philosophy—and part of this is a response and the minister may wish to respond—that we have a promise from the current government that, if elected, they will lift the suspension on the Racial Discrimination Act. I see it and I do not think there is anybody who will wriggle away from that, that this is part of meeting that political outcome. Given what Senator Siewert alluded to earlier, this is given \$350 million over forward estimates expenditure. Across the board, per head it is going to be over \$4,000. Even for those people who we are already extending it into, it is a pretty expensive exercise. If you are talking about the quality of those lives, I can think of an awful lot of services at \$4,000 a head if they put their hands up but I am not really sure whether that would be the best alteration to their lives with regard to the provision of services, particularly in remote areas. As part of this process have you figured how much this is actually costing per head? I understand from answers you have given over time that you have carefully thought about the cost effectiveness of programs and you review them with that regard. Have you done some sort of cost effectiveness comparisons with other programs in this extension?

Dr Harmer—We haven't really because as you mentioned in your introductory comments this is about the government fulfilling a commitment to keep the elements of the Northern Territory Emergency Response and to introduce the Racial Discrimination Act. That is what this legislation and the change to the income management is intended to do. It is an expensive policy, but that is the policy of the government and they are prepared to fund it. Another way to look at it is that this is still an important element of protecting the children in the prescribed communities and there are a lot of kids who are going to be subject in those families where

there are 20,000 people being income managed—there are a lot of children in that group. So you have to take into account the life chances of the children who are now getting better food, are going to school et cetera, so it would be quite a difficult exercise. My guess is that it would be cost benefit positive, frankly, if you took the lifecycle costs of the children's education, the chances of getting employment et cetera that might arise from them being well fed, well nourished, going to school et cetera.

Senator SCULLION—Thanks for that, Dr Harmer. I have a final question, and I know the answer will probably be a lot shorter than your others, because it involves legal advice—I will put those questions and you will tell me to run away and that sort of stuff! My problem with this whole process is that I think you would have to have a fair level of comfort that the Australian law societies or the people who are very legitimately interested in these things would have challenged, certainly in the case of the suspension of the RDA, the fact that these special measures were not necessarily appropriate special measures. Clearly, the government said, 'We are hanging on to a couple of special measures that we think are irrefutable, and perhaps we're prepared to argue the case on the others.' I suspect there will be an argument unless the rollout is absolutely parallel. Given the challenge of the differential and the demographics we have talked about, I am not sure how we are going to deal with that.

Perhaps the minister can answer this: have you sought legal advice? I am not looking for the advice; I am not going to ask you to provide that. It is just that at some stage in the future we will be talking to the government about why they have that level of comfort, and perhaps they can share it with other Territorians so that we know that the NTER and the good work that has been done—certainly, the protection of children you have been talking about—is maintained. I am not sure whether you are able to tell me even whether you have sought advice on that?

Dr Harmer—I will let Mr Field answer the question, because there are guidelines about what we can say in relation to legal advice that we have sought or achieved.

Senator SCULLION—I am always vague on those guidelines.

Mr Field—Senator Siewert asked a very similar question on Thursday at the committee considering the legislation discussions with us. The position in relation to legal advice is that we are able to confirm that advice has been received, and we did confirm that advice has been received in relation to the income management regime and the Racial Discrimination Act. We do not go further than that and disclose the content of the advice, but government has received legal advice in relation to income management and the Racial Discrimination Act.

Senator SCULLION—Did you provide it to Senator Siewert in that committee?

Senator SIEWERT—No! He said what he said then.

Senator SCULLION—You have got to ask! Are you able to provide it to me?

Senator SIEWERT—If you do, why is he so special?

Mr Field—The position is that we do not talk about the content; we do not provide the advice. Should the senator wish to pursue that it would be a matter to take up with the minister, as I understand it.

Senator SCULLION—I am just going to work through the protocol. I am quite sure the minister is also unable to, but perhaps on notice he would—

Senator BOYCE—You should ask them for the advice.

Senator Arbib—I am very happy to seek advice.

Senator SCULLION—I am just advising you that it is a fundamental, and it is not the normal thing about wanting to look prescriptively at the advice. I think that for most people who have been intimately involved in this it is quite a reasonable issue, because you will ask us, saying, ‘Trust me, Nige. Support this legislation and it is going to be okay.’ I am just putting on notice that there needs to be some illumination of that advice. Other people who believe that they are luminaries in the legal area perhaps would not have said the same things. As part of this debate, at some stage we will have to shine some light on that aspect to give other people, if we want to get them on board, the level of confidence that clearly the government has at the moment.

CHAIR—Thank you, Senator. Is that the end?

Senator SCULLION—Just for the moment.

CHAIR—Senator Siewert, do you have any more questions on this area?

Senator SIEWERT—I will put them on notice.

Mr Matthews—I think I have a quick answer to Senator Siewert’s previous question about the comparison of the existing scheme with the new one. I think the best we can do is give you a broad comparison of, say, what the funding was for the core of the existing model in 2009-10 compared with, for example, the forecast for the core of what would be the new model under the legislation in, say, 2010-11. You cannot really directly compare them, but, in broad terms, the existing funding in 2009-10 for the current scheme was \$89.2 million, and there are currently about 16,600 people on income management under that. For the new scheme in 2010-11, the published figures are about \$95.2 million and, as I said, approximately 20,000 or 21,000 people. That is about the best we could provide, I think.

Senator SIEWERT—The \$95.2 million—what does that relate to?

Mr Matthews—That relates to the implementation costs for the new model to run the scheme in 2010-11.

Senator SIEWERT—I see—because we are dividing \$350 million by four.

Mr Matthews—That is a per-year cost, yes.

Mr Sandison—Just to clarify, we are not saying that that is a comparison of the two; it is just a statement of the figures and the dollars for each.

Senator SIEWERT—I understand.

Mr Sandison—I think that is about the best that we could sensibly provide.

Senator SIEWERT—No doubt you are aware of the questions I was asking yesterday in Health and this morning around the ethics committee and who had signed off on the project. Could you tell me the process for the project? Did you take the project to the ethics committee

of the department? At what stage was it signed off by that committee—before you took it to the institute or after, or was it an iterative process?

Mr Sandison—Basically, noting the time, we had an internal process to develop a proposal around the evaluation. We had a look at who we would go to in terms of looking at the different organisations that will provide the right level of quality and professionalism to do the work, and there was a decision made to engage with the institute. The work with the institute then advanced the methodology and the approach we were going to use. The institute then did a proposal to their ethics committee to take that forward. The ethics committee had some issues that they wanted to raise in relation to the proposal that was put forward by the institute. I have to say at this point that, in speaking to Dr Albon, there was no refusal to undertake this work as a result of ethical considerations. The ethics committee had some issues in terms of time frames. They were brought back. Further work was done to respond to the issues raised by the ethics committee. A decision was made that the institute could not meet the time frames to get back through their ethics committee. What we then did, with the agreement of the institute, was engage two organisations that could do the fieldwork and they were able to complete the fieldwork—

Senator SIEWERT—Sorry, that was with the agreement of—

Mr Sandison—The institute. We went to CIRCA, the Cultural and Indigenous Research Centre Australia, and ORIMA. The institute was actually already looking to potentially engage them to work on this project. We had those two organisations. They are on the panel with FaCSIA. When we go to organisations—I think as discussed this morning—they have to meet the appropriate ethical considerations and professionalism to undertake research in this area.

There is probably a difference between the ethics committee that works in a health environment and the consideration that is done within a social policy research area. Then, still with the support of the institute, so they were still engaged, we then went through the work with CIRCA and ORIMA to do fieldwork and undertake the rest of the work. In the institute stayed involved and did the analysis, so we stayed working with them. I think there were some misunderstandings with the discussion yesterday in terms of whether it was, ‘We are not going to do this work,’ versus the steps that were taken through that process, but we ended up as a department working through the methodologies, working with the institute and then using two highly professional organisations that met the standards for ethical work in this kind of research.

Senator SIEWERT—When did you take it to the departmental ethics committee?

Mr Sandison—I think in the discussions this morning—

Dr Harmer—I made it clear this morning that we do not have an ethics committee. We rely on bodies who we contract through research universities, institutes et cetera to have an ethics committee.

Mr Matthews—But it did go through the internal research and evaluation—

Dr Harmer—It went through an internal process, but not a formal ethics committee.

Senator SIEWERT—Okay. Sorry if I am using the wrong terminology. When did it go through your internal process?

Mr Sandison—I will do a check on the specific timing, but originally it was in December 2008. That was when we did the original proposal before engaging with the institute and then we were engaged with various areas across departments throughout the process because of the expertise for this work and the input that we wanted. We were working with different parts of the department all the time—the Office of Indigenous Policy Coordination and so.

Senator SIEWERT—Did you take it back when you were refining it? So you took it originally there and then you kept working—

Mr Sandison—I will have to check, on notice, about the timing.

Senator SIEWERT—Is it possible to get a flow chart of how it happened?

Dr Harmer—It would not be too difficult to produce a flow chart.

Mr Matthews—I think we could provide an overview, roughly, of the process we went through.

Senator SIEWERT—That would be very much appreciated. If you could also give us a flow chart on the normal process, and where AIHW came in, that would also be appreciated. I took what Dr Albon said yesterday as being a decision not to engage in certain areas. What you are saying is slightly different to what was said yesterday.

Dr Harmer—Yes, we are saying something slightly different.

Senator SIEWERT—Yesterday, Dr Albon was pretty clear about some of the issues she raised. She was also clear, I will acknowledge, on what she would not answer. So this is a bit of a different take on what we were given yesterday.

Dr Harmer—We are aware of that.

Senator SIEWERT—I know it is really late and we have a few other issues. I have already put on notice the questions from this morning. Thank you.

CHAIR—Thank you gentleman. We will see you tomorrow. I think it is most harsh, Dr Harmer, that the people who are coming on tomorrow morning are the last witnesses tonight—that is just my comment!

Senator SIEWERT—I am particularly interested in an update on the provision of financial services in Western Australia, and in the provision of services, beyond what was originally allocated, to Cannington. Could you give me, on notice, an update on the provision of services to Cannington? As we know, the trial is rolled out across virtually the whole of the metropolitan area, so I am interested in finding out what services you are providing for those additional areas.

Ms Stehr—On previous occasions we talked about the way that the financial management services work together. We have financial counselling supported by emergency relief, which the financial counsellors say is particularly important for helping some of the clients deal with some immediate problems before they can build on. In the Kimberley area of Western Australia there are the money management education services as well. Coming to your question about Perth—

Senator SIEWERT—I do want to get to the Kimberley in a minute as well.

Ms Stehr—Yes. We now have five financial counselling services funded in the greater income management region in Perth. In addition to that there is one telephone service that provides a state-wide service but, of course, it would be available to people in Perth. The state government also funds 25 financial counselling services in the Perth area.

Senator SIEWERT—Are they new ones or are they ones already in existence?

Ms Stehr—We have a mix of existing services that we have supplemented.

Senator SIEWERT—I just want to clear up the state government one. Are the state government's 25 services new, topped-up ones or are they existing ones already being funded?

Ms Stehr—I could not answer that, specifically, but I think they are probably existing services.

Senator SIEWERT—That is what I understood. One of the reasons that were being put forward for doing income management was to improve people's financial management skills. People's financial management skills with existing services were not up to speed. Presumably this is why they have been income managed. Existing services are not adequate. So I am looking for—

Ms Stehr—I guess there is an assumption implicit in that that people were already engaging in some level of assistance—if you like, some financial management support. I think that is one other thing that the Cannington service in particular has said to us has given them an opportunity to work with people who previously were not working with a financial counsellor.

Senator SIEWERT—Yes, but I must admit I have not come across any financial counsellors who have said to me, 'We were sitting around twiddling our thumbs previously and we did not have clients.' So it is a capacity thing. I appreciate that people are now engaging more but surely there is a requirement to provide more services because you do not want to drop off your existing clients.

Ms Stehr—Yes. The additional funding that was allocated through the budget process to support the trials was \$2.17 million for this year. FaHCSIA's funding that is going into that area for financial counselling and money management services—I should clarify that I am talking about the two trial regions here; this is the total—is \$2.3 million. So, over and above the additional money that was provided through the budget process, there is another \$0.13 million that is topped up through FaHCSIA. In the Perth region, as I have said, there are five organisations with around six full-time equivalent financial counselling positions plus the telephone service, and the funding for those services is around \$600,000 this year.

Senator SIEWERT—That is for those five counselling services?

Ms Stehr—Yes.

Senator SIEWERT—Where are they located? The five full-time equivalents are the total for the whole of the Perth metropolitan area, which is essentially where the trial is now operating except for the western suburbs?

Ms Stehr—That is the Commonwealth funded services—five organisations, six positions equivalent, and the telephone counselling.

Senator SIEWERT—I beg your pardon—that is six equivalent.

Ms Stehr—Those services are in the Cannington district. I am not sure whether you want me to name the services or not.

Senator SIEWERT—Yes, if you could. The Cannington district, as we know, is a huge area. Where are they located in that?

Ms Stehr—I do not know whether I have the address or the location here.

Senator SIEWERT—It just needs to be the suburb. As you know, there are about 30 suburbs or something in the Cannington district and it is the same for Mirrabooka district. Where are they located generally?

Ms Stehr—I have the coverage areas of those services, but I am not sure that I have their physical locations with me here. We can certainly provide that to you.

Senator SIEWERT—If you could. There are five covering the whole of the Perth metropolitan area, which is quite a large area. I will have to ask tomorrow. I am interested in getting the figures for how many people are now being income quarantined in the metropolitan area. If I put that on notice now, is it possible for me to get those figures tomorrow? Is it possible to get it now?

CHAIR—Income quarantining in Cannington, I would think, is not Indigenous; it is wider than that. So do you have the answer to Senator Siewert's question?

Mr Sandison—We will see if we can find it for you so that it does not have to go on notice.

Senator SIEWERT—Fine. I want it in the Perth area and the Kimberley area—compulsory and voluntary.

Mr Matthews—I can give you some numbers as at 1 January 2010. Approximately 491 people were subject to income management as at 1 January 2010. That was the total overall current at that date. There were 198 through the compulsory child protection initiative and 293 on the voluntary income management basis. The data I have from Centrelink shows there were 91 people in the broader metro area—

Senator SIEWERT—Is that of the compulsory or the—

Mr Matthews—that is the total, across both VIM and compulsory—and there were 400 in the Kimberley region. Again, the 400 is across both compulsory and voluntary.

Senator SIEWERT—Can you break those down?

Mr Matthews—Yes. The 91 is 45 on the compulsory scheme and 46 on the voluntary scheme. In the Kimberley there were 153 on the compulsory scheme and 247 on the voluntary scheme.

Senator SIEWERT—I have also been told that in the Kimberley some people have found it quite difficult and have asked to come off the voluntary scheme. Is that true?

Mr Matthews—Asked to come off the voluntary scheme?

Senator SIEWERT—Yes. They cannot ask to come off the compulsory scheme. There is a process, but—

Mr Matthews—The voluntary scheme is voluntary, so people can choose to come off. There have been a number of people that will be on for a while and go off. We also get cases where people go off and come back on. I do not have anything that says there is a horde of people currently stampeding to go off. I am not aware of any major problems with that. Broadly what happens is that in the initial phase you get a few people asking to come off as they settle into it, but once people are on we generally find that they will tend to stay on for a while. That is the best broad indication. The statistics under that are kind of hideous. I do not have on me any breakdown of how long people are on the scheme on average. It would be quite a complex thing to provide.

Ms Stehr—We might be comparing different time periods—apples and oranges. In 2008-09, which is the latest data we have—the data for this year is not due from service providers yet—the Cannington service alone had 82 clients. If there are 91 in total in the metropolitan area, that would suggest to me there are sufficient resources amongst those five service providers to deal with that number.

Senator SIEWERT—How are you finding the take-up of the services in the Kimberley?

Ms Stehr—In the Kimberley region, also in 2008-09, there were 1,627 clients. Just under 1,300 of those went to the money management services and 207 went to financial-counselling services.

Senator SIEWERT—Has there been a consistent uptake over the period it has been operating?

Ms Stehr—It would be fair to say it has been building. Some services have established since this trial began and they needed to engage staff and to work with the community to start to build the trust, so I think we will see those numbers building. They have been doing a range of things progressively to get out into the community and work with people to get them to trust the services and work with them.

Senator SIEWERT—Thank you, it is much appreciated. Are you undertaking an evaluation of the process and feedback from the clients?

Ms Stehr—There will be an element of the financial management services included in the general income management evaluation. We also look at the normal processes that we have in FaHCSIA about the report-backs from our service providers and we will be looking at research to see whether there is other client contact we would want to undertake. The primary way will be through that formal evaluation process.

Senator SIEWERT—About the feedback—you mentioned earlier that services are working with the emergency relief services as well, and I appreciate that there are 91 clients—is there an interaction between the ongoing need to access emergency relief with those clients as well as financial counselling?

Ms Stehr—My understanding is, and I hope I have this correct from the service providers, is that particularly in the initial stages they have actually found that using emergency relief to help a person stabilise or deal with some of the issues then helps the person to sort out other

issues—it might be credit consolidation and credit card debt and other things—to get them more on an even plane. As those skills build and the control over their money builds then the use of emergency relief would decrease.

Senator SIEWERT—Is that being included in the evaluation process—that process of how people access emergency relief and whether it is ongoing? Is there a pattern of ongoing use?

Mr Sandison—I would have to check the specifics of how detailed we are in the evaluation work that we are doing, but the broader issue of the linkages between financial management and the various services is something that we pick up about the overall income management.

Senator SIEWERT—Sorry, I am swapping between the two—as we talk I realise that I have got more questions. Has anybody come off yet? In other words, has this process worked so that somebody has actually now come off compulsory income quarantining? It has been running for a little while now.

Mr Matthews—Yes, people have come off both voluntary and compulsory. I am checking to see whether I have actually got the figures.

Senator SIEWERT—I am interested in voluntary and I did touch on that before because, as I said, I have heard people, particularly from the Kimberley, say that they want to come off; but I am particularly interested in where it is compulsory.

Mr Matthews—I not sure I have the exact figures. I probably do somewhere in here but it may take me longer than a few minutes to find them.

Senator SIEWERT—Could you perhaps take it on notice?

Mr Matthews—Yes, we can take it on notice. We do have the figures, I know that. I know it is somewhere in here but we could take it on notice.

Dr Harmer—The point is that the answer is yes to voluntary and yes to compulsory but we will give you the numbers.

Senator SIEWERT—I would like to know the figures if possible.

Dr Harmer—Sure.

Mr Matthews—Generally, the only thing I would say is that there may be some different reasons why they do come off. It may be that in general there is a notice period—the notices are put in place for six or 12 months from the child protection worker, depending on if they are in the compulsory space, then they may choose not to extend that. The notice finishes and the income management would cease for that person. There would be a number of cases where that has already happened because they might have put them on for six months or something like that, and that period has ended and they do not believe it is necessary anymore.

It was always envisaged that through the course of it the child protection worker may decide to revoke the notice—to turn it off for the family because either they are concerned that there is some adverse effect or, alternatively, there may be positive effects and they want to turn it off. We probably would have figures on how many of those have been counselled.

But for the ones where they might have been counselled by the social worker, I do not think we would have the range of all the reasons and specifics behind those decisions at this stage. That will be something the evaluation would pick up.

Senator SIEWERT—So that data is being collected somewhere?

Mr Matthews—In terms of the reasons why people exit? Yes, the reason about whether it is revoked or whether the notice period has ended is definitely collected.

Senator SIEWERT—Would the evaluation process then pick up if someone has gone back on again? You can probably work out what I am trying to find out; that is, if in the process someone comes off, has it had a long term benefit or have people gone back on again?

Mr Matthews—I imagine it would be. It is hard to say because there would be the process of evaluating the data and, broadly, the data would probably show cases where an individual had gone off and gone back on. Obviously that is a little bit into the future but it would be something that you would imagine we would at least attempt to look at.

CHAIR—That is now right at 11 o'clock, so we will adjourn for the day and reconvene tomorrow. Thank you, Dr Harmer. Thank you to your officers, *Hansard* and the secretariat.

Committee adjourned at 11.00 pm