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COMMUNITY AFFAIRS LEGISLATION COMMITTEE

ESTIMATES

(Additional Estimates)

FRIDAY, 12 FEBRUARY 2010

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BY AUTHORITY OF THE SENATE

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SENATE COMMUNITY AFFAIRS**LEGISLATION COMMITTEE****Friday, 12 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 Adams, Boyce, Fierravanti-Wells, Furner, Humphries, McEwen, Moore, Scullion and Siewert

Committee met at 9.00 am

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

Senator Arbib, Minister for Employment Participation

Department of Families, Housing, Community Services and Indigenous Affairs

Dr Jeff Harmer, Secretary

Mr Barry Sandison, Acting Deputy Secretary

Mr Rob Heferen, Deputy Secretary

Mr Bernie Yates, Deputy Secretary

Mr Andrew Tongue, Deputy Secretary

Mr Bruce Hunter, Deputy Secretary, Chief Operating Officer

Mr Sean Innis, Acting Deputy Secretary

Mr Brian Gleeson, Coordinator General for Remote Indigenous Services

Ms Cate McKenzie, Group Manager, Women and Children

Mr Evan Lewis, Group Manager, Community Engagement and Development

Mr Anthony Field, Group Manager, Legal and Compliance

Mr Steve Jennaway, Group Manager, Business and Financial Services

Ms Donna Moody, Group Manager, Program Performance

Ms Cath Halbert, Group Manager, Office of Indigenous Policy Coordination

Ms Julia Burns, Group Manager, Corporate Support

Ms Kerrie Tim, Group Manager, Indigenous Leadership and Engagement

Ms Amanda Cattermole, Group Manager, Office of Remote Indigenous Housing

Mr Bryan Palmer, Group Manager, Indigenous Programs and Economic Development

Ms Lisa Foreman, Branch Manager, Engagement

Ms Annette Gath, Branch Manager, Indigenous Budget and Coordination

COMMUNITY AFFAIRS

Mr Matthew James, Principal Adviser, Office of Indigenous Policy Coordination
Mr Bruce Smith, Branch Manager, Indigenous Policy
Mr Phil Brown, Branch Manager, Compliance
Ms Megan Lees, Branch Manager, Indigenous Housing Policy
Mr Greg Roche, Branch Manager, Indigenous Programs
Ms Helen Board, Branch Manager, CDEP Policy and Program Management
Ms Kari Ahmer, Branch Manager, Remote Service Delivery
Mr Geoff Richardson, Branch Manager, Governance and Community Strategies
Ms Karen Pickering, Acting Branch Manager, Leadership Delivery
Ms Amanda Doherty, Branch Manager, Policy and Strategy
Ms Yvonne Korn, Branch Manager, Safety Taskforce
Mr Gavin Matthews, Branch Manager, Welfare Payments Reform
Mr Simon Taylor, Branch Manager, Public Law
Ms Kim Vella, Acting Branch Manager, Budget Development
Mr Kurt Munro, Branch Manager, Financial Accounting
Mr Robert Ryan, Branch Manager, Indigenous Housing Programs and Services
Ms Bronwyn Field, Section Manager, Indigenous Housing Programs and Services
Ms Lisa Croft, Acting Branch Manager, Indigenous Housing Delivery
Ms Andrea Lanyon, Acting Branch Manager, Research and Analysis
Ms Tania Rishniw, Branch Manager, Indigenous Economic Development
Mr Ian Boyson, Acting Branch Manager, Remote Housing NT
Mr Dave Chalmers, State Manager, Northern Territory
Mr Mark Coffey, Executive Director, Alice Springs Transformational Plan
Mr Dave Agnew, Branch Manager, Property, Environment and Protective Security
Mr Andrew Lander, Branch Manager, Communications and Media
Ms Lynette MacLean, Branch Manager, People Branch

Department of Health and Ageing**Executive**

Mr David Learmonth, Deputy Secretary

Indigenous Health**Office for Aboriginal and Torres Strait Islander Health**

Ms Linda Powell, First Assistant Secretary
Dr Geetha Isaac-Toua, Senior Medical Adviser
Dr Brendan Gibson, Acting Assistant Secretary, Remote Health Services Development Branch
Ms Joan Corbett, Assistant Secretary, Program and Planning Branch
Ms Rachel Balmanno, Assistant Secretary, Policy and Budget Branch
Mr Garry Fisk, Assistant Secretary, Performance and Quality Branch
Ms Tarja Saastamoinen, Assistant Secretary, Family Health and Wellbeing Branch
Ms Alison Killen, Assistant Secretary, Better Health Care Branch

Regulatory Policy and Governance Division

Ms Teresa Ward, Assistant Secretary, Office of Hearing Services

Primary and Ambulatory Care Division

Mr Lou Andreatta, Principal Adviser

Mental Health and Chronic Disease Division

Mr Simon Cotterell, Assistant Secretary, Drug Strategy Branch

Mr Leo Kennedy, Assistant Secretary, Chronic Disease Branch

Ms Colleen Krestensen, Assistant Secretary, Mental Health and Suicide Prevention Branch

Population Health Division

Ms Janet Quigley, Assistant Secretary, Healthy Living Branch

Pharmaceutical Benefits Division

Dr John Primrose, Medical Adviser

Mr Robert Hurman, Assistant Secretary, Community Pharmacy Branch

Mr Andrew Stuart, First Assistant Secretary

Health Workforce Division

Ms Maria Jolly, Acting First Assistant Secretary

Ms Mary McLarty, Acting Assistant Secretary, Nursing, Allied and Indigenous Workforce Branch

Mr Graeme Rossiter, Nursing Allied and Indigenous Workforce Branch

Business Group

Mrs Samantha Palmer, General Manager

Medical Benefits Division

Mr Peter Woodley, Assistant Secretary Medicare Financing and Analysis Branch

Department of Human Services**Human Services**

Mr Brian Olson, Project Manager, Information and Communications Technology Group

Australian Hearing Agency

Ms Margaret Dewberry, Executive Manager, Indigenous and Multicultural Services

Centrelink

Mr Grant Tidswell, Acting Deputy Chief Executive Officer

Ms Roxanne Ramsey, General Manager, Indigenous and Remote Servicing Division

Ms Susan Cartwright, Acting National Manager, Income Management Branch

Ms Jo Gaha, National Manager, Indigenous Services Branch

Department of Education, Employment and Workplace Relations

Mr Robert Griew, Associate Secretary

Ms Jo Caldwell, Group Manager, General Employment Services Group

Ms Jo Wood, Acting Group Manager, Innovation and Partnerships, Indigenous Group

Ms Barbara Livesay, Group Manager, Indigenous Strategies Group

Ms Dianne Fletcher, Group Manager, Employment Purchasing Group; and GM, Job Seeker Support Group

Mr Bruce Edwards, Acting Branch Manager, Job Seeker Participation Branch

CHAIR (Senator Moore)—We will now open the Senate Community Affairs Legislation Committee hearing on cross-portfolio Indigenous matters. The committee is considering additional estimates on Indigenous matters that senators have indicated they wish to raise. These have been grouped on the program into themes and issues and relate to the portfolios of Families, Housing, Community Services and Indigenous Affairs; Education, Employment and Workplace Relations; and Health and Ageing. They relate also to Australian Hearing and Centrelink, which are agencies in the Human Services portfolio.

As you heard before, the committee must report to the Senate on 23 February 2010 and we have set 1 April 2010 as the date 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 there is any assistance required, Leonie is more than happy to provide you with that. I must draw attention to the Senate order of 13 May 2009 specifying the process by which a claim of public interest immunity should be raised. I welcome the minister, Senator the Hon Mark Arbib. Senator, this Friday is the second time you have been with us, I think?

Senator Arbib—It is the first.

CHAIR—The first? Welcome indeed. I also welcome officers of the portfolio departments. Minister, do you want to make an opening statement?

Senator Arbib—No.

CHAIR—Good morning, Dr Harmer. It is good to see you again.

Dr Harmer—It is nice to be here, Senator.

CHAIR—We will get rid of the stuff at the start. Mr Yates, we will acknowledge that this is going to be your last estimates with us. As a committee, individually and collectively, we want to thank you for all the help you have provided to us throughout your career but, in particular, when we have been trying to get this process as operational as we can. We do acknowledge your work and wish you well. My understanding is that it is the first estimates for the person who will be taking your job—when you get to the table, we will embarrass you as well. It is important to know that. It is a tradition we have.

We have had a number of discussions about how this will operate and we will try to keep as close to that as possible, but I know that you cooperate as much as you can, Dr Harmer. We will start. Do you or Mr Yates have an opening comment?

Dr Harmer—No, Senator

CHAIR—We will start with the general Closing the Gap session. I know that Senators Scullion and Siewert have questions, and possibly others will as we go through. On that basis, Senator Scullion, do you want to kick off?

Senator SCULLION—Indeed. Good morning, Dr Harmer, Minister and Mr Yates. I will try to stick to a bit of a format. The Closing the Gap area covers quite a few things. I will just kick off on one area. I would like to ask some questions on the commission of Indigenous disadvantage that the Prime Minister promised in his apology speech. Could you tell me when the commission was established?

Dr Harmer—Senator, are you talking about the commission on housing that the Prime Minister—

Senator SCULLION—As I understand it, there was a commission on Indigenous disadvantage more generally, and I was just trying to get to the bottom of this. I suppose housing is one of the principal indicators and—

Dr Harmer—Senator, I am not aware of any commission. I will do some checking and those of my people who are in the room will quickly follow up, but I am not aware of a

broader commission. I am certainly aware of a commission to advise the government on remote housing and, if you had questions on that—

Senator SCULLION—Perhaps we will just stick with the bipartisan commission on housing as part of that. I just was not sure how narrowly you read the apology and whether it was going to deal specifically with houses or associated issues, but perhaps we will just talk about the bipartisan commission on housing.

Dr Harmer—We can, but it would fit better under ‘Housing’, which is where the people will be prepared to talk about it. We could bring them to the table now, but it will mean—

Senator SCULLION—Perhaps I can just put on notice for a little later that I will want to talk about a number of issues about the commission, including when it was established, how it has met and all those sorts of aspects. In this area we would also deal with the Coordinator-General’s *Six monthly report*. Before I kick off on some general questioning about some issues in the report, I would like to congratulate the government. I think this report gives some clear indicators. This is not a question, only a statement. I think it has been very well done. I think the comparison of the standards is very useful—you know my fixation with trying to have some targets and some indicators. If we go through each township, there are a variety of different areas that one goes to. I certainly think it is an excellent report. The only positive criticism I would give it is that we could perhaps have some more specific indicators when we go back to each of those. Rather than changing them, even if there are other issues and indicators that come up, perhaps we could have some consistent ones. I am not saying that we need to have it right across the board, but I think the document would be a lot more useful, particularly if we could tie some of those to the principal Close the Gap indicators.

The Coordinator-General for Remote Indigenous Services has completed this report, and it is the first *Six monthly report*. In view of some of the opening comments I have made about the nature and format of the report—and I hope they are positive—have you had some discussions about how you could perhaps improve that presentation? Have you considered some of the issues I am talking about in terms of how we may improve or focus on some of that other information?

Dr Harmer—Thank you for your comments, Senator. I agree with you; I think it is a good report. I was not sure which way you were going with it, but now that you want to ask about those things I will ask the Coordinator-General himself, whom the committee has asked to be present, to come to the table. Mr Brian Gleeson, who is the Coordinator General who produced that very good report, is available.

Senator SCULLION—Mr Gleeson, thank you very much. As I said, I am particularly encouraged by the comparative services table, which does not really look at indicators of benefit or otherwise; it just looks at the infrastructure that is in place. From that table, would there be any specific recommendations? There are some things that stand out and make one ask, ‘Why wouldn’t you have that there?’ or ‘Why is this missing?’ Particularly if you look at the populations, it does seem like there are some glaring anomalies. That is not a criticism. How is the government picking that up? Are you making some specific recommendations in regard to that, or is it simply because it is a comparable table: government looks at it and the

different departments will pick it up? What is the process for dealing with the sorts of issues that we are clearly picking up in the report?

Dr Harmer—I think I should address that. The Remote Service Delivery program, an initiative of the government, is focusing on 29 communities in remote Australia. It is a new approach, deliberately picking communities that are of a certain size and where we would expect that there are prospects for development and advancement. The theory behind it is that the collective departments and state and Commonwealth governments are attempting to take those 29 communities to a level of services and service provision that would exist in a similar sized town elsewhere in Australia so that there will be opportunities for employment and opportunities for business. There will be a similar level of service provision and facilities available as would be available in communities in the rest of Australia.

What Mr Gleeson has done as part of his first report is to go through and identify the baseline. We are doing some further work on baseline mapping of services by identifying what is there and what is missing and indicating the nature of the services. At the federal government level across a range of different departments and at the state and territory level we will use that report to work on the ground with our government business managers and our regional operation centre managers to continue to develop services and facilities in those towns.

Senator SCULLION—More specifically, we as a committee are always looking for benchmarks and a target so that we can see how we are going. It is a very pointed incentive, particularly at these times. Perhaps I can go to the youth diversion personnel. From this chart I read that those who do not have a youth worker are Coen, Mossman Gorge, Fitzroy Crossing, Numbulwar, Umbakumba, Angurugu, Gapuwiyak, Hermannsburg, Milingimbi, Galiwin'ku, Wadeye and Yirrkala. I am familiar with many of those areas and we are all familiar with the issues around re-engagement, particularly of young people. We know how fundamentally important that youth worker is. I am also aware there have been youth workers in some of those places, so this is just a static position. Is any consideration being given to another level of sophistication in that line? I think the government would be quite reasonably open to criticism about why such large communities do not even have a youth worker. I know that is not the case in some of these areas. The conclusion I draw and that the public may draw from this perhaps is not accurate, and where it is accurate the responsible departments may respond by looking at budgets, heavier recruiting or whatever is necessary. Dr Harmer or Mr Gleeson, do you think providing this information is simply too onerous or would it be too detailed? Perhaps you can give me the rationale for this level of reporting, given some of the failures to identify.

Dr Harmer—I will start and then Mr Gleeson may want to comment. It is a really important report going through each of the 29 communities, so we can identify what is there and what is not. Currently in each of the communities, government officials, particularly led by our government business manager, are working with the communities. State or territory officials with Commonwealth officials across a range of departments are working through the government business manager with the local community to put together a local implementation plan. That local implementation plan will be developed in consultation and will talk about the communities' priorities, their first priority needs and how they can be

funded and supported by both Commonwealth and state governments. That is what it is intended to be used for and that work will be ongoing. As you would expect, as the government only recently announced the 29 communities, in some cases in those 29 communities we have made a pretty good start and in some cases we have a long way to go before we have anything like the level of services we would expect. As you know, we found that when we went into the 73 Northern Territory communities. Many of them did not have police and many more now have police. That is the plan.

Mr Gleeson—First, I thank you very much for your feedback on my first report. I would like to highlight that, as you said, this is a report at a point in time and therefore the information that is included effectively is out of date as soon as it is published. You are right to say that in terms of the particular figures, such as where a services table provides comparisons across communities, it could be that within a period of time—a week before or a week after—those figures might change. The particular services table you referred to is really a snapshot. I endeavoured to provide a subjective overview of different services that you would expect in any normal community. We could have included other things. This was put together pretty quickly—as you probably know, my position was only established in July last year and I put the report out in early December. This table is only a starting point and there is a similar table on closing the gap, but there is a process that is part of this whole architecture to undertake, as Dr Harmer said, comprehensive baseline mapping. That baseline mapping exercise will better inform the issue of development of performance indicators and trying to assess the issue of closing the gap in terms of measurement between similar sized communities. Obviously, you do not expect in a small community of 200 to have a hospital and to have a university, but you do expect to have basic education standards and health services. That is why we have to do baseline mapping.

As you said, some of the communities—Wadeye, Yirrkala et cetera—do not have a youth worker. My view very strongly is that they should have one. There is a very concentrated effort now in discussions with the state and Australian governments to prioritise youth, particularly in the early part of 2010. So there is a process underway to, if you like, develop a much more sophisticated approach in terms of both developing the baseline mapping and what the performance indicators are. Then my job, the statutory authority role I have, is to report on where those indicators are not being met across the states and the Commonwealth government.

Senator SCULLION—Just in terms of the process, I, like most Australians, am frustrated about the speed with which we change. It is not a criticism; it is just a general frustration that I think we all share—I am sure you do as well. Much of that is a reflection of the very difficult environment that we work in. I think people are encouraged when they see a report that says that clearly across a whole range of indicators this is a problem. The good thing about this report is it does not just say, ‘Indigenous Australia has a problem with oral health or poor attendance.’ This says, ‘In the community Numbulwar there are difficulties with oral health and the frequency of dentists visits.’ It refers to the difficulty with land tenure in Milingimbi and the school attendance issues in Maningrida. They are all different but they are very specific.

This report is coming out every six months. This is terrific. Between those six months we need to see some sort of a government response. We can all sit around this committee and quiz you on how you are going with these things, but I would certainly see some benefit in having some response to this report. Perhaps it could be done in between. There is specific 'follow-up'—which is a nuanced response, I suppose—on issues and findings. We would all like to know what is happening on that. Whilst these services can be quite acute in areas, how it translates on the ground has been quite prescriptively described here, and I commend you for that, Mr Gleeson.

Is the government considering making an in between response so that this comes out and then you can say, 'We acknowledge these things have been done in these areas,' so is not up to us to find out—like extracting teeth—what the government is doing about these areas? Is there a possibility of a government response? These are quite specific issues in quite specific areas. Whilst they may change, we have identified a challenge in a particular area at a particular time and I think the wider Australian community would be encouraged that there is a specific government response to those issues.

Dr Harmer—The approach around remote service delivery, the decision by governments to nominate the 29 communities and have them agreed as focal points, and the decision by government to appoint a Coordinator General and ask the Coordinator General to prepare a six-monthly report and make it publicly available is exactly about trying to get action in areas where there has not been action in the past. So there is a greater degree of transparency than ever before in what we are doing in remote Indigenous communities. The publication of Mr Gleeson's first report indicates the start of something that will continue for some time. That will be used by departments, Commonwealth and state—I can assure you, by our government business managers and the officials in each of the communities—to look at working with the community around prioritising expenditure and decisions.

The Prime Minister, as you know, yesterday produced the Closing the Gap report. The government is expecting us to act on those and to be accountable for those through the normal processes. They have not made a decision that they are going to respond to it, but they are certainly expecting departments, secretaries of departments and people on the ground to respond to it and are asking us to be accountable.

Mr Yates—Just to supplement that, there are a couple of levels. There is the on-the-ground response, which is the critical one that everybody wants to see. That is hardwired into the local implementation process that we are now working through in every community, informed by this type of information and some very systematic baseline data that we have just about completed in each of those places.

In addition, you mentioned benchmarking. We do need to have a good sense of what it is that we should be trying to achieve in each of those places having regard to the fact that we cannot provide everything in every place. The size of the community, the circumstances and the proximity to a bigger regional centre are all things that are taken into account. Mr Gleeson's report gives a bit of a snapshot of the things that are there and not there. We need to work through in each location what it is we need to do to put in new or enhanced services or infrastructure so that we bring each of those locations up to a good standard, similar to what

you would expect in an Australian town of comparable circumstances and population. We are doing that on the ground in each of those places.

Mr Gleeson's report identifies a number of higher level recommendations. The COAG process reviewed those late last year and has asked for a report back on what we should be doing around those recommendations, specifically across governments. There will be a report back happening at the next COAG.

Senator SCULLION—How often does COAG meet?

Mr Yates—It meets quarterly.

Dr Harmer—I think there is a meeting scheduled for March or April. I am not sure of the dates but there is one coming up in the first part of the year.

Mr Yates—We are working with officials across the states and territories responsible for implementation of this national partnership to deal with recommendations, of which some go to all governments and some go to specific governments.

Senator SCULLION—Most of my questions simply go to how we can best give effect to what I think is a good start on a good document. There are some glaring things as I pick up this document. As I said, let us go to youth workers. The reports states that in places like Wadeye—we know there have been a great deal of problems here—'youth issues are of critical concern'. We go through it and say, 'We'll have a look at the services in Wadeye.' There is no youth worker. So it all comes together. To me there are some glaring things. Every time I go there they tell me the biggest problem is trying to coordinate some activities, particularly recreational activities. We are doing well in attendance and are doing some stuff there, but we really need a youth worker there. But we have needed one for some time.

We have a report that clearly says, 'Look at the service in a human resources sense.' There is a glaring anomaly. 'Look at the issues in the community.' There is a glaring anomaly. It is terrific to say we will just have another meeting at COAG. We could build a building this size with reports we have written. We could wait for COAG to make a decision, and I know the importance of working together on these issues, because the service delivery is often a state and territory responsibility and we have to have a coordinated approach. I acknowledge that. But we have had these challenges in Wadeye for a very long time. This is just an example.

It may be useful—and again you may wish to respond, Dr Harmer or Minister—just to have some interim responses about what sorts of things are being done—perhaps the release of an agenda for COAG that identifies and pulls out of this report what the issues are. Not many people have the opportunity or the time to completely read these documents. It would be terrific to know, 'These are the issues that have come out of the documents that need to be dealt with at COAG.' And then we, as representatives of the people, could say: 'How are we going with those? How are we up to those issues?'—because I could see this again going to COAG and just sort of getting lost on the COAG agenda, yet there are some very specific issues that I think are going to come up in these reports. I need a deal of confidence to know there is a process to specifically deal with those issues.

Dr Harmer—Mr Yates did not mean to imply that the main audience for Mr Gleeson's report is COAG. It certainly will go to COAG and it will be relevant for them to have a

discussion there because, as you know—this is the example you raised—a youth worker is not a federal government responsibility; it is a state or territory government responsibility. The Prime Minister, I am quite sure, will use Mr Gleeson's report quite effectively to note some of those gaps in the provision.

The report produced is being acted on as we speak. There is a lot of action going on in each of those 29 communities with our government business manager and territory officials working on what the priorities are. Youth workers are not the only gap, as you very well know, Senator, in services in Wadeye. There are a lot of other things we need to do in Wadeye and the question is: in which order, and which is the highest priority, noting that neither the Northern Territory government nor the federal government has unlimited resources. The community is involved with our people and the state and territory people in working through this question.

This is the first time that there has been an identified priority in communities. There is transparency in what is there; there is a significant baseline mapping in the services and their provision and a public report. Mr Gleeson will go back to each of those 29 communities before he reports next time, and he will be looking at progress and making comments on where there has been progress and where there has not et cetera. It will be quite transparent and we, and the state and territory officials, will be much more accountable for what is happening in those communities. You will be able to see what is happening and follow it much more clearly than you have ever been able to before.

Mr Gleeson—Can I add very briefly to Dr Harmer's comments. As Mr Yates said, the response to my report is at two levels. There are some high-level recommendations which we responded to through the departments, through the states, through the COAG process, but I think the main thing to highlight—that Mr Yates referred to—is that there an ongoing process, and Dr Harmer just touched on it, which calls upon all of the governments and all of the government capacity in each of the communities to work with the communities on developing a local implementation plan. Those plans are in a stage of evolution—draft stage in some communities, others with a bit more work to be done. Each local implementation plan will draw upon the baseline mapping results. It will draw upon my report, community feedback, and it will have a comprehensive action plan across the building blocks under the RSD National Partnership Agreement, under the COAG national partnership agreements, to address health, education, housing et cetera. That will again be a consensus document between governments and the communities on what has to happen in that community over a period of time.

The other thing I would like to highlight is that my report talks about some specific issues. I do not want anybody to think that all the governments are not doing anything until other things take place. I will give you two quick examples. I talked about the Lajamanu health centre in my report and you know it, you have probably been there to see it. There have been a lot of discussions between governments and me, my people and others, about what should happen to improve that situation. That has been ongoing. The second example is a PCYC in Doomadgee where the funding was not being provided by the states. That has now been resolved and it is up and running. So they are the examples—if you like, I can give you another 15 or 20.

Senator SCULLION—Could I just ask a question? They are opportunities to capture those examples and to highlight them to give some encouragement to Australians that these issues, as identified, are being resolved. I am not being critical of the process and I should not be telling governments or public servants about trying to highlight our successes in this area, but I think it is really important. I can tell you now I am not going to pore through the transcripts of COAG—if they are available—to see what is actually going to happen. It is a very confusing area. One of the other reasons that we need to do this is that some of the resolutions are transferable and, I can tell you, they are unknown in other parts. We still do service delivery differently in almost identical environments, certainly in my electorate. So, the notion of transferability of those things that go well can be captured and, at some later stage perhaps, through persuasion that it is working well in one place it can go on to another.

Senator Arbib—Senator, can I make a comment on that? I think we have come a long way in terms of reporting and for the coordinator to be reporting every six months is a big step in the right direction. You have made that point. These reports, though, obviously are quite intensive and require a great deal of resources and the last thing I think the government would like to see is tying down the coordinator and his resources with constant reporting. I think moving to six months is big, big step in the right direction. I take on board your comments and all ministers in departments will work to resolve issues that are raised and work with the states and territories.

Mr Gleeson—Can I just add to what the minister has said. I have been encouraged through the minister to elevate issues that need resolution—from state governments or from the Australian government—as soon as they arise, so it does not wait until the report process. We have been having some great results by taking up those issues. Secondly—I am reminded by Mr Yates—I do have a website which gives you a picture of every community. That is a website which keeps a communities update. As Dr Harmer said, it is a very transparent process. You can go into the community and see everything you want to know about it—what happened with the community visits, what were the issues, what followed up and what the results were. I think there is a lot of accountability from all the parties to see some specific traction taking place over a short period of time.

Dr Harmer—The appointment of Mr Gleeson and the establishment of the role of the Coordinator-General as a statutory officer with a requirement to produce a publicly released report is a significant step and Mr Gleeson is involved—between reporting—in negotiating and trying to fix things and naming and shaming to some extent, if you like. That is his role. The Prime Minister at the moment intends Mr Gleeson to make FaHCSIA officials, state officials and officials from various others departments a little uncomfortable if they are not making progress. I am pretty confident that it will do that. In my interaction with other senior officials from various places, Mr Gleeson is reporting and constantly looking at what is happening—did that happen when it was said to have happened? It will, I think, add to our energy and accountability.

Senator SCULLION—Mr Gleeson, you travel. One of the issues is that Indigenous communities always tell me, 'It would be really nice not to have another change.' At the end of the day, you would say, 'Listen, this is going to be research. It is going to implement a plan for change in service delivery.' When you were in Ngukkur, did you know that they have a

plan that starts last year and goes forward till 2018? They have just signed off on this plan. You have just arrived and said, 'Hi, I am Brian, I am here to help.' How have they accepted that there is going to be another or new plan or have you said that perhaps we can implement it in the existing plan and change that? How are you dealing with those government arrangements as you move around?

Mr Gleeson—Thank you for drawing out Ngukkur as an example because I think it is a very encouraging community from a number of perspectives. They do have a community development plan and they shared that with me and also other government officials that came with me during those visits. The approach will be that, where there is an existing community development plan, it will help to inform the development of the local implementation plan. So it will not be thrown out; it will be used and integrated with the local implementation plan. In that sense, with the benefit of the baseline mapping and other up-to-date information, we will have a much more informed document which can form a basis of accountability for all the government departments to respond to in terms of their commitments.

Senator SCULLION—In your discussions, Mr Gleeson, the governance arrangements that are in place often are difficult and very different. In the plan, are you inviting the people who are currently responsible for the leadership of these communities to re-look at some of the government's arrangements and the long-fought issue about health centres in places like Milingimbi? There the only reason we do not have one is because, although there is plenty of space, we just cannot agree where it is going to go—some people want it really near their house and others do not. That does not look like it is being resolved and good luck with that space. Unless we resolve some of those fundamental issues, this service delivery plan is going to continue to be difficult. I understand the government had this challenge between everybody there having a right to a really good health system and yet having to respect notionally the traditional owners ongoing fight because they are traditional owners from a lot of places and there is a lot of tension in that area. There are a number of examples we could share from that area. Do you think it is worth having some specific plan to deal with those issues that have gone on for a long time and in what areas? We had many of those issues before the Thamarrur arrangement. Do you have some views about accelerating negotiations around that to allow for infrastructure? Forget about the plan, you are not going to get to the end of the day unless you can resolve some of those issues, Mr Gleeson.

Mr Gleeson—I will make some comments and then ask if FaHCSIA want to add to it. First of all, there is a specific section in my report talking about governance and leadership because it is so crucial. There are two elements which I have highlighted: one is the governance capacity from the government representation in each community; and the other is the governance leadership within each community. As I mention in my report, there are a number of problems in terms of the current leadership arrangements within communities. Some—and I will not mention them—actually asked for specific help and said, 'We have got problems. We have got five plans sitting in a meeting here with you today. We are pleased to be here. But when you talk about signing off on a local implementation plan, we are not too sure who is going to sign off and whether we are all going to be happy with exactly what we come up with.'

There is a very concentrated effort going on now across all of these 29 communities focusing on leadership and governance within communities. There is a program led by FaHCSIA which has been very, very effective in trying to provide leadership training across all the communities. I have gone one step further and said that in some places we may need to have a tailored program because you cannot just have a leadership program that is developed in Canberra with the support of all others and validated by communities that can be applied in every single community. It will not necessarily work.

There is work underway now to have a tailored approach to the different communities. I would say that there are people in the game. I was in South Australia last week and they were also doing some work on leadership. One challenge—and, again, this is mentioned in my report—is trying to connect the dots and trying to ensure that we have all the people working together because we do not want communities being bombarded by different bureaucrats coming in trying to do the same thing. There have been too many examples of that in the past.

It is quite clear, you are right, that there are some problems. Unless we improve the leadership within some of these communities, it is going to be very hard for governments to get progress. From my point of view, it is one of the high priorities for us in early 2010 to say, 'Get that right. Get the communities working together. Give them ownership et cetera.' From that, you can build on getting greater success through the government's support.

Dr Harmer—I just want to assure you that we understand governance and leadership. With our experience in the communities—the 73 et cetera—we understand that unless we can get some sort of agreement then we will not make great progress with the local implementation plans. In the same way that the government is asking all the federal departments to focus on the needs of these 29 communities and to prioritise some of the expenditure to ensure that we can make real progress in these 29 communities that is demonstrable to the outside world, FaHCSIA have a leadership and governance program. We are looking to transparently divert more resources in our leadership and governance program to these 29 communities because we know how critical that will be to get the implementation plans developed, agreed to and owned by the communities, and acted on. We are doing that. As you know, there is a lot of scepticism about how well we would go with negotiating the leases because of some of those similar issues around different communities. So far we are doing pretty well in the communities. Perhaps we will come back to that later. There are some signs that we are making some progress and we are certainly putting in an investment on that issue.

Senator SCULLION—Dr Harmer, as you know, I have been a big supporter of the Indigenous leadership program here. But that is entry level leadership, though people are now slowly coming into it. But, in many of these areas, the people who are making the decisions do not have any access to that because there are existing leaders and they have been there for a long time. If you are moving some of those resources back into the community, I think that is fantastic.

Dr Harmer—Ms Tim has come to the table who runs that program from Canberra. She could talk about what we are doing if you want, but if you want to move to something else that is fine too.

Senator SCULLION—Could I perhaps move to something else. There are two issues. There is governance and there is school attendance, which is the thematic. It does not matter where you go, people are aware of it, either because there is a lack of outcomes or simply because the kids are not going to school and they do not know what to do about it. This report is all about service delivery. I understand, Mr Gleeson, that you cannot just say, ‘Well, service delivery—we will just talk about everything.’ I assume that there is some sort of a ‘parking lot’. When you go to a community, Mr Gleeson, as I do, they want to talk to you about what they want to talk about, not necessarily what you want to talk about. Whilst it may not be specifically service delivery that is captured, is there a process to capture all of the ‘parking lot’ issues and make sure that people who are responsible from other government departments are involved and that someone acts on it? We have to deal continually with the cynicism. Someone will say, ‘I told this bloke about this and nothing happened’, and ‘Well, it’s nothing to do with him’ is sometimes the response. Is there a bit of a process to deal with that?

Mr Gleeson—I would say there are two things to mention in response to your question, Senator. First of all, I refer to the baseline mapping exercise that is going on, a very sophisticated methodology of trying to establish the services that should be provided for a community of a certain size. That has been going on for some months and will be finalised over the next few weeks. That is one thing. Secondly, again I refer to the local implementation plans, a whole-of-government product which will be done working directly with communities. We have to balance the community aspirations with what governments want to see through the Closing the Gap targets. This is what we will have to do through a consensus negotiation process. In my discussions with the communities they understand that, but there is a very strong responsibility on them to have a bit more ownership and ensuring that they are able to come to the table with a clear picture of what they want and also that they own up to their responsibilities for delivering on what they are accountable for. As you said, school attendance is a very important one. In some houses, regrettably, we do not have parents taking responsibility.

Dr Harmer—Senator, when we interact with the community we keep a note of their priorities but we also use the opportunity to inject some reality into their requests and demands. Mr Gleeson and I visited the four Western Australian remote service delivery sites last year and at a couple we got into discussions about priorities. Of course, some of them were quite unrealistic, and we used the opportunity to say, ‘Look, we’re not here to promise that we can fix everything overnight and we want you to be thinking about priorities within the town. You’re talking about airstrips and sealed roads for miles et cetera. They may be a longer term priority, but what about what you are going to do in working with us and getting your kids to school?’ So it actually provides an opportunity for those sorts of discussions about what they are going to do as well as what we will do and for trying to be realistic about what the communities can expect. In the past one of the great difficulties has been there has not been enough discussion about the reality of what can be provided. The local implementation plan will be both an education process and a planning process. I think that is a positive.

Senator SCULLION—Certainly.

Senator SIEWERT—We all talk about parental responsibilities, but it is a catch 22 situation here, isn't it? When you have got 10 or 15 people living in a household, and in some of the communities we know it is more than that, the underlying issues are around overcrowding and school. We have been through it time and time again: kids are being kept awake all night because there is overcrowding. You say they have got to start attending school, but they are still living in those same conditions—until you build houses. Don't we have a catch 22 situation because those issues have not been resolved? Are you taking into consideration that you cannot start addressing the issues until you have improved the services?

Dr Harmer—We certainly understand the link, Senator.

Senator SIEWERT—Is that being taken into account?

Dr Harmer—It certainly will be.

Senator SIEWERT—How?

Dr Harmer—As you know, there is a huge investment in housing across the nation through the National Partnership Agreement on Remote Indigenous Housing. As you know, it is not possible for government to fund—

Senator SIEWERT—I know that. The issue—

Dr Harmer—in the short term for the need, but there is a huge investment.

Senator SIEWERT—Yes, I understand that, but Mr Gleeson was saying, 'Well, we expect parents to accept their responsibilities.' It is extremely difficult to improve those issues until the housing situation is fixed.

Dr Harmer—We understand that. In the local implementation plans there will be account taken of the sequence. One of the things that happened in the past, as you well know, is that departments did not coordinate their activity and facilities or services were put into place in a community without thinking of the connections and linkages. There might be capital available for some sort of facility but no-one had thought about what else needs to happen to make sure that facility is actually really effective in the town. That is what the implementation plan is about.

Senator SIEWERT—I understand that. I am asking particularly about when you are doing the benchmarking and when parents are starting to get penalised or when towns get a black mark for their kids not attending school et cetera as this process start. The point is that it is going to take a while to get housing into place, so you are not going to see the pick-up of kids going to school and all of those sorts of things until some of those underlying things are dealt with. Is that being taken into account when you are saying yes or no on whether they are meeting their local implementation plan?

Dr Harmer—I can assure you that we understand that dilemma in the staging and so does the government.

Senator SIEWERT—You were talking about the issues around the linking up of roads and local implementation plans. I am aware that in my home state of Western Australia that is an issue and there have been concerns. As you will be aware, a number of the members of this

committee are also on the Regional and Remote Indigenous Communities Committee, and it was raised with us last year that the Fitzroy Crossing community in particular have a quite extensive plan for the region, not just for the town. We were also told by Mr Ross that they were trying to talk to you about those issues. Where are you up to with that negotiation?

Dr Harmer—I suspect I might have to take that on notice. I do not think we have got the detail of exactly where we are at with negotiations in individual communities.

Senator SIEWERT—Okay, if you could. I do not expect you to be up to date with every single one, so take it on notice. The broader issue was, as I understood it from the evidence that we took then, that there were some issues around the fact that they had a vision that goes beyond just the town and they wanted to deal with some of those other issues. We heard that particular evidence and I am sure there are other communities that are the same and they have a bit of a difference of opinion in terms of how extensive they wanted to be. I am not just picking on that community; I am using it as an example.

Mr Yates—Just to add to what we have said, you are right and we are working very closely with Mr Ross and others in the Fitzroy region. We have agreed with them, as has the Western Australian government, to focus not just on Fitzroy Valley but also on the surrounding communities and to look at the town in its context and in the interests of those who live in the neighbouring areas. We are taking a more comprehensive approach there, as we are in Halls Creek. So it is not solely town focused.

Obviously, in each of the locations we are interested in building up the capacity of those locations to be more effective service hubs that will benefit neighbouring communities and people who are living in outstations, who we cannot build high-grade secondary and tertiary health services for because it is a very small location, but we can improve people's access to those better services and that is where those issues of roads and transport obviously come into play. So we are trying to take a holistic approach to this and right throughout working it through with the community because we might have some great ideas about plugging gaps in services, but if the community is not party to those discussion about how to do that most effectively and what the most sensible sequencing of addressing gaps would be then we are not going to maximise the impact from our efforts. It is going to be a situation in each particular context and this time around the engagement with community representatives and local people is an integral part of how we are trying to bring about change. It is not just about coming in, doing a bit of a gap analysis and parachuting in some stuff. It is very different.

Mr Gleeson—Can I just mention, because it links backs to some comments Senator Scullion raised before, the Fitzroy Futures Forum and the role of the women. What they have done there to bring the community forward in a number of different areas is an example of a community where they are taking ownership and responsibility. The government is supporting the community in a number of ways to try to give traction to get quicker results. So there is a whole-of-community approach. When Dr Harmer and I went there we were very impressed with all the people we engaged with. We saw a strong sense of ownership and a willingness, desire and motivation to really make a difference. That is why my report highlighted one page, saying, 'Here is an example of what can happen when a community works with governments to seek progress.'

Senator SIEWERT—I appreciate that. That is certainly the impression that I have got and that I suspect many other members of the committee have too, because we have been up there several times now. Because in that community there is a strong sense of ownership and they have spent quite a bit of time investing in their outstation program—and they have a very strong commitment to that and valid reasons for maintaining that process—I am particularly asking about this and ensuring that their wishes are also being met.

Dr Harmer—I think Mr Yates has reassured you on that.

Senator SIEWERT—Yes, thank you. I have some other questions but I think they go in a bit of a different direction to where you were going, Senator Scullion, so if you want to go back to where you were going to—

CHAIR—I draw senators attention to the fact that it is now 10 minutes to 10 and if you are wanting to cover other issues in this segment you had better check—

Senator SCULLION—I have finished my inquiries.

Senator SIEWERT—Okay. We spent a lot of time talking about the 29 communities. There are a whole lot of communities that are not being funded under this process. There are some in Western Australia that have certainly been in contact with me, asking, ‘What services are we going to get?’ There are a lot of communities out there now that are unclear about what services they are going to get because they are not one of the 29 communities. Mr Gleeson, are those communities part of your remit as well or is your remit just the 29 communities?

Mr Gleeson—I am only responsible for the 29.

Dr Harmer—Mr Gleeson’s appointment and position is specifically, to be frank, to keep both the Commonwealth and the states focused on making a difference in those 29. It certainly does not mean that in other communities we are going to take services away or not pay attention. But governments—Commonwealth, state and territory—have deliberately focused on the 29 as focal points. There is no walking away from that. We cannot afford to continue spreading the money thinly across the communities, expecting that the money available will make a difference in all communities. We are quite optimistic that this will do it. Other communities will be serviced and prioritised with various expenditures in the way they have been in the past.

Senator SIEWERT—Were those 29 selected by COAG? Did the various states nominate them? How were they selected?

Dr Harmer—They were agreed between the Commonwealth and the various state and territory governments. There was quite a lot of negotiation around that, as you can imagine. They eventually agreed by COAG after considerable bilateral negotiations.

Senator SIEWERT—Were communities involved in the negotiations or were they purely with the states?

Dr Harmer—I do not know the answer to that. I think probably it was a Commonwealth-state type of negotiation.

Senator SIEWERT—Without communities being consulted?

Dr Harmer—For some communities no doubt there would have been some consultation. I do not know the extent of that.

Senator SIEWERT—Could you perhaps take that notice to let us know if there was consultation with the communities involved and, if so, who was consulted from each of the communities.

Dr Harmer—I will, but I should just note that given that there has been an agreement that there will be four in Western Australia I cannot imagine a negotiation process or a consultation process with the communities that would have had any sort of agreement about which four that should be.

Senator SIEWERT—That is one of my concerns. We are looking for a degree of community engagement with Aboriginal people in decision making. The feedback that I have had from a number of communities is that there was no engagement, or they did not know about it, there was not Aboriginal engagement in the decision making and it was another top-down approach by government.

Dr Harmer—I suspect it varies from jurisdiction to jurisdiction. Rather than have a punt at it, I will get you some information.

Senator SIEWERT—If you could take it on notice, I would appreciate it, because I have certainly had a lot of questions about how the decisions were made. Is there a time frame for when the process for working out the implementation planning in each community is going to be signed off?

Mr Gleeson—Yes. Basically, the intention is to get the results of the baseline mapping exercise over the next few weeks. There are drafts already prepared in a number of communities—the local implementation plans—but we are expecting it by the end of June. That is what is planned. Again, it depends on negotiations. You can go into a community and try to have a negotiation over a period of weeks—because of the issue Senator Scullion raised before about communities and leadership—but the plan is that by the end of June we would like to have most of the LIPs signed off.

Senator SIEWERT—Thank you; that is appreciated. This is not a question for you, Mr Gleeson; it is a question, I think, for the department, but it still relates to closing the gap: if you are not a priority community but you are still providing some services to those communities, is there a process for how delivery of health services et cetera is handled? Or is that still as per—

Dr Harmer—There is no change in the normal prioritisation of resourcing for other communities. The 29 communities are deliberate priority communities for the various jurisdictions in the Commonwealth. As far as I am aware, there will be no change to the way services are prioritised in the locations of the other communities that are not part of the 29.

Senator SIEWERT—For example, the initiatives that were announced yesterday will be available to all Aboriginal communities?

Dr Harmer—Which initiatives are you referring to?

Senator SIEWERT—For example, the mothers and babies—mums and bubs—program.

Dr Harmer—I am not familiar with the detail of the locations, but I think there were some locations identified and some not. I am not sure. Someone may know whether the locations that were not identified by the Prime Minister are to be in the 29 or whether they are available for selection and negotiation with jurisdictions.

Ms Powell—The mothers and babies program is being rolled out across Australia. There are about 40 locations, and the remote communities are as eligible as any other community.

Senator SIEWERT—Thank you. I will have questions about some of the programs later, in health. I did not want to go out of order; I just wanted to know where the priorities were. I had another question along those lines, but I will need to come back to that one because it has slipped my mind for a minute. The communities that are not part of the priority communities go through the current approach to accessing their services, so nothing has changed there. Is that the point?

Dr Harmer—Yes.

Senator SIEWERT—Which of the other programs—SIHIP, for example—are just targeted at the priority communities, the 29 communities?

Dr Harmer—We would have to give you a list of those. I would not want to take a stab at all of them now, because quite a few programs are targeted at Indigenous Australia more broadly, some specifically at the 29 communities. For example, from memory the \$46 million that the Prime Minister announced yesterday as a flexible funding pool is targeted at the 29 communities. It is intended to give a quick push to the local implementation plans, making them a reality in some areas which do not fit quite neatly within the programs of some of the major Commonwealth and state departments. That is one example, but there are others. Because it will require some coordination across the various departments, I would rather not just blurt out a list.

Senator SIEWERT—Surely, Mr Gleeson, you know which programs you are responsible for implementing into those communities.

Dr Harmer—Senator, I will just clarify. Mr Gleeson is not responsible for implementing any program in the communities.

Senator SIEWERT—Or ensuring the coordination of—

Dr Harmer—He is responsible for reporting on how we are doing in implementing things in the communities.

Senator SIEWERT—Sorry. I will fix my terminology. My question still stands. Surely, when you are reporting on those programs, Mr Gleeson will be aware of the ones that he knows have to be coordinated in those communities.

Dr Harmer—The mix of programs and services required for individual communities will be determined by the local implementation plan development in consultation with the community. There is not a segregation within FaHCSIA, for example, of money just for the 29 communities apart from the ones targeted specifically at it.

Senator SIEWERT—They are the ones I want to know about.

Dr Harmer—We will try to give you a list. I mentioned an example earlier. Our significant resources for leadership development across Australia are not targeted at the 29 communities. It is a program that is available for all of Australia. Because governments have decided on prioritising services to those 29 and because we know of the significance of effective leadership to make it work, we are directing more of those resources, in the short term at least, to those communities. That is how it will be. We are asking that when the health department, DEEWR and various other big departments are looking at their resource allocation, where they have some discretion to work with us on the implementation plans and to devote resources specifically to some of the 29 communities. But there is not a bucket for each community yet, and there are not a series of programs aimed at the 29 communities, apart from the flexible funding pool program and the program to fund the government business manager et cetera. There are some dedicated resources, but genuinely we are looking to access the mainstream resources to fulfil the implementation plans.

Senator SIEWERT—We know SIHIP is just for those communities.

Dr Harmer—SIHIP in the Northern Territory is focused on those communities, yes.

Senator SIEWERT—If I misunderstand I apologise.

Dr Harmer—Can we come back, Senator. I need to be careful until I get my housing people here. There are some elements of SIHIP—for example, the repairs and maintenance program—which are not just for the 15 communities in the Northern Territory. So I need to be careful, and perhaps we could do that—

Senator SIEWERT—Maybe we will cover that under housing.

Dr Harmer—Yes.

Senator SIEWERT—Okay. You were talking about the proportion of programs that are directed to the priority communities—for the leadership program, for example. Do you say 50 per cent, 60 per cent—

Dr Harmer—No, we do not. We look at the communities. As our government business manager works with a community, he or she would probably identify a community we are having some difficulty with because they do not seem to have the leadership capacity to bring an implementation plan together. Perhaps that is a priority for some leadership development work.

CHAIR—Dr Harmer, we are moving on to the BasicsCard.

Senator SIEWERT—Dr Harmer, I have some more questions that I will put on notice.

Dr Harmer—Sure.

[10.04 am]

Centrelink

Senator SIEWERT—Good morning. You will be pleased to know that I managed to get answers last night to a couple of the questions that I wanted to ask you about the number of people who were being quarantined in Western Australia. I want to ask one question upfront. It is a question that came up in our hearing yesterday into the new legislation. I am not going to go to the new legislation process, but it did raise the use of the BasicsCard in the past.

There was a comment made that, in some of the community feedback, communities said they had been charged \$5 for using the BasicsCard in a store—I do not know which one. Have you heard of that before and is that allowed?

Ms Cartwright—No, that is not allowed. In the merchant terms and conditions that a merchant signs up to, it particularly states that no fee can be charged for the use of the BasicsCard. We have not heard of that. If a particular store or the customer has had that experience, we encourage them to contact us and we can make investigations.

Senator SIEWERT—We might send you a copy of the *Hansard* from the evidence yesterday, if that is okay.

Ms Cartwright—Yes.

Senator SIEWERT—Somebody told Amnesty, in fact, who were travelling around talking to people about the implementation of the intervention. They also said that they had to make repeated phone calls to try and get access to the helpline et cetera and that they were going through phone cards at a fairly rapid rate. But, to be fair, I think that was prior to when you made the changes in terms of bringing in the more accessible phone lines. But perhaps we will send you that as well and, if you could comment on that, that would be appreciated.

Mr Tidswell—We take all these allegations very seriously, so we make sure that we investigate any of these sorts of instances, whether they are reported in the media or through direct customer contact or through members and senators. We work hard at making sure the integrity of the system is working well.

Senator SIEWERT—I appreciate that, and, if you could give us some feedback, that would be appreciated too. I am particularly interested in how the process is being implemented in the NT and the provision of financial support through Centrelink as opposed to the additional financial services that the Commonwealth has been supplying through FaHCSIA, which I asked about last night. In terms of your one-to-one interaction with people when you are working out their budget when their income has been quarantined, can you tell me what stage you are at now with providing additional support for that? How many times do you see somebody when they are working out their budget of what is being quarantined? You have explained in the past that when people come in you sit down with them, you talk to them about how much is for rent et cetera. How often do you have to interact with a person now? Income quarantining has been running for a while. Do you find that there has to be a lot of change to the amount that people allocate through their quarantined funds?

Mr Tidswell—I will start and then I will ask Ms Cartwright to provide some further detail. As you know, we sit down at the outset and try and work out a budget, an allocation process to priority needs. Some people might need more contact than others. We have our remote visiting teams who regularly go to communities, and we work closely to see if the right amounts are going to the right places and things are okay. I do not know if we have got data on how many times people change their allocations accordingly, but we could have a look at that and take that on notice.

Senator SIEWERT—I am interested for a number of reasons. Are people interacting and having difficulty with the process or finding their money management skills are improving

and they are finetuning? Also I am looking because, if there are a lot of changes being made frequently, it indicates how much staff support you are going to need to work with people.

Mr Tidswell—I think in the first instance it was hard work trying to help people think through what they might spend on a daily basis, on a weekly basis, and make the allocations accordingly. There is no doubt about it. Our staff probably spent quite a bit of time providing advice about: ‘What do you think you spend per day at the community store and other places?’ I think, over time, that has improved. My sense would be that that has improved people’s capacity to understand the ‘income in and income out’ equation and get a better sense of their household budget and spend.

Ms Ramsey—I have sat in in Darwin, Alice Springs and a number of the remote sites with our Centrelink staff when they have actually been doing this process. Whilst obviously I have not sat in on a huge number of them, I have been impressed with the sort of toing and froing that happens when the customers come in to either access their basics card or change their basics card, and the sort of interaction that does occur around what I would call very preliminary financial management or financial counselling. Obviously that is not going to happen on every occasion, but it does seem to me, from sitting with a number of the Centrelink staff, that they are very aware that at a very early, very preliminary interaction level that is one of the tasks they need to perform. We could probably improve in that area in terms of doing it more deliberately with every one, but it does seem to me, just from observing a number of interactions, that we do do that as part of our interaction with the customer—not every interaction, but in a general sense.

Senator SIEWERT—When you say ‘not every interaction’, do you mean not every time the person comes in?

Ms Ramsey—Yes.

Senator SIEWERT—You do not mean when everybody is put on?

Ms Ramsey—No, just in terms of the customers coming in for normal run-of-the-mill business. I have also sat with call centre staff and been very impressed with how they examine a range of situations with someone who might ring in just to say that they are shifting or moving to another site. They will then go through a whole range of questions about participation and some of the other factors that a customer might not even think about if they are moving from site to site. So it is quite extensive sometimes.

Senator SIEWERT—Have you been keeping track of—I am not asking for individual information—the frequency with which people are changing their arrangements?

Ms Ramsey—I would have to take that on notice unless there is some other information here. I am not sure how we collect that data. I am not quite sure exactly what data you are looking for.

Senator SIEWERT—I want to get an understanding of—as I said, and I probably did not articulate it clearly enough—how frequently people are interacting with the system and needing to change their arrangements, the staff resources that are required to facilitate that, and whether people are finding the system easy to use or not easy to use. I have had some complaints around people having problems with the way their quarantine money is used and

how simple it is for them to access it. I am trying to find out whether you have an understanding of how people are interacting with the system and whether the system is usable enough for people to cope with it.

Mr Tidswell—I am pretty confident we do not have a dataset that tells us the numbers of people who have changed their arrangements over a period of time. We could do a bit of a snapshot and have a look at that, but I am pretty confident we do not have a dataset that tells us the amounts of interactions we have related to individuals about changing the amounts of money going to various priority needs. We could have a look at that, but I am pretty sure there is not a dataset that we have, in that sense, available. But we could do a sample and we could have a look at it.

Senator SIEWERT—Thank you. Since the changed arrangements with the helpline et cetera coming in, has there been a decrease in the number of complaints that you have received?

Ms Cartwright—I would have to take that on notice. The complaints we receive have decreased since we have introduced the 1800 number. The complaints for which we have seen a big decrease in are around how customers access their balance for their BasicsCard. That has decreased substantially since we have introduced the different methods for people to get their balances.

Senator SIEWERT—I was asking last night about the appeals process and how many people had appealed. What I did not ask was: how many people have been successful in their appeals?

Ms Ramsey—We will follow that up and get that data for you.

Senator SIEWERT—I saw some media information last week or the week before indicating that one in two of the decisions that are appealed are upheld. That is generally. Would that be consistent for the NT or is it different?

Mr Tidswell—We have here some data from 21 June 2007 through to 1 January 2010, and we completed 116 reviews. What we do not have here is the outcome of those reviews, but we can chase that for you before this hearing finishes and get it to you.

Senator SIEWERT—That would be very much appreciated; thank you.

Senator SCULLION—Mr Tidswell, with regard to the expansion of business of the income management in the Northern Territory, how many people outside the current prescribed area will be on income management? Obviously you do not have the exact number.

Mr Tidswell—That is subject to legislation.

CHAIR—That is clearly outside today's discussion. That was Centrelink's area. Today's discussion with Centrelink is specifically on what is happening now and any questions you have about process up until now.

Senator SCULLION—I asked last night whether the physical aspects of the management of the BasicsCard were to be answered today and clearly the answer was yes. My question goes to: how many are you going to have to be dealing with?

CHAIR—That is not part of this process, Senator. Aspects of the operation of the BasicsCard as of now and in the past are the subject for today, and that was what we clearly discussed with Mr Tidswell and his staff. Can you rephrase your question to make it fit?

Dr Harmer—I can help, Senator, because we answered the question last night. We would be responsible for the estimate for the number likely to be income managed under the proposed new arrangements.

Senator SCULLION—About how many people?

Dr Harmer—As I think we said last night: 20,000. I stand to be corrected.

Senator SCULLION—That is outside the prescribed area?

Dr Harmer—I am not sure that Centrelink know precisely the breakdown. We did try to answer it last night. If you want to go back into it, Mr Sandison can come forward.

CHAIR—Perhaps it would be easier in terms of the processes—we have got the committee looking at the proposed legislation. We can seek information for the committee process or seek a briefing from the department.

Senator SCULLION—Perhaps there was some misunderstanding last night. I thought we asked about the policy issues around that and the proposal and what the policy parameters were.

CHAIR—No.

Senator SCULLION—They were the questions that were answered by Dr Harmer and others last night. As I indicated, I thought that I could have gone to the physical aspects of managing that today in terms of the BasicsCard.

CHAIR—No.

Dr Harmer—My understanding, in terms of the agreement about today, was that there would be questions on the BasicsCard as it applied to the current—

Senator SCULLION—Okay. I will move on. The reason I go to the BasicsCard is that there are some issues with the BasicsCard now and when we rolled it out. Those issues are clear now. I think most people understand that there are things we could have done better, and they have been improved. My concern, of course, is that in the next rollout we do not do the same things as we did last time. In any event, no doubt you will take note of these issues. I still have complaints—and I know that Senator Crossin and others still have complaints—from merchants who are currently not on the BasicsCard and are clearly losing money.

Prior to the BasicsCard, people saw some of their discretionary spend to be part of the particular product line they sell. For example, there is a camera shop in Alice Springs that sells disposable cameras. At the Woolworths across the road they can get access to the BasicsCard but at the camera shop they do not get access to the BasicsCard. It might be a furniture shop. Because they have the BasicsCard they can get access to the furniture shop. The furniture shop sells Coca Cola and pies in the corner. It seems that the philosophy has gone from not providing access to four principal products to something else. There are clearly some stores that quite legitimately feel they should be able to have access to the BasicsCard because they sell none of those products. People come there to buy products that are

legitimate products for them to purchase and often they know they are the cheapest places for them to purchase them—and they have to be careful with their dollars—but they are unable to do so.

What would be the process, Mr Tidswell, for those merchants who currently do not have access to the BasicsCard but do not sell any of the prohibited products? Woolworths sells at least three of the prohibited products that are not available on the BasicsCard. All they sell in the shop over the road are cameras, particularly disposable cameras—and, I have to say, a cheaper range than that in Woolworths—yet they do not have access for people coming in with the BasicsCard. They say, ‘Sorry, you’ll have to go to Woolworths,’ which they do. I know none of this was intended, but what should the merchants do at the moment?

Mr Harmer—We traversed this area last night. The issues you have just raised are issues that we covered last night and would be properly directed to us, not Centrelink.

CHAIR—Mr Sandison, could you repeat your answer from last night; it would be useful.

Senator SCULLION—I did not get an answer last night, Madam Chair.

CHAIR—We will get the answer Mr Sandison is prepared to give us.

Mr Sandison—Last night we did mention—in relation to the new scheme but it is the same with the current scheme—we will take on board the feedback you provided. The policy positions about the merchants that are used through the BasicsCard sit within the policy framework, which is a FaHCSIA issue. The original intent for the use of the card, the merchants and access to the card is the same—about vulnerability and various other issues. The difference between the two organisations you talk about is that one is primarily an organisation for the sale of food and happens to have the cameras; the other one is not. But we will take on board the feedback. We provide advice to government and we get feedback through the direct interaction that Centrelink has.

Senator SCULLION—Can I provide the specifics of these and other organisations?

Mr Harmer—You can, and we will have a look at it.

Senator SCULLION—Is there an appeal process where they get to say: ‘We’ve asked; they’ve said no. We don’t really seem to get any feedback?’ Is there an appeal process for them to use?

Mr Sandison—The starting point would be that if that information is provided to us we can take it up as a request. If they are not satisfied with whatever response is provided then I am sure it will get escalated.

Mr Harmer—We are happy to take the issue forward.

Senator SCULLION—There were quite a large number of BasicsCards being replaced. People were coming in and saying, ‘Look, I’ve lost my BasicsCard.’ Whatever the reason, they were being replaced. There was anecdotal evidence—and I do not know if there is any specific evidence—of people selling the BasicsCard to use for awhile and all those sorts of things. That was at the start of the process. Are you able to measure some of the trends? We thought that the number of replacement cards was initially quite high and we were not sure, forensically, about the reasons for that. What level of confidence, Mr Tidswell, do you have

about the allegations of cards being sold and basic skulduggery with the card for people trying to get around the notion of no cash? How do you think that is going?

Mr Tidswell—We investigate each and every one of these reports and we have not found direct evidence where we can take action. We are keen to make sure that we act upon this very quickly. As you know, there are all sorts of rumours, half-truths and mistruths in relation to card usage and activity, but we have not discovered any hard evidence.

Senator SCULLION—Is there any trend in the number of cards that are being replaced?

Mr Tidswell—We have some data here that gives a sense. The last time I looked at it, this morning, 50 per cent or so of all the customers on BasicsCard had only had one or two cards. The majority of people are able to look after their card and use it. There are some people who struggle with holding any form of card. There are some extreme the boundary riders there. I will not go into specific details, because it will probably identify individuals that we are working very closely with. For a whole range of reasons they are not able to keep the essential cards that they need—Medicare and a variety of cards. We think it is in the bounds of what you would expect from a financial institution issuing credit cards and debit cards and like.

Senator SCULLION—The number we originally had of cards that were being replaced was an indicator because it was associated with them being sold, lost or whatever. Has that number remained static?

Mr Tidswell—Remember the store card usage? I think people do not quite understand the difference between a store card, which has and elapsed value on it, and the BasicsCard. So that was in the early days. I suspect, but I think things have settled down.

Senator SCULLION—Thank you, Mr Tidswell.

CHAIR—Mr Tidswell, can we get the data you have about numbers of cards and how many clients need more than one? Is there a spreadsheet arrangement that could be provided?

Mr Tidswell—Yes, we can get that for you.

CHAIR—If we can get that to the committee, it would be useful for us. That concludes questions on Centrelink. Senator Boyce has some questions on the Aboriginal and Torres Straight Islander Healing Foundation.

[10.25 am]

Aboriginal and Torres Straight Islander Healing Foundation

Senator BOYCE—I was just wanting to look at the fact that the first chief executive of the Aboriginal and Torres Straight Islander Healing Foundation, Mr John Roe, has been dismissed from his position after one month there and look at the effect that this is having on the work of the foundation. What effect is it going to have on the program of the healing foundation and what have you done in terms of trying to replace Mr Roe?

Ms Tim—The foundation is an independent body and is incorporated as a public company, limited by guarantee. The chairperson of the foundation advised us about the dismissal of the chief executive officer and advised us that the board had made that decision in the best interests of the organisation. We have been working closely with that body in this

establishment phase and the department is satisfied with the progress. Their funding agreement sets out milestones and so far the work is continuing.

Senator BOYCE—It is very early days, isn't it?

Ms Tim—Absolutely. They are committed to recruiting the vacancies to the organisation as soon as possible and establishing premises.

Senator BOYCE—What was the recruitment process getting to the stage Mr Roe was appointed?

Ms Tim—I understand that they advertised through a national recruitment process and it was open merit selection. Mr Roe was appointed on probation at the end of November.

Senator BOYCE—Was it a professional recruitment agency that undertook the interviews and whatever or was it the board in the end?

Mr Harmer—It is disappointing that it has happened, particularly so early, because it is a very important organisation, but the responsibility for the recruitment action is a matter for the board and the board chair.

Senator BOYCE—I realise that.

Mr Harmer—They coordinated with—and, I assume, engaged—the recruitment agency, which is the normal practice, went through the selection process, and he was selected. It is disappointing, but they, I assume, go through another selection process.

Senator BOYCE—But, Dr Harmer, in the circumstances, obviously the department would want to satisfy itself. As you said, it was disappointing. Yes, it happens, but, given the very early stages of this you would obviously want to satisfy yourself that the processes were not the problem.

Dr Harmer—Indeed.

Ms Tim—They did not use a separate recruitment panel, but they did set up an independent selection committee, independent of the board. They made some recommendations to the board and, as I understand it, the board made that decision. Given it was a new board at the time you would understand that, under their constitution, they had appointed the CEO on a probationary period. They felt that they made this recent decision in the best interests of the board. The department has a couple of seconded officers to the agency.

Senator BOYCE—When you say 'couple' do you mean two?

Ms Tim—They have had three and currently they have two. They are assisting the board in recruiting staff to support the board in the longer term.

Senator BOYCE—Was Mr Roe dismissed because of improper or illegal use of his credit card?

Ms Tim—I think that is a matter for the board. All that we have been advised by the chairperson of the board is that Mr Roe was terminated in the interests of the organisation.

Senator BOYCE—There was a report in the *Weekend Australian*, of 6-7 February, from Professor Judy Atkinson, who is the secretary of the board, saying that Mr Roe was dismissed

'for a range of reasons' and that 'it was an attitude thing'. Are you able to cast any more light on those comments?

Dr Harmer—No, we are not.

Senator BOYCE—Were those comments put to you in the department as to why this—

Dr Harmer—We were not involved at all in either the selection process or the dismissal process.

Senator BOYCE—But, presumably, you have had a report about it?

Dr Harmer—We have tried to help the organisation by seconding staff, but they are an independent organisation. We are very careful not to get ourselves involved in taking over the responsibility of other organisations.

Senator BOYCE—No, but I would imagine that you are also very careful to ensure they behave with good governance and probity?

Dr Harmer—Yes, because it is important to us we are.

Senator BOYCE—Has the foundation referred any of Mr Roe's activities, while he was chief executive, to the Federal Police or to any other investigative agency?

Dr Harmer—We probably would not know that. That is a matter for the board.

Senator BOYCE—You would not expect the board to advise you if they were intending to undertake that sort of a prosecution in basically their first month of real existence?

Dr Harmer—They had sufficient autonomy to be able to operate independently on that.

Senator BOYCE—You may not be able to answer this question. Was Mr Roe given a severance package and, if so, what was it?

Dr Harmer—I do not know. I would be surprised if Ms Tim knows and it would be a matter for the board.

Senator BOYCE—But, one would imagine, it would be in their annual report?

Dr Harmer—You would assume so.

Senator BOYCE—I have a few more questions but I will put those on notice.

CHAIR—There will be significant questions for the program on notice, including something on leadership, Ms Tim, I promise.

Ms Tim—Could I correct a mistake?

CHAIR—Certainly.

Ms Tim—Mr Roe was appointed, I think, mid-December. I said, 'At the end of November,' but it was mid-December.

CHAIR—Thank you, Dr Harmer. We have had to renegotiate this afternoon to swap the headings. We will have Employment and Economic Development straight after lunch at one o'clock.

Proceedings suspended from 10.33 am to 10.49 am

Department of Families, Housing, Community Services and Indigenous Affairs

CHAIR—We will get started again and go into some general questions about Indigenous housing. Senator Humphries and Senator Siewert will be leading off on this. Because of the setup of this room, when witnesses come to the table could you please hold up your place tag to identify yourself, to assist Hansard.

Senator HUMPHRIES—Could I go to the PBS statement, page 128, looking at the budget expenses for Indigenous housing and infrastructure.

Dr Harmer—You are going to the PBS from May last year.

Senator HUMPHRIES—Yes. Under deliverables on page 128, what is the total number of new dwellings to be constructed under this program?

Ms Cattermole—If you are talking about the 2009-10 budget year, 320 new dwellings.

Senator HUMPHRIES—And the total number of dwellings significantly upgraded?

Ms Cattermole—It is 587.

Senator HUMPHRIES—In the budget revisions for these additional estimates, what are our new targets?

Ms Cattermole—To my knowledge, there aren't any changes to those.

Dr Harmer—I do not think we have changed those estimates, Senator.

Senator HUMPHRIES—Okay. So we still expect to achieve the number of houses constructed and significantly upgraded in the course of this financial year. How many have been constructed so far?

Ms Cattermole—There are 15 new dwellings that have been completed under the national partnership across the nation and off the top of my head—

Ms Croft—There are 154 new houses underway.

Senator HUMPHRIES—That is of now, is it?

Ms Cattermole—That is correct.

Senator HUMPHRIES—Are we going to meet the target for this year, for 320 built and 587 upgraded?

Ms Cattermole—There are also more than 240 refurbishments that have been completed or are underway, of the 587 that are indicated there as the budget target. So we certainly feel that the program is on track to meet those targets.

Senator HUMPHRIES—Can I just clarify that. You have completed 154 refurbishments.

Ms Cattermole—New houses. Perhaps I should step through it again just for clarity. There are 150 new houses underway and 15 as well of those have been completed. There are more than 240 refurbishments that are underway or complete.

Senator HUMPHRIES—More than 200, you said.

Ms Cattermole—Correct.

Senator SCULLION—Does that mean surveying started? How do you categorise that?

Ms Croft—It relates to activity that is happening on site. We would consider that to be the site preparation underway, so that would be the foundations for a slab. There is some prefabricated housing underway across the country this year and we would consider that to be underway when work has commenced in the factory.

Senator SCULLION—So the site may just be bush but it is well underway because the house is being constructed somewhere else.

Ms Croft—If the house is underway in the factory, yes.

Dr Harmer—And the site has been selected and we know where it is going.

Senator HUMPHRIES—I would have thought that if more than half of the houses targeted for this year were not yet underway and it is now mid-February that it is unlikely the 320 targeted will be completed by the end of this year. Am I correct?

Dr Harmer—A large number of these houses will be in the Northern Territory. I do not want to go back into the difficulties we had initially with the Northern Territory program where we had to get involved heavily with the Northern Territory government to reposition that, and we have now done it. And, as you know, in the Northern Territory the period over Christmas and January is a difficult period because of the wet.

Senator HUMPHRIES—Which I am sure you factored in when you made that target.

Dr Harmer—Indeed. There are substantial numbers underway and likely to be underway very soon in the NT once the builders can get to the various sites. So we are quite optimistic about the NT. I do not want to bore you with all the numbers I gave last time, but we would stick by the estimates there, where I said I think there are likely to be over 150 completed by the end of this year. Quite a large number of them will be completed before the end of June. In most of the other states there is pretty good progress after a relatively slow start.

Senator HUMPHRIES—Are you saying that you do expect to complete the construction of 320 new dwellings under this program by the end of this financial year?

Dr Harmer—We are saying that we have got no reason at the moment to revise that estimate.

Senator HUMPHRIES—All right. When you say that 587 dwellings will be significantly upgraded, what is a significant upgrade?

Ms Cattermole—That differs obviously in different places and is dependent on the condition of the houses when they are first examined. The idea is that there will be significant refurbishment work done on all houses, which will ensure that they are functional and brought up to standard. In some cases, houses that were not habitable are brought up to standard to become habitable and functional homes.

Dr Harmer—A lot of it is around wet areas—bathrooms and kitchens. There are many, many houses in remote parts of the north of Australia which have non-functional kitchens and bathrooms. They have roofs and walls and there is some disrepair of windows and doors and things, and they can be fixed up pretty quickly, but a lot of it is about the bathrooms and kitchens. A lot of them are, frankly, unoccupiable even though they may be occupied. The refurbishment is effectively adding to the occupiable housing stock in the community.

CHAIR—Is that mainly plumbing, Dr Harmer?

Dr Harmer—Yes.

CHAIR—So it is a plumbing aspect.

Dr Harmer—Yes. That is the expensive part and the part that is often the highest priority.

Senator HUMPHRIES—So the significant upgrades are of the same nature as the repairs and maintenance program under the stimulus spending we dealt with yesterday.

Ms Cattermole—I am not exactly familiar with all of the detail of the repairs and maintenance work under that package.

Dr Harmer—I am not sure the officers at the table are precisely sure—and I am not either—of the specific definition of repairs and upgrades in the Indigenous housing program compared with the stimulus programs. That is the only reason I would hesitate. I do not want to mislead you. I would like to take that one on notice.

Senator HUMPHRIES—On the next page, page 129, it says, ‘accommodation for Indigenous students, 1’. Is that one house or one student?

Dr Harmer—I think that is one hostel.

Ms Cattermole—Yes. That is the extension to one hostel, the Wiltshire.

Senator HUMPHRIES—It provides accommodation for more students or for one student?

Ms Cattermole—The extension takes the current number of places at that hostel from 60 to 105 places.

Senator HUMPHRIES—That is the same number as the number before: ‘number of new hostel beds provided, 45’. Is that the same project—one new accommodation providing 45 hostel beds?

Dr Harmer—I believe so.

Senator HUMPHRIES—I think we have asked about this before, but construction is entirely done by contracting building firms. Do they all tend to be based locally, or do we tend to do bulk contracts with outside providers to come to the Northern Territory or wherever this is required?

Dr Harmer—It depends on the state and territory, Senator. In the Northern Territory we have an arrangement, with the Northern Territory government, where we have major contracts. It is part of the reform of the previous program. As you would know, we had small contracts, no economies of scale in construction, and a whole range of other things—which I could go into and will not—that were wrong with the previous program. In Western Australia and Queensland, I do not know—I think it would be a mixture of suppliers.

Ms Croft—All jurisdictions are required to prepare a procurement plan that outlines their various approaches to procurement activities across the national partnership. Under that, as I think Ms Cattermole said, the arrangements vary. However, in broad terms, people are generally selecting a panel of provider arrangement, where they would have an open tender process to select a panel of providers that could provide services over a number of years. In a couple of the smaller jurisdictions they are just doing direct tendering.

Senator HUMPHRIES—Do we have any policies in place that are designed to secure employment for local Indigenous people as part of the construction process?

Ms Croft—Certainly. Under the national partnership there is a requirement for 20 per cent local Indigenous employment. As part of the procurement plans, jurisdictions are required to build that into their tender documentation.

Senator HUMPHRIES—Do we achieve that target?

Ms Croft—They report to us on that. As I advised in a previous question on notice, we would be in a position at the end of the financial year, when all of the numbers have been collated, to provide that detail.

Dr Harmer—With the construction activity in the Northern Territory so far, I can say that we far exceed—and, in fact, we have just about doubled—the target of 20 per cent. We have about 40 per cent Indigenous employment there, which is a terrific response by the providers.

Senator HUMPHRIES—When you say you have doubled it, are they the figures from last financial year or, anecdotally, from this year?

Ms Cattermole—They are up-to-date figures from as recently as the last couple of days. Under the program in the NT, we are receiving updated information on Indigenous employment outcomes on a fortnightly basis, in one case, and a monthly basis in another. This is because we are drawing out different data. Those are our most recent numbers. Currently, under the program, Indigenous employment is running at 40 per cent in relation to the first six packages of works that are underway.

Senator SIEWERT—Could you detail where they are, please?

Mr Boyson—The packages underway at the moment are on the Tiwi Islands, with major works occurring at Nguiu.

Senator SIEWERT—These are all ones where the employment is at 40 per cent?

Mr Boyson—There are different levels of employment across the different packages.

Dr Harmer—On average, across the package.

Mr Boyson—On average, yes.

Ms Cattermole—If you need, I can step you through the percentages in relation to each place. They do vary. Forty per cent is an average.

Senator SIEWERT—I would appreciate that. Sorry to interrupt.

Mr Boyson—Nguiu, on the Tiwi Islands, has employment running at 59 per cent for that package. Groote Eylandt has an employment rate running at 23 per cent. In Tennant Creek we are running at 39 per cent. We have not disaggregated the amounts for some of the other packages which have just started.

Senator SIEWERT—Of the six, they are the three that have been disaggregated?

Mr Boyson—They are the three major ones that have been going for some time, where we have completely disaggregated those numbers.

Senator SIEWERT—You have not disaggregated the figures for the other three, but could you give me those locations?

Mr Boyson—Wadeye, Gunbalanya and Galiwinku.

Senator SIEWERT—Thank you.

Senator HUMPHRIES—I would like to move to SIHIP if I could, please. The target for last year's SIHIP program was what, in terms of the number of dwellings?

Mr Boyson—The target for December 2010 was 50 new dwellings and 180 refurbishments or rebuilds.

Senator HUMPHRIES—This is run on a calendar year basis, is it?

Mr Boyson—They were the targets for December.

Senator HUMPHRIES—I was actually asking for the target from last year.

Ms Cattermole—Senator, the way in which the program had been structured is targets were set for the end of December 2009 and December 2010. Mr Boyson has just provided the target for December 2009.

Senator HUMPHRIES—Okay. It was 50, did you say?

Ms Cattermole—Fifty new houses commenced or underway and 180 refurbishments.

Senator HUMPHRIES—Did you reach that target?

Ms Cattermole—As at the end of December 2009 the alliance partners had constructed 49 new houses, so they fell one short of the target. Since that time they have constructed additional houses so that the current numbers are 54 underway and two complete, taking this to a total of 56 as at this week.

Senator SIEWERT—For this year?

Ms Cattermole—In terms of the December target, that is where they got to, and I was just giving you an update that they have exceeded it since that time, in the intervening several weeks.

Senator SCULLION—So the 49 new houses that had been completed in December—

Ms Cattermole—Underway, Senator. The target was completed or underway.

Senator SCULLION—So these are houses that can still be in the factory and I am looking at a blank bit of ground—is that it?

Mr Boyson—No, none of these houses are in factories. They are all being—

Senator SCULLION—I am just looking at the term 'underway'—I tried to clarify that earlier.

Dr Harmer—None of these are in that category. The 54 that Ms Cattermole referred to as now being underway or completed are not in that category, as I understand it.

Ms Cattermole—That is correct. They are all on site.

Senator SCULLION—Of the 49 in December underway or completed, how many were completed?

Ms Cattermole—There were none completed at that time. Since then they have further numbers underway which take us to 54, and two have been completed.

Senator SCULLION—So 54 underway, and underway refers to activities from surveying onwards?

Mr Boyson—No. In terms of these houses it applies to footings or foundations having been done, so at least the site preparation being done and some foundations being done, through to houses that are at lockup and just about to be handed over.

Ms Cattermole—We do not count them as completed until they are finalised, including beyond lockup.

Senator SCULLION—It is not hard to bash you on the head when there is nothing to show me where you are up to between footings and completed, which is a long way. You are often open for criticism, but I would not know where a house is up to when it is either ‘completed’ or there is this gap between when almost nothing has been done and that ‘completed’. Wouldn’t you have some sort of indication about half completed?

Dr Harmer—That is the tyranny of a program like this, which is a big program that, as you know, took a long time to get started. We are in the early stages of the program. Quite soon we will get out of the embarrassing position of being able to describe to you that we have only got a few houses completed. There will be quite a few coming on stream this year. But at the moment we have got a target of ‘commenced’ or ‘completed’. As Mr Boyson has said, our ‘commenced’, the 54 we are talking about now, means that they have got site works, foundations or slabs in some cases and in some cases they are finished to lockup but with no tenant in them yet.

CHAIR—Senator Scullion, could I just ask you to watch the ‘bashing over the head’ in your question.

Senator SCULLION—I was simply saying it is easy, but if you changed the targets it would not be so easy.

CHAIR—I know, but I would prefer it to be rephrased.

Ms Cattermole—Could I add two things. One is that we were very cautious to be very clear about at what point we counted a house as completed because we thought that was very important and, obviously, that was a target that was of great interest. So even houses at lockup we have not called completed until all of that internal fit-out is finalised and they are ready for somebody to be immediately allocated that house and to move in. But we do also have some additional information, which I think Mr Boyson may have to hand—I stand to be corrected—that does provide you with additional layers of detail about how many of those are at lockup, and there are a number.

Senator SCULLION—Okay, but I have interrupted Senator Humphries’s flow and I did not mean to.

Senator HUMPHRIES—Senator, you have asked the questions that I would have been asking. If you set yourselves a target of 50 houses to be completed and there are two that are actually completed at the end of the financial year, notwithstanding that you have got a number that are soon to be delivered, that is a fairly significant falling short of the target that

you set yourselves. I am just wondering why you believe that with the other program you can complete 320 houses this financial year when you have fallen so far short with respect to the houses in SIHIP.

Mr Boyson—The target to the end of the December was to have 50 houses underway and we had achieved 49 houses underway through the CDEP program.

Dr Harmer—Just to explain, the target was not to have them completed; it was to have them underway or completed by the end of the year. We had 49 underway instead of 50. We now have, as the officer has said, 54 underway or completed, two of which are completed.

Senator HUMPHRIES—All right. What is your target for this calendar year—until December 2010?

Dr Harmer—The target, as I recall, for this calendar year, for new houses is 150. My information is that we are quite confident that we will exceed that.

Senator HUMPHRIES—When you say 150 new houses you mean new houses underway; not 150 completed houses.

Ms Cattermole—Completed or underway.

Dr Harmer—For this year it will be 150 completed or underway but we believe we will exceed that, as I said in October.

Senator HUMPHRIES—It is a strange way of measuring them. In the other program which we were talking about yesterday we were not talking about houses underway; we were talking about houses delivered. Why is this program expressed in terms of houses underway? People cannot live in a house that is underway.

Ms Cattermole—There are two things to say. One is that, because we had initially focused on the two calendar years, one of the key challenges about is program was to get slabs down before the wet. Because it was December that those targets were being set for, the underway point was really critical. It was critical that a lot of that slab work was already down so that we could then continue. One of the key differences about this program is that it has been structured so that we can continue to do significant amounts of work over the wet season.

Senator HUMPHRIES—Ms Cattermole, I appreciate that it is very difficult to have a construction program in remote places. I appreciate that there are many difficulties associated with this and I admire the fortitude of those people who have to engineer, design and deliver these projects. They are very difficult. But parliament is given figures for what you expect to deliver, through these papers. If those difficulties are of such a magnitude they ought to be factored into the estimates that are made to the parliament.

Ms Cattermole—And they are, certainly.

Senator HUMPHRIES—Well, can you answer me: why are we talking about houses underway? Can you give me your targets in terms of houses to be completed? What is your deadline or your projection for when people will be able to move into the houses that you are constructing?

Ms Cattermole—In terms of the current houses that are underway or overall?

Senator HUMPHRIES—How many houses are underway right at the moment?

Ms Cattermole—Fifty-four.

Senator HUMPHRIES—When will those 54 houses be occupiable?

Mr Boyson—The next lot of houses will be completed at the end of this month.

Senator HUMPHRIES—That does not answer my question, with great respect, Mr Boyson.

Mr Boyson—There will be three houses, and they will be coming on stream on a regular basis after that.

Senator HUMPHRIES—So you can tell your customers in the Northern Territory, ‘Check back on a regular basis and we will tell you when your house is ready.’

Mr Boyson—As Ms Cattermole said, the emphasis has been on getting the site works done before the wet season on as many houses as possible so that they can be worked on simultaneously. So we are anticipating that—while we have had two houses come through in January, and we will have at least another three by the end of this month—towards the beginning of the dry season, when the contractors are able to get in, those houses will be being completed at a much faster rate.

Senator HUMPHRIES—You are, understandably perhaps, being very cautious about deadlines—

Dr Harmer—Senator, we are—

Senator HUMPHRIES—If I can finish, please, Dr Harmer. You are being very cautious about deadlines that you are setting for the completion of these houses yet, Dr Harmer, you have told me quite reassuringly that there will be 320 houses under the other program completed at the end of this financial year. Are you sure you can deliver one set if you are unsure about the delivery of the other set of houses.

Dr Harmer—What I said is that we have no information at the moment that would cause us to revise that estimate. So we stick by that estimate. What I can say is that in the Northern Territory—I have just checked with Ms Cattermole—we expect to have 150 completed by the end of 2010.

Ms Cattermole—That is correct.

Dr Harmer—That is the target we expect at the moment. I have to be a bit careful because I do not want to over promise but the momentum of the program is quite significant at the moment. We expect to exceed the target of 150 completed in the Northern Territory. I do not want to be held to a number but we are very confident that we will have 150 completed, which I assume means people in them.

Senator HUMPHRIES—You will have 150 completed by when?

Dr Harmer—By the end of this year.

Senator HUMPHRIES—This calendar year?

Dr Harmer—This calendar year.

Ms Cattermole—This calendar year; that is correct.

Senator Arbib—I will just say, Senator Humphries—because you are talking about time lines—that the government admits that there was slow progress to start with. The government took action—the department, but also Minister Macklin—to ensure we intervened to try and speed up the process in terms of construction. As you probably know, the hardest part of the construction process in my mind is the start-up in terms of contracts and in terms of the systems. Once you get that moving and you get into a construction pipeline, things become easier. So that may half answer your question. It looks as if construction is now happening, and therefore the processes are underway, and therefore it may make meeting the targets much easier.

Dr Harmer—As you know, Senator, there has been significant activity in the Northern Territory. At Minister Macklin's request, we have put in considerable resources to get this program on track. We are very confident that we now have it on track. It is now performing in the way we expect, and that is why we can be pretty confident about meeting the target for the end of 2010, as the minister has just said. It has been a long start-up. I do not want to blame the Northern Territory too much, but there were acknowledged problems in the program initially—things like an excessive amount diverted to management. We have got that down from 11.5 per cent to eight per cent. That is running at eight, and we are confident we can keep it at eight. We now have the systems in place for appropriate community consultation, and we have a very strong focus on getting value for money for the packages.

My advice is that in the two most recently agreed packages—in, I think, Galiwinku and Maningrida—110 houses in Maningrida, and 90 in Galiwinku have been approved in the process. All of those 200 houses will come on stream with an average price of \$450,000, which is the target that we have established through the review and the redesign of the program. So we are actually quite optimistic now after doing a lot of hard work—Ms Cattermole and her team—with the Northern Territory government to get this program back on track. That is why we can be pretty confident about the estimates.

Senator HUMPHRIES—We are running out of time, so I want to—

Senator SCULLION—Dr Harmer, you need to understand that the people who talk to me are just astounded. I know you can go through this and say, 'It was a bit difficult at the start.' Mate, you have averaged one house a year for two years. That is an indictment. I am not going to badger you about this, but at the same time the Northern Territory government can deliver 46 houses in six months for white teachers in the same communities. I know you are doing your best and that Ms Cattermole's team is working fantastically, but this is something where we are going to have to look at a trend line. A hundred and fifty houses! I am not going to be asking you in December this year, 'How are we going with the houses?' We need to look at this when 25 per cent of them need to have been completed, because we cannot afford to wait till the end of the year and then say, 'How are we going with the 150?' Be expected to be tested on a trend line from January. We will start again. It has all been pretty horrific—it has flatlined for two years—but from January to December we would expect to ask you questions, and I hope you are ready for those questions.

Dr Harmer—We will be here too.

Senator SCULLION—‘We should be up to 30 houses on this date; how are we going with them?’ The houses should be ready to lock up and have someone living in them.

Dr Harmer—Senator, we will be here, as you know, in May. You can ask us then, and we will give you updated figures. You—and Senator Humphries too—need to remember where we have come from. We are replacing a system where there was no tenure in the land. We did not have control of the asset. Very little rent was collected. There was no transparency in allocations. There were no economies of scale in construction. There was no Indigenous employment and no systematic maintenance. We are replacing a system that was very poor indeed in terms of outcomes for economy and for delivery, and that takes time.

Senator SCULLION—I acknowledge that. I was just talking about the time to actually arrange and build the houses.

Senator Arbib—The government will be monitoring it and working with the state and territory governments, including the Northern Territory government, of course. Again, we accept that the start-up was slow, but things are obviously moving now and there is now a construction pipeline. From my perspective—that of employment participation—to see that they are now almost doubling the number in the employment target is a very positive sign, and I am sure you welcome that as well.

Senator SCULLION—Indeed.

Senator HUMPHRIES—About five months ago, Minister Macklin threatened a federal takeover of the SIHIP project, according to a media report I have seen. What was the upshot of that announcement by her? Have there been further discussions with the Northern Territory government about this?

Dr Harmer—Much better than that: because of the initially poor performance of SIHIP and Minister Macklin’s concern about the performance of states and territories, she proposed a renegotiation of the national partnership to put more restrictions on the states and territories in terms of being accountable for progress. I will let Ms Cattermole explain this, but we have undertaken those negotiations. We initially thought it was going to be quite difficult, given that the agreement had only been signed in the relatively recent past. However, with a great deal of work by Ms Cattermole and her people, we have been very successful in carrying out Minister Macklin’s instructions. I will let the officers update you as to where we are at.

Ms Cattermole—The National Partnership Agreement on Remote Indigenous Housing, as you know, sits across all of the jurisdictions and the SIHIP component is now subsumed into that as one part. As Dr Harmer said, there was a decision taken at COAG last year to renegotiate the national partnership and that has been a very positive and relatively speedy process and that has recently been agreed. The Prime Minister has written to first ministers this week seeking their final agreement to that renegotiation. What it does is focus more on a strong performance focus for jurisdictions around ensuring that they deliver the capital works activity on time and within the budgets that have been agreed across the national partnership.

Senator HUMPHRIES—Does that negotiation entail paying more money to states and territories as part of this process?

Ms Cattermole—It starts from 1 July this year, assuming that agreement is reached finally, and it restructures the capital works funding such that it will be allocated through a biennial project based competitive bids process. That is a change to the arrangements that were in the national partnership before. The way in which it will work is that the existing allocations that each jurisdiction has will be used as a notional guide; but, in addition to that, the actual allocations can vary up or down by as much as 25 per cent, which means that there is a competitive element to it. That assessment will be based on past performance, need and the strength of the proposals that each jurisdiction puts forward.

Dr Harmer—So the states that do not perform in terms of progress on the targets may have some money diverted to states that are doing better to ensure that people in remote Indigenous communities who need housing get it more quickly.

Senator HUMPHRIES—Are the states putting those bids in or are there communities, partnerships or consortia within communities who are putting those bids in?

Ms Croft—The bids will all be from state governments.

Senator HUMPHRIES—State governments and the NT?

Ms Croft—Yes.

Senator HUMPHRIES—We will watch that with interest. I am aware of a report from—

Dr Harmer—I should say in relation to that initiative of Minister Macklin that she announced another initiative at the same time, which was to embed Commonwealth officials in each of the key jurisdictions to ensure performance. We have done that as well. We have officials in the key states embedded. In fact, in the Northern Territory we have co-located senior people with the Northern Territory team working on this to ensure performance.

Senator HUMPHRIES—How have they taken this embedding process?

Dr Harmer—They have been very good about it. They are working cooperatively. They see us as being very helpful.

CHAIR—Dr Harmer, can we get the numbers and the locations of those embed staff?

Dr Harmer—Sure. We will take it on notice.

CHAIR—That will be fine.

Senator HUMPHRIES—I am aware of a recent report that Barkly Shire, in the Northern Territory, has complained that the 50 houses that were supposed to be refurbished in the Ali Curung community, south of Tennant Creek, under the Strategic Indigenous Housing and Infrastructure Program were substandard. According to the shire's chief executive, 'the refurbished houses are being left incomplete'. The report says:

"Given the amount of money that has been allocated, one would expect that simple things like painting the floors, walls and making the place comfortable, shower and toilet areas where there's handrails and proper handrails ... , those sort of things would be addressed," he said.

What is the problem with Ali Curung?

Ms Cattermole—We have heard some reports too in relation to Ali Curung and they are certainly being looked into by both our team and officers of the Department of Housing,

Local Government and Regional Services in the NT. Barkly Shire did some work in Ali Curung which was of a different nature to the work that is done under SIHIP. It focused more on the physical aspects of the houses whereas the work under SIHIP, as we have talked about previously, is focused very strongly on the functional aspects of houses to ensure that health hardware is brought up to standard in those houses. Also, the way in which the work that was done was costed was slightly different to the way that work is costed under SIHIP. In addition, where there have been concerns raised—and we have heard one or two in places where people have said they were not satisfied with the work—each and every one of those cases will be looked at. If there are issues in relation to work in any of the alliances anywhere, it is expected that they will be brought back to rectify them. One of the strengths of the process is the links that we have made with the Northern Territory asset management team and their property and tenancy management teams, who are expected to come in and assure that work is done. If they are not satisfied the alliance will be made to fix up anything that does not meet the standards we expect.

Senator HUMPHRIES—Are projects like this routinely inspected by either a Commonwealth or a Northern Territory officer on completion?

Mr Boyson—As Ms Cattermole was saying, the Department of Housing, Local Government and Regional Services have a network of asset management officers in each of their regional offices. Those officers are responsible for going through and doing a check on each of the houses before they are accepted and before they are handed over.

CHAIR—Is there a standardised checklist?

Mr Boyson—It is a standardised checklist that they are using.

CHAIR—Are such documents public?

Mr Boyson—I would have to check back with the Northern Territory government.

CHAIR—It would be useful if we could see a copy of what the checklist involves and also at different times have a look at it from the department's perspective.

Dr Harmer—We will try and get it.

CHAIR—That would be great.

Mr Boyson—They actually use what they call a condition assessment tool when they go through and look at the condition of the house. They are moving towards being able to assess the condition of the house before and after.

Senator SCULLION—So what do you think the problem really is, Mr Boyson, given that there are concrete floors with nothing on them so when you spill something it is sucked into the concrete? It is very hard to paint over the top of it. There is nowhere to hang things and when you open the cupboards you see there are not even any pieces of timber to put shelves on—a level of amenity that clearly should not be accepted. Are you saying that the process of local government has actually accepted them and that it should not have?

Mr Boyson—No, I am not saying that. The functional refurbishment process that we are using is looking at making sure that key elements in the dwelling are operating so that people are able to shower, the toilets are working and the kitchens are functioning. In relation to

kitchens, there should be appropriate food storage where food can be kept away from vermin. As you know, dogs are an issue in some of these communities so food should be able to be stored securely. That is part of what should be in that functional refurbishment. So if that has not happened with a particular dwelling, the alliance partner is having to go back to make sure that it is brought up to scratch. The issue with functional refurbishments is that, while those elements may be in a dwelling, there is a high expectation, particularly from some tenants, that it will all look like a new house. That will not necessarily be the case, because what we are looking at doing here is making sure that those important parts of the house that are critical for the house to be functioning are working.

Senator SCULLION—I acknowledge that there may be a higher expectation. My point goes to this. I do not know about you, Mr Boyson, but I have lived in some pretty rough joints in my time. The level of amenity for food is not just simply a cupboard to keep the big things out; it does have places to put things on so you can use it. I do not know how many places you have rented or owned that have had a concrete floor that nobody has bothered to actually seal. I would have thought we were either not being particularly aspirational or not being realistic. A realistic expectation by anybody who is to rent a house or is to be part of the process of purchasing a house would be of a level of amenity much higher than is currently being described by the local government representatives from Ali Curung.

Dr Harmer—Senator, I think what Mr Boyson is saying is that there is a checking process in place and that if there is substandard work it will be the builder or the contractor who will be required to fix it.

Senator SCULLION—It would be useful for us if between now and May Dr Harmer would be so good as to provide us on notice with an updated report out of session, if you like, on the responses to those particular refurbishments in Ali Curung, whether it is to do with a standard or whether it is to do with the builder.

Dr Harmer—We will give you an update on that.

Senator SCULLION—Thank you.

Dr Harmer—Notwithstanding the fact that we are embedded and we have got a few key, very good people working with the Northern Territory, this is essentially a Northern Territory government responsibility. Minister Macklin has insisted that we are in there working with them, and we have revamped the program and got it on track. But the management of it is still the Northern Territory government's responsibility.

Senator SCULLION—Indeed, and that is the reason I would like to have some more information.

Dr Harmer—Indeed.

Senator SCULLION—I like to keep an eye on them.

Dr Harmer—Because of Minister Macklin's requirement to be up there and involved, we are now in a position to be able to provide more information than we would normally be.

Senator SCULLION—Thank you.

Senator ADAMS—I would like to take you back to an issue concerning Western Australia, my home state. I refer to the new houses that are being built in a partnership between the Commonwealth and the state. Whose responsibility is it to ensure that these houses, once completed, are connected to essential services such as electricity and water?

Dr Harmer—The West Australian government.

Senator ADAMS—Can you tell me if the 12 houses that have already been completed at Warman, Balgo and Fitzroy Crossing have been connected yet? On 15 January this year they had not been. It is fine to say that a house has been completed but if it has not got water and it has not got power how can anyone live in it?

Ms Croft—I understand that the three at Wirramanu and the three at Warman have been connected to services and are fully complete. I understand the others are awaiting essential services connection.

Senator ADAMS—So how long are they going to be waiting?

Dr Harmer—That question would be more appropriately directed to the Western Australian government. We will try to get you the information.

Senator ADAMS—All right, if you could, thank you.

Senator SIEWERT—I want to follow that one up. So you do not have a requirement that if you are going to build these they sign on the dotted line to say they will provide essential services and then you follow it up?

Ms Croft—It is a requirement that they connect them to essential services. In relation to that article, I think they were indicating they had been completed. I guess what we are saying is we do not count them as completed until they have been connected to essential services. My understanding is that six of those have been connected to essential services and we count those as complete. The others have essential services work pending.

Senator SIEWERT—Where they are essentially completed except they have not been connected to essential services, do you have a time line as to handing over and when they are actually connected to essential services?

Ms Croft—I am not sure that we have a time line as such in this particular case.

Senator SIEWERT—I mean in your process.

Dr Harmer—In the case of Western Australia the state government are responsible for that process. They have a target under the program and partnership which we expect them to meet. The target includes connection of the completed houses to services.

Senator SIEWERT—This is where the joined up approach and the partnership approach start falling down when, with all due respect, the Commonwealth goes back to saying that it is a state responsibility.

Dr Harmer—We are simply stating the reality of who is responsible. We have funded it and we are jointly involved with them in the planning and the establishment of the program but on the ground the Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs does not have people out there. We do not have programs for infrastructure and sewerage and electricity.

Senator SIEWERT—With the new approach that you are supposed to be taking in particular with SIHIP being delivered—and obviously I have got that question from this morning pending around where they are going into priority communities—is it not one of the responsibilities of the coordinator-general to ensure that this happens?

Dr Harmer—Absolutely. The report of the coordinator-general will be focusing a great deal on the progress on housing as well as on all of the other facilities and services in those 29 communities.

Senator SIEWERT—So are we going to come here next estimates and get the line that it is a state responsibility? At the moment we still cannot say somebody is taking ultimate responsibility for providing these houses.

Senator Arbib—It is their responsibility but the government holds them accountable.

Dr Harmer—Absolutely.

Senator SIEWERT—Where are they being held accountable on this particular issue?

Dr Harmer—Under the renegotiated national partnership they will be held accountable because they will lose some money—and that will go to the states that are performing—if they do not perform and do all the things they agreed to do under the partnership.

Senator SIEWERT—In the meantime what is happening with these communities?

Ms Cattermole—Perhaps I can add to that, Senator. It is not just capital works that this partnership is about; it is also about ongoing property and tenancy management services. So, for example, in the NT, and we will have the same discussions with every jurisdiction, one of the things that we will be really focused on is the point between a house being finished, in the sense that we describe it—that is, all refurbishments are done, all fittings are installed and so on—and a tenant moving in, so that there are no lags there either. This is really about getting people into those houses. That is why we are seeing it as the total bundle of issues, not just the finalisation of the capital program. We have done the same in the NT. We have discussed how we can make sure the relationship between the property and tenancy management teams, the asset teams and the capital works teams link together as well as they can so that those things flow as quickly as they possibly can, and the structure is exactly the same under the national partnerships in all the jurisdictions.

Senator ADAMS—To follow that up, 75 houses in Western Australia are supposed to be completed by the end of June. What is the Commonwealth going to do to ensure that they are completed?

Dr Harmer—We have people in Western Australia working on this. I am not sure of the detail but my latest information is that the Western Australian government officials are confident that they will reach that target.

Senator ADAMS—What happens on 30 June if the target has not been reached and the houses are partially complete? Where do we go then?

Ms Cattermole—One of the key features of the changed arrangements that have arisen from the renegotiation was exactly for that reason. Given the urgency, the need, we do not want to get to the end of the target period and find out things are not working. The whole

point was to restructure the process, particularly the capital bids process, so that we test further and in more detail the proposals, work with the states and—as Dr Harmer has mentioned—the additional people that we are putting in to ensure that we have somebody working more closely with each jurisdiction so that we are informed about progress more quickly along the way and we can work with states to ensure the situation you describe does not occur.

Senator ADAMS—You did mention that money would be taken and given to other states. I would hate to think that houses in the Kimberley could be half or three-quarters finished and, because they had not progressed and met their target, the money to finish them could disappear.

Ms Cattermole—That certainly would not be the case, Senator.

Dr Harmer—I am not sure we would be as harsh as that in the definition of it—

Senator ADAMS—I hope not.

Dr Harmer—but certainly state and territories understand that there is now a greater imperative for them to perform in terms of numbers and timing and that there are consequences, which we did not have under the previous agreement, if they do not. I understand from the senior people in the Western Australian housing department that they are now quite confident they will reach the 75 this year.

Senator ADAMS—Good.

Senator Arbib—Senator, I recently met with WA Treasurer and housing minister Mr Buswell, and he assured me how hard they are working towards meeting their targets in housing and that they have worked to reconfigure the way they deliver housing.

Senator ADAMS—Thank you.

Senator SCULLION—Dr Harmer, I think the point that is made by the senator is a good one, in that the policy at the moment is ‘government to act’, but, even if the government do not act, mate, they already have houses. If the Northern Territory bungs again and we have said to them, ‘Look, if you bungle, we’ll just take the money somewhere else,’ the Indigenous people are the ones who will suffer, not the government—they are just going to potter along.

Senator ADAMS—That is right.

Senator SCULLION—So in a sense we are a bit miffed by the motive for the policy. It is not really leverage for government, because the people who end up with less money or allocation of housing are the Indigenous people who just happen to live in that jurisdiction. Wouldn’t it have been a better approach to say, ‘If you can’t do it, we’ll allocate those funds through some other mechanism’—perhaps through direct purchasing from the Commonwealth—so that the money ends up definitely going to Western Australia or the Northern Territory? It has been allocated on a basis of need, and that is how it should be allocated. I think everybody would then have a lot more confidence about that process. I understand the motive of levering actions and activities out of government, but, if they fail, the people who are punished ultimately are the Indigenous people, and I just think there is a bit of a mess-up in the policy.

Dr Harmer—I understand the point. What I would say is that you have seen already the speed at which Minister Macklin is prepared to act if states do not perform. In a very short time we have already renegotiated the national partnership. I don't want to speak for her, and I will not, but I would think that if this does not work, and knowing how Minister Macklin operates in this space and knowing how important it is to her, I would think that she would be looking at other steps.

Senator Arbib—We do not want the states or territories to fail in this. We want them to succeed and that is why we are working hand in hand with them and people have been put in place to ensure that we meet the targets.

Senator HUMPHRIES—I have one more quick question on SIHIP. Do you know if the houses at Ali Curung were actually inspected by an officer of the NT before this complaint was made by the Barkley Shire?

Mr Boyson—As far as I am aware, the complaint occurred at about the time that the inspections were taking place because I understand that there has been a lot of engagement with the Barkley Shire by the Northern Territory government officers and some of that engagement has taken place while the officers have been out on site looking at houses.

Senator HUMPHRIES—So you are saying it is likely that this inspection would have revealed the same problems and dealt with them.

Mr Boyson—Well, the houses were not inspected at once. My understanding is that as the houses have been completed they have been inspected. So it is very difficult to say.

Senator HUMPHRIES—So you are confident that the inspection did not take place, failed to reveal any problem and the shire had to go to the media to get something done about it.

Mr Boyson—I couldn't be confident about that. What I can say is that there has been ongoing engagement between the shire, the alliance partner and Northern Territory government officers over these issues.

Senator SIEWERT—Are SIHIP funds being directed solely to the 29 priority communities?

Ms Cattermole—No, the SIHIP funding, which is an NT component of the national partnership, goes to 15 of those as well as refurbishment communities.

Senator SIEWERT—But just the 15 that are identified as the priority communities—

Ms Cattermole—And in addition 57 refurbishment communities. So the 15 are getting the bigger capital construction program and the 57 are getting the refurbishment program.

Dr Harmer—Because they are the bigger centres, Senator. They are the biggest towns in most cases.

Ms Cattermole—Hence they are priority communities.

Senator SIEWERT—I understand. I do not necessarily agree with it, but I understand why those ones have been chosen.

Ms Cattermole—My apologies, Senator, I have just been reminded that there are in fact 16 communities in the NT—Milyakburra is also getting that additional work. I apologise; I should not have made that omission.

Senator SIEWERT—Yes, I always forget the additional one as well. Thank you.

Dr Harmer—The Alice Springs town camps are also going to get quite a significant injection of SIHIP—

Senator SIEWERT—You have just pre-empted my next question. I am certainly confused, and I know from the emails that I have been getting that other people are, about what allocation of funding out of the SIHIP funding is going into the town camps and for how many houses. Could we go through that, please.

Dr Harmer—I think we have that information.

Ms Cattermole—We certainly do. There is \$100 million from SIHIP going into Alice Springs and there will be 85 new houses as well as upgrades to existing houses.

Mr Boyson—And in addition to the Alice Springs town camps there is also investment going into the Tennant Creek town camps.

Senator SIEWERT—Is that separate to the \$100 million?

Mr Boyson—That is separate to the \$100 million.

Senator SIEWERT—How much is that?

Mr Boyson—It is \$35.7 million for the Tennant Creek town camps.

Senator SCULLION—When was the \$35.7 million allocated?

Mr Boyson—That was in the first tranche of SIHIP packages.

Senator SCULLION—That is what I understood to be the case. But Alice Springs is a more recent announcement.

Mr Boyson—That's right.

Senator SIEWERT—I could not recall, when the announcement was made, that there was a specific \$100 million allocated to Alice Springs. So that was a subsequent allocation, is that correct?

Ms Cattermole—Subsequent to Tennant Creek?

Senator SIEWERT—Subsequent to the original announcement.

Ms Cattermole—Yes, that would be correct.

Senator SIEWERT—When was that made?

Ms Cattermole—I am not sure I have that information on me; Mr Coffey may.

Mr Coffey—That announcement was made in May 2009 by Minister Macklin.

Senator SIEWERT—The \$100 million?

Mr Coffey—That is right.

CHAIR—Is there a special section called Alice Springs Transformational Plan?

Mr Coffey—Yes.

CHAIR—Where does that fit, Dr Harmer?

Dr Harmer—It is a significant investment, making sure that we have a dedicated team to do the work the minister is committed to in Alice Springs, and Mr Coffey heads that team in Alice Springs.

CHAIR—So you are located in Alice Springs, Mr Coffey.

Mr Coffey—That is right.

CHAIR—How many staff do you have, how long have you been there and where are you located?

Mr Coffey—We are located in the Alice Springs Indigenous Coordination Centre. It is a joint Northern Territory government-Australian government initiative, and we are co-located in the ICC in Alice. The Australian government currently has eight staff allocated to the transformation plan. That includes the government business managers and the Indigenous engagement officers that are allocated to the town camps. There are some Northern Territory government staff located with us as well.

CHAIR—And those eight staff are all FaHCSIA staff?

Mr Coffey—That is correct.

Senator SIEWERT—Are you able to take on notice in which town camps those 85 new houses are going to be located?

Dr Harmer—Yes. I am not sure that is yet determined, specifically. I suspect it is not.

Mr Coffey—No, that is right. There is a process that is currently being gone through to develop a program development report, and through that process we will identify where those 85 new houses will be allocated.

Senator SIEWERT—When do you expect to finalise that?

Mr Coffey—Probably in the next couple of months.

Senator SIEWERT—That is not the sole money going into Alice Springs town camps, though, is it? Could you detail the other expenditure please.

Mr Coffey—The Alice Springs Transformational Plan is a project of over \$150 million now. Of that, \$100 million is through SIHIP. Then there is a bit over \$25 million that was allocated towards the improvement of social support services in the township of Alice Springs. Then there is an additional sum of money towards homelessness strategies, which includes visitor accommodation in Alice Springs.

Senator SIEWERT—How much is that?

Mr Coffey—That is about another \$25 million.

Senator SIEWERT—But that is not coming out of the SIHIP money, is it?

Mr Coffey—No, it is not. That was funded through various sources. We also funded a sum of money through the economic stimulus package Social Housing Initiative to do some other transitional accommodation in Alice Springs.

Senator SIEWERT—How much was that?

Mr Coffey—That is \$13.4 million.

Senator SIEWERT—Which package are the social support services coming out of?

Mr Coffey—That money has already been transferred over to the Northern Territory government, so they have that money already. It was transferred last financial year.

Senator SIEWERT—What is the decision-making process for how that money will be spent?

Mr Coffey—Sitting over the top of the Alice Springs Transformational Plan is a joint steering committee. On that joint steering committee sit the Australian government and the Northern Territory government, as well as the Alice Springs Town Council, Tangentyere Council and Lhere Artepe, the native title holders of Alice Springs. They are an advisory committee. Proposals for social support services go to that joint steering committee. Before they get to the joint steering committee they come through an action group, which consists of service providers; they get input from community people, from grassroots people; they go through Northern Territory government agencies responsible for a particular service; then they go to the steering committee, and we consider them there.

Senator SIEWERT—How much of that money has been allocated to date?

Mr Coffey—To date, we have made commitments of \$7.8 million under that \$25 million funding but we have also sourced an additional \$3.3 million from other FaHCSIA funding through other program areas to complement what we are doing.

Senator SIEWERT—Is that part of the \$7.8 million or is that in addition to the \$25 million?

Mr Coffey—No, it is \$7.8 million from the \$25 million plus an additional \$3.3 million. So, all up, we have committed a bit over \$11 million towards those social support services.

Senator SIEWERT—I beg your pardon, so another \$3.3 million has already been added to the \$7.8 million?

Mr Coffey—That is right. We sourced that through other FaHCSIA program moneys.

Senator SIEWERT—Okay. Where will I find what has been funded out of the \$11.1 million? Where will I find an outline of those projects?

Mr Coffey—We could probably provide you with a list of those projects.

Dr Harmer—We can take it on notice.

Senator SIEWERT—That would be appreciated.

Senator SCULLION—Dr Harmer, the question you no doubt know is coming is that I was quite surprised to hear that the additional funds of \$1 million to be spent on the Alice Springs town camp was in fact coming from SIHIP. Will SIHIP be topped up? Is the \$1 million coming out of the \$673 million?

Dr Harmer—The \$100 million, you mean.

Senator SCULLION—Sorry, the \$100 million. Is that correct?

Dr Harmer—It is part of the SIHIP allocation.

Ms Cattermole—Just to be clear, it does not mean that there is any reduction in any of the other commitments. It is factored in because there was always an allocation for town camps, as well as there was for the major community works and the refurbishment works.

Senator SCULLION—Is that right? I have listened very carefully to all the announcements and I can recall discussions with you, Dr Harmer, at this committee and others where we talked about the 73 communities and the contribution of \$673 million towards those communities. Very late in the piece we have had an announcement that clearly was not part of the budgeting or configuration of the original announcement nearly three years earlier. Do the 73 communities realise that they are now going to get \$100 million less for infrastructure and housing? Because that is in effect how I see it and I could understand how they see it. With the promises of spending and spreading \$673 million across 73 communities, another \$100 million has been taken away from that. You are going to have to build smaller houses. How are you going to deal with that, given that these promises have already been made to the original communities?

Mr Boyson—The original intention of SIHIP and the original allocation across the 73 communities also included three sets of town camps at Tennant Creek, Alice Springs and Borroloola. They were always within the purview of the SIHIP program. I would also add that the commitments that have been made and were made to each of the communities within the SIHIP program are being fully met.

Dr Harmer—It was known at the time and maybe we used our terminology loosely when we were talking about the money but the three town camps were already factored in. And in the planning for the money that would go to the 73 communities, the money that was allocated to town camps in Tennant Creek and Alice Springs was already factored in. There is not a reduction.

Senator SCULLION—No, but I recall a number of announcements and discussions about the allocation in Alice Springs, which was some \$30 million. That was from the previous government and it was around notionally what it would take. Yes, there has been an allocation but this announcement was far beyond any notional allocation that people would have expected. To be frank, I just do not understand how you are going to perhaps meet the commitments and the expectation. Like me, they were not aware that there was \$100 million coming off this. It had not been announced at any of those processes.

Dr Harmer—I do not think there is any ambiguity or misunderstanding in the three SIHIP communities, certainly not in the Northern Territory government. It was well understood that the three town camp areas were part of the allocation of the money.

Senator SCULLION—How much is the Borroloola town camp allocation?

Mr Boyson—That has not been finalised yet. We are still negotiating lease arrangements with the Borroloola town camps. Until such time as that is done we will not be in a position to be definitive.

Senator SCULLION—So there are no other surprises—there are no other town camps or somewhere else where large pieces of money are going to be removed from the 73 original communities?

Dr Harmer—Not removed. As far as I am aware there are no other sites which will have a call on that money.

Senator SCULLION—I cannot put my hand on the media releases right at the moment, but I think you will acknowledge that 73 communities and \$673 million has been repeated verbatim by this government as an investment they were going to make to turn the tide and close the gap in housing. I have used it myself. That was the expectation.

Ms Cattermole—The reference you made to \$30 million was in relation to civil infrastructure in Alice Springs. That was not the description of the complete investment that would be made in Alice Springs. I stand to be corrected in that I do not have every one of those press releases in front of me, but I certainly recall pretty strongly that we have always discussed the fact that the SIHIP funding would be focused on key communities, refurbishments and town camps. You will also recall Tennant Creek was one of the first areas into which the SIHIP funding has gone.

Dr Harmer—I too stand to be corrected but I am pretty confident Ms Cattermole is correct. I think town camps have been referred to and the Alice Springs town camps were always understood to be part of it.

Senator SCULLION—I have always had some difficulty extracting from you, Dr Harmer, no mischief attached, where the houses are going to be built—the names and addresses across the SIHIP. I still do not have the list but, clearly, Alice Springs has been a late in the piece determination. Is there an expectation that each community prior to that announcement knew how many houses they were getting in each of those 73 communities and they were already costed and budgeted for?

Mr Boyson—What each of those communities knew prior to the Alice Springs announcement was the amount of money that was committed and that has not changed.

Senator SCULLION—So there is an amount of money committed to each of those communities?

Dr Harmer—Yes.

Senator SCULLION—What you are putting to me is that \$100 million had been allocated to the Alice Springs town camps well prior.

Senator Arbib—There was a joint media release issued on 2 May 2009 by Warren Snowdon and Paul Henderson, the Northern Territory Chief Minister. In it there is a paragraph that says:

The Australian Government's new approach will provide \$100 million to fix infrastructure and housing in the town camps.

That is in relation to the Alice Springs transformation plan.

Senator SCULLION—Most notably, Minister, is there anywhere in there where it says that the funds were coming from the SIHIP? It is probably right at the bottom in the last paragraph.

Senator Arbib—I will have to have a look at it because it has just been sent. I am happy to get you a copy.

Senator SCULLION—I am familiar with the media release.

Senator Arbib—You just asked whether there was money allocated.

Senator SCULLION—Was where the money would be coming from in the media release?

Senator Arbib—I am answering the question that you asked prior. I will have a look at that for you.

CHAIR—Senator Scullion, maybe the department can take on notice what the public announcements were.

Senator SCULLION—There is an expectation in the communities that you are familiar with that they are getting a certain amount of houses or a certain amount of money allocated. I want some confirmation that the late in the piece announcement that Alice Springs town camps are getting \$100 million does not mean that these communities are going to get fewer houses or less money.

Dr Harmer—I think Mr Boyson has answered that question. He said that that is the case. New houses are only going into the 16 communities plus the town camps. The other I think it is 57 are getting money for refurbishment, refits et cetera. That money has not changed in terms of the allocation.

Mr Boyson—That money has not changed at all.

Senator SCULLION—I find it very hard to accept that we have made an announcement of the process. Clearly, the Alice Springs process was subject to a lot of negotiations and a court case and toing and froing. I cannot understand and I think many of my colleagues would have difficulty in understanding how you can now say that we had a full appreciation in a budgetary sense that it was going to cost us \$100 million when you are still in negotiations. You are still in the court case situation.

Dr Harmer—I think we have answered that question. I think it may be just a matter of misunderstanding. What we are saying is that the town camps in Alice Springs were always intended to be part of the SIHIP allocation. As far as we are aware, the fact that the town camps were included has been in most if not all of the public announcements.

Senator SCULLION—But I do not think the fact that it was going to cost \$100 million was in anyone's mind.

Dr Harmer—I do not think there was an announcement about the specific allocation to any of the communities in any of the announcements in the early days, because it had not been settled.

Senator SCULLION—Well, perhaps I will ask a question on notice again. Given that, apart from the Borroloola aspect, would we be able to now have a breakdown, community by

community, whether it is a refurbishment, either numbers or amount of money, and a notional allocation for Borroloola?

Dr Harmer—We will try to be helpful. I think we are probably close to being able to give you that and we will do our best to give you that on notice.

Senator SCULLION—I have been trying for some time. That would be very useful.

Ms Cattermole—Senator, may I just say one thing. Certainly in relation to new houses and, as Mr Boyson has said, communities were always aware of the total allocation that was going to be made. It is a little bit different with refurbishment communities because of the nature of the work we are doing, which is that the alliances are going in to scope what is required in each place, and that is the determining factor around exactly what will be given.

Senator SCULLION—You must have a budget.

Ms Cattermole—That is correct; there is an overall budget.

Senator SCULLION—The scope of works will be well beyond any budget.

Ms Cattermole—There is an overall budget which, you will recall from the review, has been determined. But, of course, in relation to each individual place that scoping is the determinative work.

Ms Cattermole—So it may be more difficult there, but certainly with all the others we can provide that for you.

Dr Harmer—So, with that caveat, we will do the best we can to give you the information.

Senator SCULLION—Thank you.

Senator SIEWERT—I want to ask an additional question about Elcho Island, as an example. It has been raised with me that one- and two-bedroom houses are being built. Is that correct?

Mr Boyson—There is a range of housing types being built in the packages. That is correct; there are two-bedroom houses. At the moment the alliance partner is working towards delivering 38 three-bedroom houses, an additional seven three-bedroom houses—sorry this is Maningrida. I apologise for that. I will start again. The alliance partner is looking to deliver 40 three-bedroom houses; five three-bedroom houses with larger bedrooms; 19 two-bedroom homes, which are stand alone; 20 two-bedroom duplexes; and six one-bedroom units. That mix is the product of engagement with the community.

Senator SIEWERT—That pre-empts my next question. So the community said: this is the sort of mix of accommodation that we want?

Mr Boyson—Yes. Traditionally, it has been three- and four-bedroom homes that have been built, and we understand that the feedback the alliance partner had very clearly was that there needed to be a range of houses. But we have made it very clear that with the alliance partners within the parameters that have been set for the program that no less than 50 per cent of houses can be three-bedroom or larger. The number of one-bedroom units in any package cannot exceed 10 per cent of the total package. That is to ensure that we get a good spread. We also recognise that there are large family groups and we do need larger houses in this community as well.

Senator SIEWERT—Okay. Thank you. Much appreciated.

Senator SCULLION—I would just like one last piece of clarification, Dr Harmer, on notice if you like. I cannot recall that the SIHIP review—and the 57 communities are all identified—speaks anywhere of town camps. I noticed that, in the figures for the budget for that, it talks about where the refurbishments will be and where the new houses will be. It talks about the project management—eight per cent of the program—that comes to the total of \$672 million. But, where it actually identifies the 57 communities and the 16 communities where that will be spent, nowhere in the 16 or the 57 communities is there in fact a town camp. In fact in the SIHIP review there is not any mention of the town camps, which has led me to the position that I am in.

Dr Harmer—I do not have it with me, but that may be true. The fact remains that it was always understood by the Northern Territory government and by the communities that SIHIP applied to the communities plus the three town camp areas. In some documents—

Senator SCULLION—This is a review of SIHIP. This is the most significant document which relates to that and you are saying, ‘Sorry, this was always going to appear historically,’ and it is not even mentioned in the document.

Senator Arbib—With all due respect, we have offered to give that information on notice and we will provide it.

Senator HUMPHRIES—I have a general question about maintenance of housing stock and I appreciate that the Commonwealth is essentially creating stock for other agencies—state instrumentalities and so forth. It is obvious that we have a situation where particularly remote Indigenous housing stock tends to deteriorate more quickly than general housing stock, related to factors like overcrowding and so forth. I am aware of a number of programs which have been put in place in various communities to attempt to arrest that trend. What is the Commonwealth doing to attempt to link its expenditure with that sort of proactive work to prevent the stock deteriorating and the value of our investment as the Commonwealth going downhill quickly?

Dr Harmer—SIHIP replaced a program which had problems, one of which was that lots of housing was being managed by community housing organisations, Indigenous housing organisations, and there was no requirement or checking about whether maintenance had been put in place. Things were not dealt with early. The requirement under SIHIP and the new program is that the state and Territory government in this case, the housing department, will run and manage the houses. They will apply rent collection practices which are standard for public housing. They will apply maintenance checking and maintenance programs in the same way as for public housing. We now have secure tenure over the land, so we can actually do that. Before we were building on community land and we did not have any security. A lot of things in the new approach will ensure that that issue of no maintenance or no repairs has been dealt with. I think that is the answer but I can be corrected.

Ms Cattermole—It certainly is, Dr Harmer. In addition to that, on the question of the longevity of houses themselves one of the key commitments under the national partnership across all jurisdictions is that all work, complies with the Building Code of Australia and all

work complies with the National Indigenous Housing Guide which adds a series of things which are directly designed to tackle the particular issues of building in remote locations.

Senator HUMPHRIES—In respect of my question, what sorts of factors, what sorts of elements?

Ms Cattermole—There is a range of things, particularly around the component parts which you might put into housing—for example, kitchens and bathrooms. It describes particular requirements around much more details design and componentry.

Senator HUMPHRIES—How does that assist in the maintenance of those houses?

Ms Cattermole—One of the ideas is that, if we ensure we have the most appropriate and durable components upfront, you then do not have as much of a problem later on when you find that you have much higher maintenance bills and maintenance costs because that componentry has not been put inappropriately in the first place.

Senator HUMPHRIES—So you design them to be tougher and less likely to break? Is that what you are saying?

Ms Cattermole—And more appropriate for the conditions in which you are building.

Senator HUMPHRIES—Individual tenure certainly seems, in my opinion, to be a step in the right direction. You said, Dr Harmer, that the state instrumentalities were dealing with the leasing arrangements—rent collection and so forth—for these premises. Do you see that as a means that is likely to ensure that the level of maintenance of these premises is going to be at a higher level than before?

Dr Harmer—I do, yes.

Senator HUMPHRIES—It would seem to me that overcrowding is a key element of this and none of the measures you have described deal with that element.

Dr Harmer—The big allocation of funding attempts to deal with it.

Senator HUMPHRIES—I am sorry?

Dr Harmer—The significant, unprecedented allocation of funding is intended to deal with that.

Senator HUMPHRIES—Yes, okay.

Dr Harmer—Can I just go back to Senator Scullion's question. I now have in front of me the report on SIHIP. Just quickly, I can find at least two references to the Alice Springs town camps: one on page 17 and one on page 25.

Senator HUMPHRIES—You have mentioned that our partners in SIHIP and the National Partnership Agreement on Remote Indigenous Housing are essentially state and territory governments. They will be making bids for funding in future for funds under this program. I assume that they in turn will engage in partnerships with providers on the ground in these places. I see that some of the shire and municipal governments are involved as well. To what extent are those processes engaging experienced non-government providers of accommodation services in these places?

Ms Croft—Under the national partnership agreement, all jurisdictions are required to have a property and tenancy management plan. As part of that, it outlines the approaches that will apply in each jurisdiction to property and tenancy management. While they vary across jurisdictions, in broad terms jurisdictions will either directly manage the housing themselves or work in partnership with the existing community housing providers, generally through an accreditation type process, to ensure that property and tenancy management services are delivered.

Senator HUMPHRIES—There are no benchmarks for involvement by community housing providers in any of these agreements, in terms of number of dwellings delivered through this particular medium?

Ms Croft—I would have to take that on notice.

Senator HUMPHRIES—In practice, how many such providers are we seeing emerge out of these partnership programs? I just want an impression. Is one in 10 of these being delivered through community housing providers? Is it 50 per cent? Give me a rough idea.

Ms Croft—I do not have the numbers with me. I would have to take it on notice.

Senator HUMPHRIES—Okay. You do not have a rough impression? Do you know of any community housing providers who are involved in—

Mr Boyson—In the Northern Territory there are at least two organisations that are directly managing housing on behalf of the Northern Territory. In most cases the Northern Territory has arrangements with the shires to provide tenancy management and repairs and maintenance services. In Tennant Creek, Julalikari Council Aboriginal Corporation is providing those services on behalf of the Northern Territory government because it is an organisation that has the capacity and is well placed to do so.

Senator HUMPHRIES—Is there a lot of interest by community housing providers in entering this space and bidding for work?

Mr Boyson—I understand there is interest from some organisations, but I could not give you any details.

Dr Harmer—Under the program, for community organisations that have a good reputation and presumably would be accredited by the housing authority or the government, there is no impediment to them contracting to the government to manage the housing.

Senator HUMPHRIES—Yes, but this is being run through state and territory governments rather than directly by the Commonwealth. I note that in programs like the affordable housing program you have an emphasis on partnerships with these sorts of organisations, but I am not sure that that is going to be the result of this exercise. I would be interested in monitoring that in future estimates. I just flag that issue as a matter of interest to me.

I will turn to the National Partnership Agreement on Remote Indigenous Housing and to my favourite subject of performance indicators in the agreement. Page 7 of the agreement contains some of those. Looking at issues like overcrowding and homelessness, the baseline measure referred to there is average occupancy per remote dwelling. I assume that 8.8 is the

figure as of 2006 for average occupancy of remote Indigenous housing—or is it Indigenous housing altogether in Australia?

Ms Croft—Sorry, Senator. Could you repeat the question.

Senator HUMPHRIES—Yes. I am looking at the performance indicators on page 7 of the National Partnership Agreement on Remote Indigenous Housing. The first of the performance indicators is overcrowding and homelessness. The baseline is average occupancy per remote dwelling equals 8.8. Are we saying that the average occupancy of remote Indigenous housing as of 2006, which I think is the baseline date you have chosen here, was 8.8 persons per dwelling?

Ms Croft—We are. I understand that that is based on the Community Housing and Infrastructure Needs Survey from 2006.

Senator HUMPHRIES—And that is for remote Indigenous housing rather than Indigenous housing in general?

Ms Croft—I believe so.

Senator HUMPHRIES—We want to reduce that occupancy level by 2018. That is the benchmark performance indicator for this agreement. There is no indication of how much it is expected to reduce that level of occupancy.

Ms Croft—No, I do not believe we have been specific about the details.

Dr Harmer—It would be very hard to establish a target for that.

Senator HUMPHRIES—Why?

Dr Harmer—I do not think we have allocated funding through to 2018, for a start. That is beyond the forward estimates years and beyond the National Partnerships time frame, so it would have been quite difficult to do it. But we are reasonably confident that, with the allocation of funding, we will make pretty good headway in reducing that—certainly in some of the communities.

Senator HUMPHRIES—I asked you before about overcrowding and you pointed to the extra funding in this partnership by the Commonwealth for that objective. I realise your funding does not roll out till 2018, but this is the problem with an agreement that has such a long-term, over-the-horizon kind of measure. It is very hard for us to ask how progress is going with this if, effectively, we cannot get any indication of success or failure of it until 2018, when most of us, I suspect, will not be here.

Ms Cattermole—Perhaps I could clarify. While we have a baseline measure as you indicated there—Ms Croft indicated where that came from—the reality is that in each jurisdiction overcrowding levels differ. That is an average across all jurisdictions, so it does not seem appropriate, therefore, for us to try to set a national reduction benchmark. In fact, that is the sort of thing that has been looked at on a jurisdiction-by-jurisdiction basis given the differences in each one. They are the kind of details that we work through with each jurisdiction during the negotiation of the more detailed plans that sit under the national partnership itself.

Senator HUMPHRIES—If that is the case—if it has so little meaning—what is the point of having a performance benchmark in this agreement?

Ms Cattermole—Because it is further detailed in the plans that are agreed to with each jurisdiction in a more meaningful way based on their circumstances.

Dr Harmer—It is an overarching agreement where the overarching commitment is a reduction. What Ms Cattermole is saying is that the individual bilateral agreements specify the reduction.

Ms Croft—That is correct.

Senator HUMPHRIES—Okay, but if this is meant to be a national partnership with national objectives to reduce overcrowding in Indigenous housing across Australia and the guts of the changes are engineered in state-by-state agreements, it would seem to me that that ought to be reflected in this document. But even if you have state-by-state agreements to reduce the levels of overcrowding in those places, if they are successful—if state-by-state agreements reduce the overcrowding—that national figure comes down, does it not? So there is still a point in having some kind of benchmark.

Dr Harmer—Yes.

Senator HUMPHRIES—If 8.8 is the benchmark we are working from at the moment, is it possible at future estimates to ask what the average occupancy stands at so we can measure whether this is making any difference?

Dr Harmer—We could have a go at that.

Ms Cattermole—One of the difficulties is that in some jurisdictions such as the NT, because it is an average, it is quite a lot higher. In some places it is less than the average, which is why we focused in detail on each jurisdiction. It was to ensure that we were setting something meaningful in each place. We can certainly do as much as we can, but bear in mind that, given that some are underneath that, it may not necessarily show—particularly early on.

Senator HUMPHRIES—We want to see what progress is being made. The Prime Minister made a major speech yesterday in which he talked about the need for improving standards in a range of areas. Overcrowding in Aboriginal housing is a key issue. I do not want to be in the position where, effectively, we cannot see what progress has been made on this issue until budget estimates 2018. I want to know what is going on now and for each of the coming budget years. Would you take on notice the provision of information, the most recent set of figures, about the average occupancy per remote dwelling in each of the Australian states and territories so that whenever this information is updated we can see whether progress is being made.

Ms Cattermole—Certainly.

Senator HUMPHRIES—The next indicator is the incidence of homelessness. It says here that there are ‘3,000 homeless Indigenous people in remote and very remote areas’. Again, I assume that is the ABS result for 2006. The incidence of homelessness in remote Australia reducing by 30 per cent by 2013 and by 50 per cent by 2018 are commendable goals. They seem a bit more realistic than simply wanting to reduce by no prescribed figure the amount of overcrowding in the previous indicator—that is a bit of editorial comment on the side. Can we

have that set of figures as at the most recent set of statistics? I assume that we will not get any more accurate update until the census in 2011. If there are any other indicators of Indigenous homelessness in remote areas, could we have those figures as well, please, so that we can see how we are tracking on that.

Ms Catermole—Yes.

Senator HUMPHRIES—The third indicator is the number of overcrowded remote households requiring one or more additional bedrooms. The goal is to reduce that number by 4,200 in 2018. In reducing it by 4,200, we need to know the figure as at today, or the most recent available date.

Ms Croft—In relation to the figure of 4,200, that is the number of new houses that will be constructed or are required under the National Partnership Agreement. So the \$5.5 billion provides for 4,200 new houses and 4,800 refurbishments to existing houses over 10 years.

Senator HUMPHRIES—But you are not saying that, if you build 4,200 houses between now and 2018—and I hope we have a little more ambition than that in the next eight years—we will have reduced overcrowding by that number? Because populations are rising quite rapidly in many Indigenous areas of Australia, aren't they?

Ms Croft—Yes, there is population growth.

Senator HUMPHRIES—Yes. So I would have thought that you need a slightly more sophisticated measure than that. If we could have the number of overcrowded remote households requiring one or more additional bedrooms now as a benchmark to work from, I would be grateful. I will not ask for any more than those three indicators. I could ask for more there but I am happy to just have the baseline figures in those areas so that we can look at them in future.

Senator BOYCE—I want to ask some questions in relation to an Institute of Health and Welfare report on state owned and managed Indigenous housing 2008-09, which was published in January this year. The figures set out the match of dwellings owned by states to the household size occupying a house. The proportions of household size of households, where dwelling size is not appropriate due to overcrowding, run at 3.6 per cent in New South Wales; 2.9 per cent, Victoria; 10.9, nearly 11 per cent, Queensland; 7.8 per cent, Western Australia; 7.2 per cent, South Australia; and 2.7 per cent, Tasmania. The ACT and the Northern Territory are not listed. Can you tell me what involvement FaHCSIA has in working towards fixing those standards and under what programs?

Dr Harmer—This is the occupancy rates of housing? I am not familiar with the report.

Senator BOYCE—It lists the total households of state owned and managed Indigenous housing that are overcrowded. For instance, in Queensland there are 3,048 households for which the tenancy composition and dwelling details are known and, of those, 332 are overcrowded, giving a percentage of 10.9.

Ms Lees—I must confess I do not have the details of the report in front of me. If I can just offer some general comments: what the report is—

Senator BOYCE—Obviously, yes. Is FaHCSIA aware of—

Ms Lees—Yes, we are and we do monitor those statistics quite closely. The point I would like to make is: state owned and managed Indigenous housing is just one part of the picture of Indigenous housing across Australia. Those numbers, I believe, would cover remote, urban and regional locations, so, whilst we are putting money into the remote Indigenous housing component of that, through the partnership, there is also money being provided through the mainstream housing agenda, through things like the economic stimulus package and the social housing national partnership, that will help to address some of those by the provision of additional stock.

Dr Harmer—The Aboriginal and Torres Strait Islander populations are overrepresented in the allocation of public and social housing in urban areas. The 19,300—from memory—houses that will be added to social housing stock through the stimulus package will, as Ms Lees has suggested, make a significant contribution, we would expect, to those figures.

Senator BOYCE—That nevertheless does not explain the fact that you have percentages of 3.6 and 2.9 overcrowding in New South Wales and Victoria and yet 10.9—nearly 11 per cent—in Queensland. That is what I was hoping you might be able to tell me about.

Dr Harmer—That largely reflects the composition or the location of Aboriginal and Torres Strait Islander peoples in Queensland. They are much more dispersed and a greater proportion are in remote and northern areas where there has got to be a priority for housing.

Senator BOYCE—Are you able to give me a better breakdown of those figures, given that they are nationally collected—by statistical region or some such?

Ms Lees—May I make an undertaking to consider that question and take that on notice? I am not sure exactly what we can break down for you but I will undertake to have a look at that issue for you.

Senator BOYCE—Because clearly that level of difference suggests that—

Ms Lees—I appreciate your question and we will undertake to have a look at that for you.

Senator BOYCE—more action by the Queensland government might be a good thing. Thank you.

CHAIR—Are there any further questions? We have three minutes.

Senator SCULLION—I have a question about housing with regard to the National Policy Commission on Indigenous Housing, which was part of that sort of war cabinet. How many times has this commission met?

Ms Lees—The commission has met nine times.

Senator SCULLION—How often does it meet? When was the last meeting?

Ms Lees—The last meeting was on 11 December 2009.

Senator SCULLION—When will the next meeting be?

Ms Lees—It is currently scheduled for 25 February.

Senator SCULLION—Are there any minutes or agendas of these meetings?

Ms Lees—The policy commission is an advisory commission to the minister. There are meeting notes taken but they are in the domain of advice to the minister and, as such, are not public documents.

Senator SCULLION—What about recommendations that come from there? Are they covered by the same purview as advice?

Ms Lees—Yes, they are.

Dr Harmer—It is the same.

Senator SCULLION—Perhaps I will put a question on notice to the minister, through the acting minister. It would be very useful to know what sorts of recommendations are actually being made through that advisory committee. I know she has the right to not provide that advice—but just that element of the particular recommendations that are passed on as advice. I think that would be very useful, if she would be inclined to provide me with an answer.

Senator Arbib—I am happy to attempt to get you an answer on that.

Senator SCULLION—Thank you.

CHAIR—Thank you very much to the officers from those programs. We do appreciate it.

Proceedings suspended from 12.29 pm to 1.01 pm

CHAIR—We will reconvene. We are looking at the areas around employment and economic development.

Senator SCULLION—I would like to kick off by asking some questions on the Australian Employment Covenant. How many eligible Indigenous job seekers have been referred or mentored under the program?

Ms Wood—The last report from the AEC on outcomes as at 31 January 2010 states that there are a total of 16,939 job commitments from employers and to date 622 Indigenous job seekers have commenced in employment and, of those 622, 88 have been in employment for 26 weeks.

Senator SCULLION—What training programs or assistance has been provided to industry?

Ms Wood—They are a range of options for employers who are working with the covenant to prepare people for employment and to train them in the specific needs for the particular role. They have the option of working through Job Services Australia to source people and have the support of Job Services for work readiness and preparation. They can also be assisted through the Indigenous Employment Program. They can also access a range of state training programs and some employers have their own proprietary work readiness training and work preparation.

Mr Griew—I have a couple of examples of a number of departmentally brokered training courses we have assisted particular employers with through the covenant. There were 11 participants in ISS Facility Services through on-the-job training. With Fortescue Metals Group we helped broker training through the Pundulmurra TAFE in Port Hedland. For the Australasian Maritime Institute we also helped organise maritime pre-employment training. There are a number of examples where we have worked with the covenant and employers.

Senator SCULLION—This is in maritime pre-employment?

Mr Griew—The last one was pre-training for employment in the maritime industry with a particular employer.

Senator SCULLION—So that is the petroleum offshore—

Mr Griew—I would have to take on notice, unless the Ms Wood has the answer to that question, who that particular company works with.

Senator SCULLION—As part of the Australian government's role in supporting the Australian Employment Covenant I understand you were going to be assisted in tracking some of the positions that go through. Are you able to tell me how many Indigenous Australians who were placed into work under the covenant are still employed or the amount who have gone, just so I can get an idea of the retention rates?

Ms Wood—One of our performance indicators through our arrangements with the covenant is retention in employment at 26 weeks. That is our measuring point, so we know that, of the 622 that have commenced employment, 88 have reached the 26-week mark. I do not have information about people that have moved out of employment.

Senator SCULLION—Perhaps you could help me with that figure so I can understand it.

Ms Wood—Sure.

Senator SCULLION—Of the 622, you say the figure of 88 having passed the 26-week mark is probably not right. So 622 could well be the number of people who simply have not been employed for the full 26 weeks?

Mr Griew—Or have not yet reached the 26-week point, bearing in mind we are six months into a new employment system.

Senator SCULLION—I am trying to get a feel for how many people are going into the system and staying in the system. Could these all be still in the system?

Mr Griew—We will take on notice some further way of analysing that for you.

Senator SCULLION—Do you have any further statistics? Do you, for example, know how many people have now left the system or did not survive the 26 weeks?

Ms Wood—We do not have that information. These reports are coming from the Australian Employment Covenant, so they have systems to track and monitor. So far we have had them reporting to us on employment commencements and retention to 26 weeks.

Senator SCULLION—The covenant is 50,000 jobs in two years, so what is the current placement level?

Mr Griew—It might be useful to give you some context to the tiered structure of the covenant and the objectives it is seeking. The 16,939 job commitments from 110 employers that Ms Wood referred to would be the progressive measure in the high-level commitment of employers. The covenant is working very much on the demand side. It is working with employments to make commitments to employ Aboriginal people and has converted that into formal commitment for 9,132 specific jobs.

Senator SCULLION—The first number was 16,000—

Mr Griew—There were 16,939 commitments to the employment of Aboriginal people.

Senator SCULLION—That is the number of people who have signed up and said—

Mr Griew—No, sorry. There a number of tiers to this. The first is the covenanting, in AEC parlance, of a commitment on the part of an employer to employ Aboriginal people. There have been 16,939 of those, of which 9,132 have been converted into the definite commitment of a job at some point, as reported to us by the covenant. We work very closely with the covenant—I am happy to talk a bit about some of the things we do with them—in order to hook them up with the supply side, which is then the business of putting them together with JSAs, Job Services Australia outlets, and other specialist Indigenous employment development organisations to provide workers ready for those jobs, including the training you referred to. Those are the figures that Ms Wood gave you. So the commitment of 50,000, in the AEC's terms, would most clearly relate to the high-level covenant position.

Through the work that we have done closely with the covenant, our current emphasis in that partnership is on what we are calling covenant action plans, which is tripartite work between us, the covenant and specific employers to say, 'Okay, you're now moving in to making a commitment to employ people in particular jobs. We need an action plan with your local community and local job service providers so that we can make sure we have success here—that we fill the jobs you are after and create momentum.' To that end, the minister, when meeting with the covenant early on in his tenure, committed that we would actually send expert employment service officers from our department to work in the covenant's main offices so that we could help link the supply side in those covenant action plan meetings. We regard that as the cutting edge of the work we are doing with the covenant at the moment.

Senator SCULLION—We are halfway through and nowhere near halfway to the target—which is not surprising, I guess; the low-hanging fruit is easy and comes in a rush and then it will get harder. I think most people acknowledge that.

Mr Griew—I am not sure. This is a hard space to operate in.

Senator SCULLION—Indeed.

Mr Griew—Our view would be that there is a lot of interest from corporate Australia and that is being mobilised through this process. I think another metaphor would be this is a difficult train to get moving and we want to build momentum so that we accelerate progress. The government is very committed to succeed in this.

Senator SCULLION—I guess the reason I am talking about low-hanging fruit is that there is a demographic of Indigenous Australians with entry-level skills that have had jobs before. I have spoken with industry and I am very encouraged by the excitement and the parameters that they have set themselves. They have made significant investments in HR to meet this target. They tell me—and I do not think this is reflected in the statistics you have given today—that there are jobs now and the difficulty is filling those jobs. I think the employer side is done: we are well in front of the game there now and you are right that that might well accelerate. The question remains that, given the environment we are working in, what extra things are the government doing to ensure that we can move people from places where they are at the moment?

Senator Arbib—I would like to respond to that. First, in relation to the covenant, I am amazed they have been able to get almost 17,000 commitments, given that almost the moment they announced it we moved straight into the global recession. In the past 12 months, as unemployment has gone right up to 5.8 per cent, they have still been getting commitments, through Andrew Forrest and his officers, from corporate Australia to take on Indigenous Australians. From that perspective, there has been a very good outcome. However, many of the almost 17,000 commitments are not just over two years but over a number of years. Some of the employers are talking about a three- or four-year commitment which is pushing out the time lines. Obviously, we would like to see more commitments and everyone is working very hard towards that, but at the same time the labour market is only now recovering. The good news is that the goodwill in the corporate sector, which started pretty much with the apology by the Prime Minister, is continuing. I am talking to numerous companies about their projects and through Reconciliation Australia the number of RAPs that they are undertaking is outstanding as well. In an address yesterday, I think the Prime Minister gave some figures which are really notable.

In coming to your question, the problem is it is not just a labour matching exercise. This is not a case of demand meeting supply. If it were that easy then obviously more progress would have been made. As you know, Senator Scullion, we are looking at some extremely complex barriers to employment and we have to attempt to resolve these at every level. That is what the government is attempting to do. The covenant is only one part of the government's employment response. We have the Indigenous Employment Program, which is going extremely well and my officials can give you some figures on that. We have Job Services Australia, which has been reformed and started on 1 July. An Indigenous employment forum will be held in Canberra on 23 and 24 February where we will talk to employers and providers about what else can be done. A lot of this will be done at the school level as well—keeping young Indigenous kids in school getting their education, going through and making sure there is a proper transition into trades training, university or whatever. That is their best chance of getting a job.

Senator SCULLION—I think we are in hearty agreement, Minister, that the pull side is there. What I do not want to see and what I am concerned about is getting to two years with 50,000 jobs ready to go but there is nobody in them or a much smaller number of people in them. That is the issue. Dr Harmer or the officers at the table, what are you doing to move people from unemployment or CDEP into these positions? Jobs are available and people have the capacity to do those jobs and yet they are not moving from where they are to the new positions. I acknowledge that we have all done a lot of work till now, but the actual numbers of people who are moving into jobs is slowing down at a concerning rate.

Senator ARBIB—I disagree with you on that. If you would like to go through the IEP figures—

Senator SCULLION—This is just feedback from some of the most significant players as part of the covenant. They believe it has been going well, but it is getting harder and harder to fill places and it is getting easier and easier, as you say, as industry takes up the challenge. It is about matching people to move into those places.

Senator ARBIB—The covenant is only one part of what the government is doing.

Senator SCULLION—I acknowledge that, but the government is responsible for a number of levers that encourage people to move from the position that they are in now to opportunities that the covenant provides. I am just asking: what increased measures is the government taking to move people from unemployment, or CDEP, to allow them to move into the space where they can be taken up by the demand?

Mr Griew—Senator, let me give you some figures about outcomes from a couple of the key employment programs. Regarding Job Services Australia, since its inception on 1 July last year, the new contract has placed 18,300 Indigenous people. To give you a comparison, it was 15,900 until 31 December last year—the first six months. That compares to a figure of 8,700 in the first six months of the previous contract. When one compares Job Services Australia with Job Network, that is a very substantial increase. The Indigenous Employment Program, which was reformed for 1 July 2009, has placed 28,300 Indigenous people. That is an increase of 18 per cent over the equivalent period in the previous year. Regarding CDEP participants, as you would be aware, there has been a process involving Commonwealth and state governments to place CDEP participants doing equivalent government or government funded service delivery jobs into real jobs. One thousand, two hundred and thirty-six CDEP participants have been shifted into Commonwealth funded positions and 306 into state funded positions. That is a \$228 million investment from the Commonwealth. Of the CDEPs in non-remote areas—that is, the ones that have been closing down—1,964 left, and 1,280 of those are now on income support, all of which we can account for in either the JSA system or in one of the other disability or related employment systems. Three hundred and thirty-eight placements have been achieved—80 of those were for 26 weeks. This is in the CDEP programs in the non-remote areas that have so far ceased to operate. These are national figures. We have also had success in another arm of the strategy for enrolling CDEP participants in existing CDEPs—the ones that are still operating. Ninety per cent of 8,903 CDEP participants in remote area CDEPs that are continuing, but from before the changes in policy, are now enrolled with Job Services Australia providers, who will support them for movement into the mainstream labour market. So, in terms of a set of results, that is a fairly significant outcome.

Senator BOYCE—Do you have figures for the Torres Strait?

Mr Griew—I would have to take that on notice in order to break that down between Aboriginals and Torres Strait Islanders.

Senator SCULLION—Just going by the national figures, out of 1,964—these are in the non-remote areas—1,280 are registered with job providers. I just want to get that—

Mr Griew—1,964 participants were in CDEPs that closed down. Six months later, 1,280 of those are on income support. Others are not eligible for income support for various reasons or are not registered. 1,232 of those 1,280 on income support are registered with a Job Services Australia provider. The other 48 we can account for through either a disability employment provider or another program. And 338 of those have been placed in a job.

Senator SCULLION—So the remaining 900-odd with the job service provider are obviously in a position where because they are with a job services provider they can work and they have that capacity. That has been some time. Can you tell me how long, on average,

those people would have been there? I am just looking for an approximation about how long the people have been with the job services provider.

Mr Griew—It would be six months because they are the people who transferred in. That is not bad a result, especially in the remote areas or the higher level need—

Senator SCULLION—But these results are for non-remote areas.

Mr Griew—But these job seekers on average would be representing the higher streams more than the average profile.

Senator SCULLION—What I am wondering about is the 900 remaining who have been there for some six months. Given the demand particularly in the area of the Australian Employment Covenant where some of the skill sets we are talking about are entry-level and the conditions are quite attractive—and I have been through this with one of the members—have you done some work in considering what the barriers are to moving from this demographic, which no doubt will grow over time, into areas of work?

Mr Griew—I talked about the covenant action plan process. As I said, this is a non-trivial challenge to meet up the supply and demand side. These are a population of job seekers many of whom are not immediately job ready and that is part of the work that the Job Services Australia provider do with them.

Senator SCULLION—So at the time they are in that demographic they may well be doing training for job readiness and those sorts of things?

Mr Griew—They could be doing training and all sorts of activities. The work that we initiated in our partnership with the AEC, as I said, was the placement of experienced employment service officers in the AEC offices so that their expertise in working with the corporates could be matched up with our staff's expert knowledge of the job service providers. The process which we have agreed on is to focus on these covenant action plans, which focus on precisely the problem that you are identifying.

Senator SCULLION—I would have assumed—you can tell me if it is a poor assumption—during that six-month period of time that, whilst some of those 900 people who remain would have been going through a training process, some would have been required to present themselves at an employer at some stage. Would that be correct? Again, I am not asking for details.

Mr Griew—That would be right. The job placement rate that we are achieving with Indigenous placements in Job Services Australia is about 10 per cent of the placements made. While this is a challenging area, I think it is worth acknowledging that the Job Services Australia providers that we deal with are pretty committed to this area and they are getting some results.

Senator Arbib—You have to be a bit careful when you think about the Indigenous employment space in terms of just the covenant and those 17,000 because if you go on to the covenant's website right now you will find that—please correct me if I am wrong—there would be around only 500 or 600 jobs available at present. I have just been told that there are 450 jobs available right now. So there are not 17,000 jobs sitting there for us to go out and fill. There are 450 jobs on their website. Obviously we need to work between the covenant, job

service providers and employers to make sure that training, skills development et cetera are right for those employers. That is not an easy path.

At the same time as that—and I say this to employers all the time—if they want to be involved in the covenant and be involved in this field then they have to put some skin in the game themselves in terms of training and work readiness. They cannot just say, ‘We are willing to take on Indigenous job seekers,’ and the government has to go out and do the hard work. I say this all the time to employers: ‘You have to be involved yourself.’ We are seeing results, especially with national employers in the mining, banking and hospitality sectors that are coming on board and doing that. As you know, Senator, this is not an easy task. I made the point yesterday that Mr Abbott, in his response to the Prime Minister’s statement, actually congratulated the covenant and Mr Forrest on the fine work they are doing. That was the statement yesterday by Mr Abbott.

Mr Griew—I will just correct a figure I gave you earlier. The update that I have just been given is that it is 550 jobs.

Senator SCULLION—Would you be able to give me a figure on how many individuals are falling out of the system? In other words, those people with whom we have tried our best but are simply not turning up or for whatever reason. The set of requirements would say that they require some sort of a breaching or punitive measure.

Mr Griew—I can give you some figures on compliance action.

Senator SCULLION—Would you be able to give me those figures in just this one demographic of CDEP non-remote?

Mr Griew—I would have to take that on notice.

Senator SCULLION—You can give me the general ones then if you like.

Mr Griew—The general picture with our compliance statistics is best summarised by saying that, if you take account of the fact that the Indigenous job seeker population is on average younger and male compared to the general job seeker population on a like-for-like basis, the compliance action rates are pretty similar to the general job seeker population. I can give you the figures between 1 July and 31 December. There have been 897 no-show-no-pay penalties and 304 reconnection penalties, giving a total of 1,201 short penalties in comparison to 146 for the same period in 2008. Bear in mind we have had a policy change where we have shifted to early intervention penalties rather than allowing job seekers to flounder and end up with harsher penalties.

There have been 252 eight-week non-payment penalties, including 10 for consistent noncompliance, which is a reduction from the same period in 2008 when there were 1,073 eight-week nonpayments, including 619 for persistent noncompliance. That is a pattern. I appreciate that is complicated because we have shifted our approach to an earlier intervention approach. That same pattern is the pattern we described the other night in DEEWR estimates on the general job seeker population, where we have fairly significantly shifted away from the more substantial penalties at a later persistent noncompliance period to a higher number of shorter term penalties earlier on. That seems to be working in this population, as it is in the general population. We will take on notice whether we can break that down for CDEP.

Senator SCULLION—That would be useful.

Senator SIEWERT—I want to quickly go back to the CDEP question. Is it possible to provide us with a breakdown of the figures per state? Maybe you could take that on notice. Is that possible? If you have got it there, could you table it?

Mr Griew—We will take it on notice.

Senator SIEWERT—I will go to the question of training. How long do people have to wait to access training? Can they access it straightaway?

Ms Caldwell—There is no waiting list for training. Our job seekers are able to be supported by Job Services Australia and through the Indigenous Employment Program from day one in training and to connect also with the government's Productivity Places Program, which has increased the total pool of training that is available as well as reserving certain elements of that under the various compacts for very needy groups such as the unemployed.

Unlike in the past, where Job Network clients would have to be unemployed for quite some time before they could access the old job seeker account to help them, under the new Job Services Australia arrangements if our job seekers have high needs—not immediately work ready—they can go straight on day 1 and be assisted through the Employment Pathway Fund, as it is now called. There is a much higher proportion of Indigenous clients—and this is something that Mr Griew alluded to before—in those high needs streams, so that shows that our streaming is working. I think the figures are 77 per cent of all Indigenous clients with us are the harder-to-place job seekers, they are certainly not low-hanging fruit or ready to roll. We are investing through the EPF, productivity places and also the IEP with training of Indigenous people, of course.

Senator SIEWERT—So that process has changed since the new process has been in place—it is since then that people have been able to access training straight away?

Ms Caldwell—Yes, it is uncapped and better targeted. The waiting lists of the old Job Network arrangements were taken away for disadvantaged job seekers at the same time as the CDEP reforms.

Senator SIEWERT—Thanks.

Mr Griew—It is worth understanding here that the fundamentals of the mainstream service are both that the higher level support to more disadvantaged job seekers has been uncapped from the previous system and that the funding is substantially weighted towards those more disadvantaged areas, which is a significant opportunity.

Senator SIEWERT—Your streams 3 and 4?

Mr Griew—Streams 3 and 4—that is right.

Senator SIEWERT—I would like to ask one clarification question about when we went through the CDEP figure of 1,964: if you were not in the category of those who had gone on to some form of income support, and you were not in the job placement category, my rough calculation is that there was around 400 left there—do you know what is happening with those not quite 400?

Mr Griew—We may have to take that on notice to give you more detail and breakdown if you want it, but the kinds of reasons that a person might be there six months later would include getting a job, their spouse may have earnings that preclude them or they may have chosen not to apply—there is a significant number of the Indigenous population not actually in the labour force, which is an issue the minister alluded to earlier. This is not just a matter of dealing with the unemployed; there is the range of other strategies that the minister mentioned, which are focused on this group as well. But there can be a range of those reasons.

Some people in this population could also access Job Services Australia if they chose to, depending on spouse income or people with parenting duties as well. That would be the sort of reason that people are in that group.

Senator SIEWERT—Okay, thank you.

Senator BOYCE—I just want to refer to a question I put on notice at last estimates—HS18—which was answered through the Human Services portfolio, but they tell me that the data was provided by DEEWR. It was around the number of Indigenous Australians who were receiving New Start or youth allowance and who were undertaking work experience. There was a table of figures provided.

One of the comments made in the response was that ‘The number provided excluded job seekers who had exited Job Services Australia.’ Can you tell me how else you exit Job Services Australia, other than by getting a job?

Ms Caldwell—Most of our exits are for reasons of a job, but a person’s circumstances may change. Very simply, a person may have a baby and withdraw from the workforce—

Senator BOYCE—Or become a primary carer?

Ms Caldwell—Yes.

Senator BOYCE—So you are saying that it is only in special circumstances that the reason you would exit Job Services, other than to get a job—

Ms Caldwell—I think there are two broad categories, conceptually: those who get a job and those who withdraw from the labour market. They are the two big categories. There is a number of people who at any stage in the population are having children.

Senator BOYCE—I guess what I am trying to get at is that people do not just go back to the beginning of the circle and become unemployed and start again.

Ms Caldwell—People stay with Job Services Australia for as long as they need us, so unless they do actually move into a situation—

Senator BOYCE—So it is either to get a job or to do something else?

Ms Caldwell—We keep working with them for as long as it takes.

Senator BOYCE—Thank you. I just wanted to clarify that. I appreciate that you possibly do not have these figures. The figures given were for the Newstart allowances broken down by state for Indigenous job seekers and youth allowance. In both cases, Queensland had substantially higher figures than any other state or territory. Are you able to explain why this is?

Ms Caldwell—We would have to take that on notice.

Mr Griew—I am afraid we do not have the figures in front of us.

Senator BOYCE—For instance, there were 3,686 Newstart allowances in Queensland, compared with 2,700 in New South Wales and 2,800 in the Northern Territory. It just seems out of skew. The figures are similar for youth allowance, where it was more than double the Northern Territory figures.

Mr Griew—Is this for people exiting or for people on work experience?

Senator BOYCE—People who have done work experience on Newstart or youth allowance.

Mr Griew—To give you any sensible explanation we would have to take that on notice.

Senator BOYCE—My next questions go to the Cape York income management welfare reform trial, which Senator Furner asked some questions about last night. In the comment that was provided last evening they talked about 40 real jobs being created in Cape York as a result of the CDEP reform. Are you able to give me some more information about you mean by a ‘real job’?

Dr Harmer—Jo may be able to, but I would have to take that on notice. The people who would know the answers to that specifically are now not here, because they were here for the welfare reform part of Families.

Ms Wood—I can speak to that with a certain level of detail, but there might be some more detail that I do not have. Those 40 jobs are similar to the other CDEP jobs that Mr Griew was talking about, where the government has funded roles in government service delivery that have previously relied on CDEP to deliver government services. I do not think I have the details of the specific jobs in Cape York, but that is the kind of roles they are.

Senator BOYCE—Would it be able to be broken down into types of jobs?

Ms Wood—Yes.

Senator BOYCE—That would be good.

Dr Harmer—Yes, we can do that.

Senator BOYCE—You would also be aware, I think, that Mr Noel Pearson, commenting in October last year on how successful the trials were in Cape York, noted that government was letting the system down—the quote was ‘dragging its heels on housing and jobs’. Would you be able to comment on what has happened since October in that respect?

Mr Griew—I can give you a comment on a variety of work that we are doing in Cape York. Not all of it has been since October. I will give you a couple of examples.

Senator BOYCE—I guess what I am trying to get at is: are you able to tell me things that mean that that comment—‘dragging its heels on housing and jobs’—is no longer relevant?

Senator Arbib—Can I just say that housing is outside our portfolio.

Senator BOYCE—I realise that. I am talking about the jobs.

Senator Arbib—Sure. But this morning we talked about the job creation out of the housing package for Indigenous communities, so we did do that.

Senator BOYCE—So that is jobs.

Mr Griew—I can give you some examples of things we are doing.

Senator BOYCE—Yes, please.

Mr Griew—We are heavily involved in the welfare reform, along with FaHCSIA. We have been involved also in a number of particular employment projects. I will give you an example: the Mossman Gorge Gateway Project, which involves working with that community—which is one of the welfare reform communities—to create jobs for community members to guide people up to the falls, explain the significance of the environment and create a tourism experience.

Senator BOYCE—Are people actually working there as guides now?

Mr Griew—Yes. I have met people there who are working in that role, but there is further work going on with that community. In Weipa there is a regional partnership agreement with the Minerals Council and three Cape York communities in and around Weipa focusing on economic development and work readiness. That is a \$2.4 million investment. There are a number of business mentors that we are funding in Weipa, in the western cape. There is an employment strategy in Aurukun to link communities with opportunities arising from the Chalco mining venture.

Senator BOYCE— Perhaps, Mr Griew, if you could provide me with a list on notice including the numbers who are in actual employment and perhaps, if you have data on people who are in training, those numbers as well.

Mr Griew—We can do that if you wish.

Mr Harmer—Senator, I will just go back to your question about the 40 new jobs in Cape York. We will give you the breakdown of work there, but it includes teacher's aides who are now being paid. They are proper jobs. They are not doing that through CDEP. There is government work, council work, health work and childcare work—those are the sorts of jobs that are being converted from CDEP to real jobs.

Senator BOYCE—Are there any police on that list?

Mr Harmer—I do not know, but we will cover that when we give you the 40 jobs.

Senator BOYCE—Okay.

Mr Griew—The number I have here in my brief here suggests that there may be some number more than that—about 177.

Mr Harmer—Yes, 40 sounds low to me, but I would just like to check.

Mr Griew—We will check it out.

Senator BOYCE—It is 40 'real' jobs, so perhaps we need to define 'real' as well

Ms Wood—I can clarify that issue. There have actually been two stages of this in the cape. There were the initial 40 jobs that supported the Cape York Welfare Reform pilots in those four communities and there have been some additional jobs funded under the National

Partnership Agreement on Indigenous Economic Participation through COAG. Some more positions in the cape have been supported through that.

Senator BOYCE—Perhaps you had better give us relevant dates if it is time-sensitive information.

Ms Wood—We can do that.

Senator SCULLION—I wonder if, while you are there, you could give us the status of the 14 childcare workers in Yuendumu that the Prime Minister mentioned yesterday—whether as of yesterday they are all, in fact, real jobs rather than on CDEP. He referred specifically to that program.

Senator BOYCE—Very briefly, I have a few questions on wild rivers.

CHAIR—Are the questions from the economic employment perspective?

Senator BOYCE—I did not know where else wild rivers would fit in. I think this is where we were advised to ask our wild rivers questions.

CHAIR—It would depend on the questions, so have a go.

Senator BOYCE—I think everyone is aware that the Queensland government has legislation that would, in the view of a lot of the traditional owners, alienate their ability to use, develop and control their land in Cape York. Do you accept that the Queensland wild rivers legislation is impacting adversely on Indigenous people in the area? Perhaps, Minister, you had better answer that one.

Senator Arbib—Senator, on the issue of wild rivers it is probably best that I quote from Senator Chris Evans and what he said in the chamber on 3 February—that the government does not believe that supporting the legislation that has been put forward by Mr Abbott to overturn the Queensland wild rivers legislation is appropriate. The government has indicated that engaging directly with the Queensland government on these issues is the best policy response.

Senator BOYCE—What engagement is being undertaken with the Queensland government by the federal government?

Senator Arbib—I would need to get that information for you, Senator, because it is outside my portfolio responsibilities.

Senator BOYCE—If you could let me know of any planned meetings and when they would be, or if meetings have occurred—as much information as possible, please, Minister.

Senator Arbib—Certainly.

Senator BOYCE—I guess you answered the question from the perspective of how the government felt about any moves to overturn the Queensland legislation, but we have the opposition of cape elders and people like Lizzie Lakefield, Dion Creek, Peter Kyle, Noel Pearson and many others saying that it will adversely affect the ability of Indigenous people to use their land in Cape York. Do you accept their comments?

Senator Arbib—All I can say is that I have seen some of those comments, but I have also seen comments from the Queensland government talking about the activities which could still

be undertaken, so I guess that is obviously an issue that is hotly contested in Queensland and being debated.

Senator BOYCE—How would the federal government propose to come to a view as to which case is correct?

Senator Arbib—Again, Senator, I refer you to the comments by Senator Evans about the legislation.

Senator ADAMS—Continuing with that, Minister, have you any idea what consultation was done with the shires, the community people and the pastoralists before the declaration of the wild rivers legislation? I know it is a Queensland thing, but you are saying that the federal government is supporting it, so I thought that you may know what sort of consultation was done with the general community before the legislation was proclaimed.

Senator Arbib—Sorry, I did not say I am supporting it. I referred you to the statement by Senator Evans. In terms of what consultation was done with stakeholders and the community, that would probably be a question best referred to the Queensland government.

Dr Harmer—The only federal department that would be close to having any idea of what consultations occurred with Queensland communities in the cape before the wild rivers legislation was proclaimed would be the environment department. I would doubt whether they would even have good information about exactly what consultation the Queensland government undertook. Certainly FaHCSIA would not, and I would be very surprised if DEWHA did.

Senator BOYCE—Isn't that exactly the point? It is being treated as an environmental issue, when in fact the local people see it as an economic development issue.

Senator Arbib—To get that answered correctly, that would be best answered by the Queensland government.

Senator ADAMS—Have you done any studies on the number of people that have been employed since the Outback Stores have been ramped up and the community stores are starting to really get their act together? How many Indigenous people have been able to get real jobs there?

Dr Harmer—I think it is a pretty good story, but I have not got the figures to hand. We will take that on notice.

Senator ADAMS—Thank you very much.

Senator SCULLION—Mr Griew, I asked you a number of questions in regard to the CDEP arrangements in non-remote areas. Would you be able to provide me on notice some similar statistics on the number of breaches, particularly in the remote areas that have had the exemption lifted? Also on notice, could you tell me if you have done any work considering impediments to employment in remote Australia as it applies particularly to Indigenous Australians?

Mr Griew—Okay.

CHAIR—That is the end of that section. Thank you very much to the officers.

[1.47 pm]

CHAIR—We will now move to health issues.

Senator FIERRAVANTI-WELLS—I would like to ask some questions about the size of the health workforce under the emergency response initiative. If some of these need to be taken on notice, please do so.

Ms Powell—There are quite a large number of different programs that were run under the Northern Territory emergency response, so can you narrow it down a little?

Senator FIERRAVANTI-WELLS—It might be easier if you take on notice the workforce component under those sorts of health and ageing related portfolios. Do you understand my question?

Dr Harmer—Senator, can I just clarify the question: do you want the historical information? Because, when the intervention first took place, there was a significant investment—

Senator FIERRAVANTI-WELLS—No, the current—

Dr Harmer—in the health checks, for example.

Senator FIERRAVANTI-WELLS—No, I am talking current figures.

Dr Harmer—You are talking about current, permanent—

Senator FIERRAVANTI-WELLS—Absolutely, yes.

Ms Powell—The health checks component finished after the first two years of the intervention—

Senator FIERRAVANTI-WELLS—Yes. I am after current figures.

Ms Powell—Okay. They have been replaced by a number of different programs. We could provide you with the figures for that workforce.

Dr Gibson—We can tell you that there were 176 new positions created in 2008-09, with the growth funding provided through the Expanding Health Services Delivery Initiative.

Senator FIERRAVANTI-WELLS—In terms of recruitment, are you continuing to recruit urban based professionals as part of the initiative? What is the mix?

Ms Powell—Yes. We fund the Remote Area Health Corps, to provide health services in a variety of manners, to different medical services in the Northern Territory. Their main recruitment pool is from urban areas. They bring people in on short- to medium-term contracts to fill different identified needs as those needs arise.

Senator FIERRAVANTI-WELLS—So, basically, in relation to those urban based health professionals, it goes up and down as required?

Dr Gibson—It is a demand driven program. The latest figures indicate that there have been 273 placements of health professionals through the RAHC—31 GPs, 178 nurses, 22 allied health professionals and 42 dental personal.

Senator FIERRAVANTI-WELLS—Do you have some statistics in relation to the recruitment of Indigenous Australians as part of the health workforce? In addition could you,

as part of the previous answer, give me a breakdown in relation to the numbers of Indigenous people?

Ms Powell—I am not sure that we would know of those recruited through the Remote Area Health Corps. But where there is a very significant Indigenous workforce, for example, is in a new category of Indigenous outreach workers, who are being recruited as part of the chronic disease package. There are quite a number of those, at varying stages of implementation. And there are a number of other components of the new health packages being rolled out that, for example, increase the number of Aboriginal health workers as well as smoking liaison officers.

Senator FIERRAVANTI-WELLS—Have you set targets in relation to the number of Indigenous Australians who you would like to see come into the workforce—or, again, is it demand driven?

Ms Powell—It is a bit of a combination. The Indigenous outreach workers will all be Indigenous. They will be providing culturally specific services through a variety of health promotion and chronic disease management programs. There is also a range of work we are doing through current workforce programs. The National Indigenous Health Equality Council is doing a major tranche of work to try to encourage the uptake of Indigenous people into the health workforce in particular. That is one of their priority areas for this year.

Senator FIERRAVANTI-WELLS—Going to the general portfolio, what is the status of your work in relation to the Bringing Them Home program?

Ms Saastamoinen—The Bringing Them Home program has been around for a number of years. We developed guidelines for the Bringing Them Home counsellors last year. We have released those, to better support the Bringing Them Home counsellors and other workers managing the program and servicing the clients. With respect to other updates, we have funding for 124 positions. Almost all of those positions are now filled.

Ms Powell—Nineteen out of the 20 identified positions have been filled.

Ms Saastamoinen—Yes, as part of the Bringing Them Home counsellors.

Senator FIERRAVANTI-WELLS—Can I ask about the Link Up services. I understand you were going to increase Link Up services this year because of a backlog of people waiting to trace and reunite with family. How is that going? Has that matured?

Ms Saastamoinen—The funding for the expansion of the Link Up counsellors commenced in January of this year. We are expecting the new workers and new services to start this month. We are working with our state and territory offices and with our Link Up providers to recruit those additional Link Up workers and for the commencement of new services.

Senator FIERRAVANTI-WELLS—So how many additional staff have been provided?

Ms Saastamoinen—Eleven new case workers and five new administrative workers.

Senator FIERRAVANTI-WELLS—I might just ask an additional question, if I may, in relation to—I am sorry if these are in different parts of the department—a report on the ABC entitled *Indigenous patients in limbo over dialysis row*. I have a copy of that. Ms Powell, if I might give you a copy of this just in case you have not seen it, since Senator Ludwig was so

persistent in his comments the other day about ensuring copies of newspaper articles were available. I just thought, Senator Moore, please take note.

Senator MOORE—I will. I have made a note.

Senator SIEWERT—I am sure Ms Powell is well aware of the issues around dialysis.

Senator FIERRAVANTI-WELLS—She probably is, Senator Siewert. I just took heed. The article refers to an impasse between the South Australian and Northern Territory governments and notes that the federal government is refusing to get involved in the matter. Over the page, it says the federal minister had tabled a letter calling on the states to resolve the situation. Can you tell me, Ms Powell, since we have heard so much of the buck stopping, the blame games and that sort of stuff, what the federal minister is doing about this.

Ms Powell—We have actually been working quite extensively and intensely with the three states that are involved with the provision of dialysis services in Central Australia. We have been doing this for some considerable time. In fact, over a year ago our former chief medical officer, who is a renal physician, spent a lot of time with the Northern Territory, SA and WA governments to work through exactly what the requirements were. Subsequent to that, there were a number of Commonwealth assistance items provided in terms of extra renal-ready rooms and relocatable units, and we are going to trial a mobile dialysis bus. We met again in December with the three states involved. We have been trying to adopt a facilitative and encouraging role. We think it is really important that the states work together to sort this out so that patients have access to services that are convenient.

We have been talking very closely to the Northern Territory government. I know that the Northern Territory government is not turning away anybody who turns up for emergency dialysis. They do treat them all of the time. They are also investing quite heavily in expanding the facilities that are available in Alice Springs. We have been working together to have agreement between the three states and I think that is quite close. There is, in fact, agreement on the financial, transport and accommodation arrangements that will apply between WA and the Northern Territory. The South Australian government has indicated that its preference is to treat those patients from the Central Australia area close to Alice Springs in South Australia. They intend to expand their dialysis facilities in Port Augusta and Port Pirie and some patients are also treated in Adelaide. They are considering longer term expansions of those facilities into Coober Pedy.

Senator FIERRAVANTI-WELLS—But the bottom line is, Ms Powell, that the deadlock has not been resolved.

Ms Powell—There is nevertheless a huge amount of effort going into it to try to reach an agreement that will meet everybody's needs.

Senator FIERRAVANTI-WELLS—But the gist of the article is that the deadlock has not been resolved.

Ms Powell—The Northern Territory government is not, at the moment, accepting until it has capacity, new patients for long-term dialysis from outside their state.

Senator SIEWERT—I thought they were now, from WA, but not from South Australia.

Ms Powell—I think that is right. Their policy position is that they are going to work towards this agreement and as they have capacity they will. For example, they recently had a couple of dialysis facilities freed up and they are, of course, putting people straight into us.

Senator SIEWERT—Yes, Patrick got treated.

Ms Powell—Yes.

Senator ADAMS—You mention Port Pirie. What about someone who lives just inside the Western Australian border adjacent to the lands? Our whole argument about this at the last estimates was that these people should be treated as close as possible to where they live, so that at least they have an opportunity perhaps to see their extended family at some stage. That was the idea. We said, ‘Why can’t these people go to Alice Springs?’ But, Port Pirie, for goodness sake! Do we need a map of Australia here? That scenario is quite ridiculous and it just will not work.

Ms Powell—The discussions with the three states involved have talked about those issues and the value of allowing patients to choose to the extent that they can. The South Australian government is going to expand those facilities and is keen to treat their own patients in their own dialysis facilities.

Senator SIEWERT—Is the South Australian government considering a stronger move to self-dialysis or community hubs as well?

Ms Powell—I do not have that level of detail.

Senator SIEWERT—Could you take that on notice.

Ms Powell—Sure.

Dr Isaac-Toua—When those sorts of decisions are made, they have to be made on the basis of whether there is enough local support and infrastructure, as well as support for all the logistical issues and clinical and specialist services, and on the basis of the capacity of the patients.

Senator SIEWERT—Yes, I realise that. I ask it on the basis that it is a cost of supplying self-dialysis. I know there are issues around quality of water supply, training, infrastructure, support for nurses in the community and housing for nurses. This must surely part of long-term planning for what we know will be a significant increase in the numbers in Central Australia who will require dialysis. When I ask about that, I am assuming that is part of the package.

Ms Powell—We have been encouraging those governments to look at a broad range of options for dialysis. We are looking at mobile buses and all sorts of things. They are very much in the longer term ideas because we do not have anything we can roll out in that area.

Senator SIEWERT—What is the planning to achieve that? It seems there is a short-term crisis now. There is an intermediate process for what happens after Gap Road is full—and I understand it is going to be full by the time it opens. Then there is a longer term need to look at more innovative approaches. What is the time line for establishing that plan?

Ms Powell—As far as I know, the Northern Territory is hoping for imminent agreement with the other two states around the short-term arrangements. They are also doing work to try

and have a common agreement and understanding of what the medium- and long-term requirements are going to be. So they are doing quite a bit of modelling looking at the number of patients are likely to come on stream. We are investing a lot of money in chronic disease management and preventive programs to try and keep those numbers down in the future. Obviously they are longer term issues. We are encouraging those state governments to work together and focus on it, and I am sure they are.

Senator SIEWERT—You said the short-term issues are working with the three states. Does that include that South Australia may be considering supplying more resources so that people in the APY Lands and the north of the states can access Alice Springs so that interstate ban is ended?

Ms Powell—I cannot comment on the South Australian resourcing situation. I just do not know.

Senator SIEWERT—Okay. Is there still the possibility that the Northern Territory and South Australia may be able to reach agreement about new patients being able to access Alice Springs?

Ms Powell—We have encouraged them strongly and frequently that that would be a good thing to do and we are doing everything we can to assist them to reach that agreement.

Senator SIEWERT—Thank you.

Senator FIERRAVANTI-WELLS—I want to ask a question in relation to an initiative, the home visit program, announced by Minister Roxon on 5 February. I raised this the other evening but was told that it had to be dealt with here. It is the initiative that involves Professor Olds. I asked the question the other evening in the context of the contracts associated with him. On the program generally, 10 sites were promised on 5 February so what are we up to? I think only three sites have been established.

Ms Powell—There are five sets that have been selected and we are targeting seven sites. We have had two waves. We selected three sites in the first wave and two sites in the second wave. We are currently looking at where we might go—

Senator FIERRAVANTI-WELLS—But you have currently commenced three sites. That is what—

Ms Powell—Five.

Senator FIERRAVANTI-WELLS—your website said on 9 February.

Ms Powell—We will have to update the website.

Senator FIERRAVANTI-WELLS—I think the department has a bit of a problem in terms of updating its website. This is not the first item we have found in these estimates.

Ms Saastamoinen—We have entered into funding agreements with a service in Brisbane and also with one in Wellington-Dubbo. We expect those services to start seeing clients in the next month. They have been undertaking training and recruitment in preparation for the arrival of women over the next month or so.

Senator FIERRAVANTI-WELLS—Perhaps you might take on notice the status of all 10. Ms Powell, you gave me some details; perhaps you might put that into a table form or take on notice—

Ms Powell—Where the sites are?

Senator FIERRAVANTI-WELLS—Yes, where the sites are and what status they have. That will also update the ones that you say have been commenced.

Ms Saastamoinen—Yes.

Senator FIERRAVANTI-WELLS—Thank you, very much. Just on that, there are a number of contracts. I see that there was one from 4 February to 16 February 2008, which is for \$10,000. That was obviously for the announcement. What is this JTA International Pty Ltd? Is that Professor Olds company?

Ms Saastamoinen—No; there are number of contracts we have. JTAI is the support service that we have contracted to do a range of things. That includes adaptation of the materials that we have received from the US. They also manage the training of the staff that will be going into the ANFP services. They are also responsible for some of the arrangements around assisting in the recruitment of staff, the operation of an ANFP website and generally providing support to the services around issues such as data collection, reporting and managing the program.

Senator FIERRAVANTI-WELLS—Sorry, go back again. What did you just say?

Ms Saastamoinen—They provide general support to the sites in terms of data collection, reporting and management of the program.

Senator FIERRAVANTI-WELLS—Thank you. That would be those two contracts which, together, are worth about \$9 million?

Ms Saastamoinen—With regard to the JTAI contract we are just in negotiations to revise some of the project planning. That will be worth around \$10 million over the life of the program. With regard to the other contract you are referring to, I do not have the detail of a \$10,000 contract but we have paid the US licensing payment. It was—

Senator FIERRAVANTI-WELLS—No, there are two contracts: one is for \$8.6 million and one is for \$403,000. Perhaps you might like to have a look at those two and give me some more detail about that.

Ms Saastamoinen—Yes.

Senator FIERRAVANTI-WELLS—On July 2008 there were a couple of releases by the minister about proposals to improve aged and community care for Indigenous Australians, particularly in the Northern Territory. I wanted to get a picture of HACC, following through on some of these press releases. In August 2008 you said HACC employed about 1,400 Aboriginal and Torres Strait Islander people nationally.

Ms Powell—I do not think we have anyone from Aged Care here at the moment. I was hoping that I might be able to answer your questions, but I am afraid that I cannot go to that level of detail. We might be able to get someone here at the end if we come back to the aged care questions.

CHAIR—In that case, we will have to put them on notice, I would think, in terms of the process. Senator Fierravanti-Wells, we will put that one on notice. Perhaps you can try any other questions to see whether you can get an answer.

Senator FIERRAVANTI-WELLS—Senator Moore, I think the other day it was made very explicit at estimates—when I went to ask questions on age, I was told, ‘Yes, you’ve got to do it; it’s got to be done on the Friday.’ Perhaps I have misunderstood.

CHAIR—No, I think there has been a confusion. We had a meeting to plan what was going to be on the agenda. When I heard your questions on age the other afternoon I should have made a note to advise the department to bring someone to talk about age. I did not. I think we should put your questions on age on notice and move on.

Senator FIERRAVANTI-WELLS—Can I move on; I have some general questions.

CHAIR—Give it your best shot in your 10 minutes, but it would be disappointing if you just have to go ‘notice, notice, notice’. It is your call.

Senator FIERRAVANTI-WELLS—A number of reviews were announced in November 2008. There was an independent review of three government aged care workforce initiatives in the Northern Territory.

Ms Powell—I am sorry; I will not be able to answer those.

CHAIR—Strike 2, Senator.

Senator FIERRAVANTI-WELLS—All right. I will put them on notice.

Senator SIEWERT—I want to ask quickly about petrol sniffing. Firstly, I want to ask about the CAPSSU report. Last time I asked it had been given to the minister, and I am wondering whether we are any closer to it being released.

Ms Saastamoinen—I will have to refer that to FaHCSIA. FaHCSIA has been monitoring that report.

CHAIR—The officers will have gone home.

Dr Harmer—We have indicated that we have given it to the minister, but you were asking about when it might be released by the minister.

Senator SIEWERT—Yes you indicated that it would be in October, and that is some time ago.

Dr Harmer—It would be the minister’s decision, so we will try to get you an answer to that.

Senator SIEWERT—It would be appreciated if you could; thank you. Is it appropriate to ask about the PBS money that was allocated to PBS for closing the gap here?

CHAIR—Yes.

Senator SIEWERT—I understand that \$88 million has been allocated to the pharmaceuticals area under ‘Closing the gap’—is that correct?

Mr Stuart—I do not have the total in front of me. I have four different financial years but it looks about right.

Senator SIEWERT—How is it being allocated between urban and regional and remote?

Mr Stuart—I am sorry; \$87.84 million is the number I have and that is close enough to \$88 million.

Senator SIEWERT—Let us call that \$88 million. Over what period of time is that?

Mr Stuart—That is over a four-year period to 2012-13.

Senator SIEWERT—I may need to put some of these on notice, because I am conscious of the time, but can you tell me about the split-up? Is that all going for urban communities or has some been allocated for regional and remote communities?

Mr Stuart—This is directed towards Indigenous people who are at risk of chronic disease or have chronic disease, whether they attend Indigenous specific or mainstream health services—so both Indigenous specific or mainstream.

Senator SIEWERT—How is it being delivered to people as an assistance package?

Mr Stuart—How is it being delivered?

Senator SIEWERT—Yes.

Mr Stuart—There are at least four arms of the package. There is supplementation or assistance towards the cost of co-payments. There is increased utilisation of PBS medicines by Indigenous people, which obviously has a cost. There are the set-up and administration costs for managing the back end in administration and making the payments to pharmacy. Then there is an amount for education, quality use of medicine initiatives and so on.

Senator SIEWERT—The element that I am looking for in this particular discussion is the element of it being delivered through pharmacies. So there is the element for co-payments and then payments for pharmacies to dispense. I presume that is where some of those payments are coming in as well?

Mr Stuart—Yes.

Senator SIEWERT—That assists people who are able to access pharmacies in urban communities, but in remote communities they cannot. How is this program assisting those people who live in remote communities who have chronic illnesses?

Mr Stuart—In remote communities we have the existing special PBS supply arrangements under section 100, which will continue. These programs will sit alongside each other to get coverage of the Indigenous population.

Senator SIEWERT—I will not go into that discussion now, but maybe we could engage another time. I may not have had a discussion with you—I may have had this discussion with your predecessor—around trying to get some better support for getting pharmacists into community controlled health organisations. Under this provision of additional funding, has there been any consideration given to using some of those resources to actually put pharmacists into community controlled health organisations in remote communities?

Ms Killen—This particular element of the chronic disease package is focused on non-remote areas, because section 100 arrangements already operate in remote areas.

Senator SIEWERT—That is what I was originally trying to ask. This is about urban communities, is it not?

Ms Killen—It is about urban and regional—non-remote.

Senator SIEWERT—Am I correct in the understanding that what you are doing is assuming that section 100 covers remote communities for these particular issues?

Ms Killen—Yes.

Senator SIEWERT—Have you given some thought in Closing the Gap to ongoing issues about the provision of pharmaceuticals in remote communities—sharing, inappropriate use et cetera? What are you doing about addressing those issues?

Ms Killen—I am not able to comment on that. I would have to hand that back to Mr Stuart.

Ms Powell—I would just add that there will be a huge amount of support through the new Indigenous outreach worker positions. One of the things that they will be doing is being a bit of a go-between between the clinical instructions that are coming out of the medical services and the patient themselves. One of their roles will be to kind of translate the information and follow up with patients and say, for example, ‘You need to take this pill every day.’ In some circumstances, one of the things they might do is follow up with that patient every day—ring them in the morning, pop around and see them or whatever. Obviously it will vary enormously. With that huge boost in numbers, with those positions, that is one of the things that they will be doing.

Mr Stuart—Senator, there is a program under the section 100 arrangements which is a pharmacy support allowance, which remunerates pharmacists who provide a range of targeted quality use of medicines services through the Aboriginal health services.

Senator SIEWERT—I have had discussions before with the department about that. I am looking for building on top of that. But thank you very much for that. That information is much appreciated. In the very small amount of time I have left, I want to move on Aboriginal community controlled health organisations. I have a series of questions here—most of which I will have to put on notice.

Earlier in the week, on Wednesday, I asked questions about divisions of general practice and whether there were provisions to pay people who sit on the boards of those organisations. You have very kindly provided me with that information because I asked for it for today. It is much appreciated. The reason I want that information is to see what the provisions are and whether there is ability to do that. Are there provisions to pay members who sit on boards of Aboriginal community-based organisations?

Ms Powell—Normally they are not paid. Some of them are reimbursed for the expenses they incur. They are also provided with training and leadership opportunities—courses, conferences, things like that and out-of-pocket expenses—but as a rule I do not think they are paid.

Mr Fisk—That is correct. Our contracts do not allow for payment for sitting fees but we do reimburse all out-of-pocket expenses. The reason we do not provide funding for sitting fees is to maximise the funds made available for the provision of health services.

Ms Powell—And that would not be dissimilar from other community health organisations like Family Planning.

Senator SIEWERT—But you have divisions of general practice where board members are able to be paid and there appears to be no restriction on that—it is up to the board. There seems to be a significant difference around Aboriginal health organisations and divisions of general practice and the way board members are treated. That is the point I am trying to get to. I have a significant number of questions here which I will put on notice. I did just want to check that particular fact, thank you.

CHAIR—We will now move to hearing health.

Senator ADAMS—Firstly, I would like to ask some questions on people over 21 who have been clients of Australian Hearing Services and where we are going to go with that because of the evidence we have had throughout Australia on the difficulties. I would like some practical explanation about the difficulty, if I could.

Ms Ward—As you know, currently people over 21, unless they fall into the eligibility categories for the program, are not eligible for services.

Senator ADAMS—That is right.

Ms Ward—In the Indigenous component of the program, there are people on CDEP, people over 50, who are provided with services under our community services obligations which are funded through Australian hearing. We have been doing some preliminary modelling on providing services for people over 21 but it is a preliminary modelling and we will be providing advice to government in light of the Senate inquiry and its outcomes.

Senator ADAMS—I am asking because I want to get onto juvenile justice and the difficulty of Indigenous children. As the committee has moved around we have certainly seen a lot of evidence and more and more juveniles are being incarcerated. If those people have access, once they reach 21, to either getting hearing aids or whatever they can so that they can be employed properly, maybe we will not have so many problems. Having spoken to a number of young people who had that assistance and then did not have the assistance once they were 21, I really would like to bring it back to that juvenile justice issue and education. There are an awful lot of things which run on the practical line with that. Possibly my plea is that, if there is any way we can do something to provide those people with ongoing services, we would certainly appreciate that. Could you comment on the juvenile justice system and the number of people who are deaf or do not understand, or are not educated? Is there anyone here who could?

Ms Ward—I do not have figures on that. My colleague for Australian Hearing might have some information.

Ms Dewberry—There has been some research on hearing loss in adult prisoners, but I am not aware of any in the juvenile justice system.

Senator ADAMS—So the adults are over 21?

Ms Dewberry—Yes, that is correct.

Senator ADAMS—Have any of those adults been treated as children and then reached 21 and not been able to access the service?

Ms Dewberry—It would be possible that they would have received services as children and then lost eligibility. We have not, at this stage, been able to provide services within detention centres.

Senator ADAMS—Are there no hearing services provided to anyone in a detention centre?

Ms Ward—We have recently had legal advice that if a person who is eligible under the program—people under 21 are all eligible, but people over 21 might be linked to pensioner concession cards or something like that—loses eligibility because of incarceration they would lose eligibility for the program. However, if they entered the system with a valid voucher, if they had been eligible when they entered, we would honour the voucher. Children under 21 would remain eligible. That is a matter about which we will write to our colleagues in Australian Hearing and confirm. We had to get legal advice and we had to check with our central agencies.

Senator BOYCE—How many cohorts with a large proportion of Indigenous people in them would have TTY loops fitted to them?

Ms Ward—I could not you how many would have TTY loops.

Senator BOYCE—Perhaps I had better address that to Attorney-General's.

Senator ADAMS—I have just one more on the Australian Hearing services, about classrooms in Indigenous schools. Are more and more of those classrooms becoming suitable for Indigenous students as far as their acoustics go?

Ms Ward—The hearing services program does not provide for classroom fittings for hearing. We provide aids for individuals. That is a matter for state education departments. We are happy to look into research and provide research evidence to state education about the value. I understand there are only preliminary studies that have been done by the National Acoustic Laboratories, and we are in discussions with them about what might further be done in terms of the research evidence.

Senator ADAMS—So the state is responsible for those devices to be fitted?

Ms Ward—Yes.

Senator SIEWERT—You are responsible for the provision of hearing aids, but you cannot go beyond that?

Ms Ward—Yes. Personal aids, not in buildings—that is right.

Senator SIEWERT—From what you have just said, do you not think the evidence is in yet in terms of the value of the loop systems?

Ms Ward—As far as I am aware, there have been some smaller studies done, but there would be value in something broader.

Senator SIEWERT—Are National Acoustic Laboratories undertaking some of those broader studies?

Ms Dewberry—The National Acoustic Laboratories have published research on the benefits of sound field systems showing improvement in educational benefits particularly, but there is always more evidence that could be gathered. I am sure National Acoustic Laboratories would be interested in exploring further research in that area.

Ms Ward—Are we at the point where there is enough evidence to say there should be a wider rollout of the classroom systems?

Ms Dewberry—I think there is sufficient evidence to say yes, the systems do have benefits. The systems cannot be used in isolation, though. You do also need to look at the classroom acoustics. The classroom system on its own would not be sufficient to overcome poor reverberation, for example.

Senator SIEWERT—In other words, if you are delivering the system you deliver it with enough funding to do the acoustic redesign as well.

Ms Dewberry—That is correct.

Senator SIEWERT—Thank you. I have a question about hearing for the department. I understand that there have been two evaluations, on the APY Lands, of the swimming pools program and its impact on ear health. Is that true?

Ms Powell—I believe that is true, but I think it might have been done by FaHCSIA.

Dr Gibson—Senator, I am aware of one evaluation that is soon to be made publicly available.

Senator SIEWERT—Okay, that is what I am after.

Dr Gibson—We plan to make that available on 22 February.

Senator SIEWERT—Which study is that one?

Dr Gibson—That is the one of pools servicing four communities in the APY Lands. It was done by the firm Health Program Evaluation—HPE. They did four visits to the communities over a period of two months at six monthly intervals. There is another evaluation that is more a research evaluation that has been funded and that is going to go through to 2012.

Ms Ward—There is a second study, that was funded under the hearing loss prevention program in 2008. It is by Flinders University for \$661,986 over three years and should report in 2012. It is a longitudinal study.

Senator SIEWERT—So it is nowhere near finished.

Ms Ward—No.

Senator SIEWERT—Okay, but the other one is due on 22 February. Thank you, very much.

CHAIR—On that basis we would like to thank all the officers, Dr Harmer, as usual—the officers have shown patience and professionalism. Thank you, Mr Yates, we will miss you but we are looking forward to a new process. I would like to thank Hansard and also the secretariat for their work. This committee will reconvene on Monday to look at legislation in the Northern Territory.

Committee adjourned at 2.32 pm

