

Chapter 1

Overview

1.1 The Senate Community Affairs Legislation Committee (committee) examined the proposed 2019–20 additional expenditure for the Health Portfolio and the Social Services Portfolio at public hearings held on 4 and 5 March 2020.

1.2 This report does not attempt to analyse the evidence presented to the committee; however, it does outline the key issues considered by the committee during its examination of the proposed 2019–20 additional expenditure.

Referral of documents

1.3 The Senate referred the following documents to committees for examination and report:

- particulars of proposed additional expenditure in respect of the year ending on 30 June 2020 [Appropriation Bill (No. 3) 2019–2020];
- particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2020 [Appropriation Bill (No. 4) 2019–2020];
- particulars of proposed additional expenditure in relation to the Parliamentary Departments in respect of the year ending on 30 June 2019 [Appropriation (Parliamentary Departments Bill (No. 2) 2019–2020]; and
- the final budget outcome 2018–19 and the advances under the annual Appropriation Acts for 2018–19.¹

1.4 The Portfolio Additional Estimates Statements for 2019–20 were tabled in the Senate on 13 February 2020.²

Portfolio oversight

1.5 The committee is responsible for examining the proposed expenditure of the department and agencies within the Health Portfolio and the Social Services Portfolio.³

1.6 The committee notes that the Administrative Arrangements Order (AAO) of 29 May 2019 saw the transfer of responsibility for whole of government service delivery from the Prime Minister and Cabinet portfolio to Services Australia, effectively transferring the Digital Transformation Agency into the committee's portfolio responsibilities.⁴

1 *Journals of the Senate*, No. 42, 13 February 2020, pp. 1283–1284.

2 *Journals of the Senate*, No. 42, 13 February 2020, p. 1284.

3 *Journals of the Senate*, No. 42, 13 February 2020, pp. 1268–1269.

4 Department of Prime Minister and Cabinet, Administrative Arrangements Order—29 May 2019, <https://www.pmc.gov.au/resource-centre/government/aao-29-may-2019> (accessed 4 February 2020).

1.7 Further to this, an AAO dated 5 December 2019 came into effect on 1 February 2020. As part of this change, Services Australia became an executive agency and, along with other agencies which were part of its portfolio, was transferred to the Social Services portfolio.

1.8 The Social Services portfolio now includes the following agencies:

- Department of Social Services (Department of State)
- Australian Institute of Family Studies
- Digital Transformation Agency
- NDIS Quality and Safeguards Commission
- Services Australia
- Australian Hearing Services
- National Disability Insurance Agency

1.9 The Health portfolio has remained unchanged.

Hearings

1.10 The Senate resolved that the committee's additional estimates 2019–20 hearings would be held on 4 and 5 March 2020.⁵

Health Portfolio

1.11 At its hearing on 4 March 2020, the committee examined the outcomes of the Health Portfolio. Evidence was provided by Senator the Hon Richard Colbeck, Minister for Youth and Sport, representing the Minister for Health, and senior officers of the Health Portfolio led by the Acting Secretary of the Department of Health, Ms Caroline Edwards.⁶

1.12 Specifically, the committee heard evidence from all outcomes of the Department of Health, as well as from the Australian Sports Anti-Doping Authority, Sport Australia, Australian Institute of Sport, Aged Care Quality and Safety Commission, Australian Digital Health Agency, Cancer Australia, and National Mental Health Commission.

1.13 In light of the developing situation relating to coronavirus, the committee re-arranged its program in order to hear evidence on this matter from the Chief Medical Officer, Professor Brendan Murphy, at various stages throughout the day.⁷

1.14 Initially, the committee discussed the work being undertaken by the government as well as by medical professionals around the country whose focus was containment and limitation of the virus. In particular, Professor Murphy noted the

5 *Journals of the Senate*, No. 27, 14 November 2019, p. 851.

6 *Committee Hansard*, 4 March 2020, pp. 1–4.

7 See *Committee Hansard*, 4 March 2020, pp. 6–18, 41–52, 60–68.

travel bans put in place for certain countries as well as advice on self-isolation. Professor Murphy also highlighted:

We are a well prepared health system, but even the best prepared health systems can face a challenge if you have large outbreaks in various regions, and so we're looking at all of the potential contingencies. Our message at the moment though is, whilst we have had some very small evidence of community transmission in a small part of Sydney, there is no evidence of widespread community transmission in the Australian community, and we are trying to reassure people that removing all of the lavatory paper from the shelves of supermarkets probably isn't a proportionate or sensible thing to do at this time.⁸

1.15 The committee also discussed the particular threat that coronavirus would pose to aged care facilities if a widespread outbreak was to occur.⁹ Professor Murphy provided the committee with details relating to a facility in New South Wales. He explained that a staff member who works at an aged-care facility, the Dorothy Henderson Lodge at Macquarie Park, and had not travelled to any affected countries, was confirmed to have the COVID-19 disease. Using this example, Professor Murphy set out the process which follows when an individual is found to have the virus:

A New South Wales public health unit is very actively investigating all of her contacts to see if they can find out where she got it from. She's in good condition and under observation in hospital. The Northern Sydney Local Health District, in partnership with the Commonwealth Aged Care Safety and Quality Commission team, have been working since last night with the facility, which is run by BaptistCare, and they have been exemplary in their response. The worker has had contact with 11 residents while she was symptomatic—sufficient contact to regard that as materiality. Those residents, all of whom are well, are being isolated at the moment. When their relatives come to see them they'll need to wear protective equipment, and staff working in their room will wear protective equipment.¹⁰

1.16 Ms Edwards noted that the Department of Health was ensuring that quality aged care continued to be provided; and was also planning for the impacts of the spread of COVID-19.¹¹

Key issues

1.17 Further to matters relating to coronavirus, the committee discussed a wide range of topics relating to the Health portfolio, including:

- evidence provided at a public hearing of the Senate Select Committee on the Administration of Sports Grants (*Committee Hansard*, pp. 18–37);

8 *Committee Hansard*, 4 March 2020, p. 6.

9 *Committee Hansard*, 4 March 2020, pp. 41–52, 60–68.

10 *Committee Hansard*, 4 March 2020, p. 60.

11 *Committee Hansard*, 4 March 2020, p. 67.

- mental health support for people in bushfire affected regions (pp. 58–60, 68–75);
- Medical Benefits Schedule (MBS) items and telehealth items (pp. 44–45);
- doctors in rural parts of Australia (pp. 48–52);
- review of the operation of the Narcotic Regulations Act (pp. 77–79);
- Lyme-like disease (pp. 80–81);
- do-it-yourself flu test (pp. 81–84);
- funding for particular aged care facilities (pp. 85–97);
- ACAT review timeframes (pp. 52–57, 84–90);
- Royal Commission into Aged Care Quality and Safety (pp. 53–55, 65, 90–94);
- Cancer Australia (pp. 104–109, 113–114);
- Department preparedness for impact of climate change on health systems (pp. 109–112);
- national Headspace program (pp. 59, 72–73, 119–121);
- Government response to the Senate Community Affairs References Committee's report for the inquiry into support for Australia's thalidomide survivors (pp. 125–128);
- private health insurance (pp. 131–134);
- bulk billing rates (pp. 132–133);
- children in detention in the Northern Territory (pp. 133–134);
- National Partnership on Public Dental Services for Adults (pp. 136–137);
- eating disorder MBS items (pp. 137–138).

1.18 Further information on discussions held in relation to the Health portfolio can be found in the *Committee Hansard* published on the committee's website.¹²

Social Services Portfolio

1.19 At its hearing on 5 March 2020, the committee examined the outcomes of the Social Services portfolio. Evidence was provided by Senator the Hon Anne Ruston, Minister for Families and Social Services and senior officers of the Social Services portfolio, led by the Secretary of the Department of Social Services, Ms Kathryn Campbell AO CSC.¹³

¹² The *Committee Hansard* is published online at:
www.apf.gov.au/Parliamentary_Business/Senate_estimates/ca/2019-20_Additional_estimates

¹³ *Committee Hansard*, 5 March 2020, pp. 1–3.

1.20 The committee heard evidence from all outcomes of the Department of Social Services as well as the National Disability Insurance Agency, NDIS Quality and Safeguards Commission, Digital Transformation Agency, Australian Hearing, and Services Australia.

Key issues

1.21 The committee discussed a wide range of topics relating to the Social Services portfolio, including:

- preparedness of the Social Services portfolio to deal with a wider outbreak of coronavirus in Australia (*Committee Hansard*, pp. 5–17), including:
 - ensuring continuity of payments by Services Australia;
 - ensuring National Disability Insurance Scheme (NDIS) services;
 - emergency relief program – panic buying of food and other supplies;
 - measures for people in precarious employment, who will be in quarantine and unable to work;
- fraud investigations relating to the NDIS (pp. 17–22);
- application processes for service animals (pp. 28–30);
- work of the Disability Reform Council (pp. 30–33);
- NDIS Information, Linkages, and Capacity building grants (pp. 55–59);
- Single Touch Payroll (p. 71);
- grandparent carers eligibility and access (pp. 75–77, 80–81);
- payments for emergency circumstances and disaster recovery from bushfires – including relating to psychological effects (pp. 77–80, 118–121);
- Cashless Debit Card (CDC) (pp. 66–67, 98–114), including:
 - possibility of a CDC national rollout;
 - differences between CDC and the Basics Card;
 - merchants and products registered for CDC;
 - cost of the CDC scheme;
- National Housing and Homelessness Agreement (pp. 87–93);
- GovPass project (Digital Transformation Agency) (pp. 93–95);
- Hearing Australia (pp. 95–98), including:
 - increasing number of Australians with hearing difficulties
 - hearing services for children
 - Community Service Obligation
- Social Services and Other Legislation Amendment (Simplifying Income Reporting and Other Measures) Bill 2020 (pp. 134–135);

- Income Compliance program (Services Australia) (pp. 121–141).

Procedural matters

1.22 During the hearings, there were occasions when departmental officers declined to provide information requested by the committee. At the start of each estimates hearing, officers at the hearing are reminded by the Committee Chair of an order of the Senate of 13 May 2009 specifying the process by which a claim of public interest immunity should be raised. The Chair also specifically reminded witnesses that:

...a statement that information or a document is confidential, or consists of advice to government, is not a statement that meets the requirements of the 2009 order. Instead, witnesses are required to provide some specific indication of the harm to the public interest that could result from the disclosure of the information or document.¹⁴

1.23 The underlying principle of this provision is that the Parliament has an overarching right to obtain information, in accordance with the powers provided to the Parliament by section 49 of the Constitution. The committee recognises that it is not always in the public interest to disclose information and, if needed, established processes exist for raising and determining claims of public interest immunity.

Public Interest Immunity Claim

1.24 During the hearing for examination of the Social Services portfolio on 5 March 2020, Senator the Hon Anne Ruston, Minister for Families and Social Services, made a public interest immunity claim in response to a question about the number of income compliance debts in a cohort identified by Services Australia.¹⁵

1.25 The minister provided details of the public interest immunity claim, specifically, that it pertained to 'details of the class, including the numbers of recipients in the class, identified in the current Gordon Legal proceedings— Katherine Prygodicz & Ors V Commonwealth of Australia'.¹⁶

1.26 Further, the minister provided information on the grounds of the specific harm that could occur should such information be made public:

...the specific harm to the public interest that could result from disclosure of the particulars of the class action claim is undue prejudice to the Commonwealth in relation to current litigation relating to the income compliance program. The current class action relating to the income compliance program includes a claim of unjust enrichment and a claim for damages based in negligence against the Commonwealth. The Commonwealth's ability to respond to these proceedings may be prejudiced if the applicants or their solicitors are made aware of matters covered by this public interest immunity claim. Disclosure of the details of the class

14 *Committee Hansard*, 4 March 2020, p. 5; *Committee Hansard*, 5 March 2020, p. 4.

15 *Committee Hansard*, 5 March 2020, p. 122.

16 *Committee Hansard*, 5 March 2020, p. 141.

identified by Gordon Legal could also enable a proximate quantum of the claim to become known. This could adversely affect the Commonwealth's position with respect to the resolution of the claim. The possible prejudice to the Commonwealth's ability to respond to the claims in the class action successfully exists even though parliamentary privilege would apply to evidence given by a minister or an official during an estimates hearing or in response to questions on notice.¹⁷

Questions on notice

1.27 In accordance with Standing Order 26, the committee drew the attention of the departments and their agencies to the agreed deadline of Friday, 24 April 2020 for the receipt of answers to questions taken on notice. On 24 March 2020, the committee agreed to extend the due date for answers to questions on notice to Friday, 8 May 2020, and notified the departments and agencies accordingly.

1.28 As the committee is required to report to the Senate before responses to questions are due, this report has been prepared without reference to any of these responses.

1.29 Tabled documents from the hearing, along with responses to questions on notice and additional information provided to the committee are tabled in the Senate and uploaded to the committee's website.¹⁸

Hansard transcripts

1.30 A verbatim record of the committee's hearings is made via the *Committee Hansard*, which is published on the estimates webpage.¹⁹

1.31 References in this report are to the proof *Committee Hansard*. Page numbers may vary between the proof and the final versions of the *Committee Hansard*.

Acknowledgments

1.32 The committee thanks the ministers and officers of the Health portfolio and Social Services portfolio who provided evidence and support for the committee's hearings.

Senator Wendy Askew Chair

17 *Committee Hansard*, 5 March 2020, p. 141.

18 See www.aph.gov.au/Parliamentary_Business/Senate_Estimates/ca.

19 The *Committee Hansard* is published online at:
www.aph.gov.au/Parliamentary_Business/Senate_estimates/ca/2019-20_Additional_estimates