

17 March 2022

Senator James Paterson
Chair of the Parliamentary Joint Committee on Intelligence and Security
Parliament House
Via: senator.paterson@aph.gov.au; and pjcis@aph.gov.au

Dear Chair

RE: UnitingCare Queensland Supplementary Submission to the Review of the Security Legislation Amendment (Critical Infrastructure Protection) Bill 2022

UnitingCare Queensland (UCQ) is the second largest Queensland-based not-for-profit employer with 16,500 staff and 9,000 volunteers providing health, aged care, disability and community services to over 400,000 people a year. UCQ runs four private hospital with over a thousand beds and 9% of the Intensive Care Unit (ICU) capacity in Queensland.

UCQ does not have the expertise or experience to consider whether the Bill effectively addresses national security concerns. As noted in yesterday's hearing, UCQ is fully supportive of the intent of the Bill and understands the intent and purpose. UCQ also appreciates the Minister for Home Affairs office for organising the discussions with the Department of Home Affairs last week to clarify the extent of the Bill and what our obligations are.

UCQ is appreciative of the Federal Government support to the non-Government hospital sector through assistance in covering the deficits incurred during COVID which has enabled us to provide the support to Australia's healthcare system that Australians expect of us and deserve. The hearing yesterday though only reinforced **UCQ's concerns about the severe financial impost that the Bill will have on the non-Government private hospital sector and will critically affect our ability to provide high-quality patient care and ICU capacity.**

The Department of Home Affairs answer to how the costs can be met was highly unsatisfactory in explaining how the struggling non-Government hospital sector and especially the smaller (and often regional) non-Government hospitals will be able to continue running ICU units with the additional cost burden. Feedback from various sources ranging from Professional Service Subject Matter Experts to staff

in the non-Government hospitals sector with experience in another Critical Infrastructure sector have noted that the non-Government hospital sector seems to be the most immature sector covered by the Critical Infrastructure Bill and does not have the same level of preparedness, experience or corporate knowledge that other sectors have.

To use an analogy given the recent weather events, the Critical Infrastructure Bill seeks to lift sector entities (houses) that are in a high security risk area (high flood-risk area) through individual mitigation risk areas (lifting the houses to above to a certain flood level lowering the damage bill when flooding occurs). Whilst there are incidental savings from lower insurance premiums and perhaps other incidental areas, these are dwarfed by the large outlay required (in the same way that insurance savings from having a higher a higher floor level (raised house) is dwarfed by the capital cost of raising that house). To say that the savings are crystalised by the fact that we will have less chance of a critical incident, is like saying the benefit to home-owners who don't have the financial capacity to lift their houses will be able to pay for the lift as they will have a less devastating flood event.

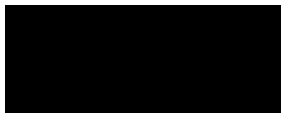
UCQ asks that the Committee consider making the following recommendations in its report to the Government:

- **Recommend that the Federal Government meet the cost of compliance for non-Government hospitals to comply with this legislation.**
 - The funding commitment could be broken up into two tranches:
 - An initial funding round over two years (assuming entities have 18 months to conduct the program) for all covered non-Government hospital entities under the Bill to cover the Risk Management Program for both internal and external costs.
 - UCQ's (entity) cost estimate for this phase is \$2m assuming all risks are considered at once.
 - UCQ notes the Government hospital sector already has its own funding mechanism for these costs.
 - A secondary funding round after Government has considered the Risk Management Program reports from the sector that will assess what material risks the non-Government hospital sector faces and asses what the mitigation costs might be.
 - UCQ notes that this is what the non-Government hospital sector (including UCQ and also other sectors covered) seemed to have budgeted for in their draft Regulatory Impact Statement issued in Home Affairs first submission to the Committee.

- As noted by the Committee and Home Affairs there are possible entity savings resulting from these mitigation measures e.g. reduction in public liability insurance from a reduction in the likelihood of extreme events and this should form part of these negotiations and discussions for this second round of funding.
- **Recommend that the Federal Government extend the physical, personnel and supply chain requirements from six months to at least 18 months to allow the Risk Management Program to consider all risks as a whole which could result in program savings**

UCQ thanks the Committee for your time and consideration. I reiterate that UCQ remains committed to working with Government to ensure our critical infrastructure remains secure and operational, while maintaining the high-quality of healthcare Australians deserve and the ICU capacity necessary to keep saving Australian lives.

Yours sincerely,



Michael Krieg
Group Executive - Hospitals
UNITINGCARE QUEENSLAND