

The Senate

Community Affairs
Legislation Committee

Additional estimates 2012–13

March 2013

© Commonwealth of Australia 2013

ISBN 978-1-74229-766-8

This document was prepared by the Senate Community Affairs Legislation Committee and printed by the Senate Printing Unit, Parliament House, Canberra.

Membership of the Committee

Members

Senator Claire Moore, Chair	ALP, Queensland
Senator Rachel Siewert, Deputy Chair	AG, Western Australia
Senator Carol Brown	ALP, Tasmania
Senator Mark Furner	ALP, Queensland
Senator Bridget McKenzie	NP, Victoria
Senator Dean Smith	LP, Western Australia

Senators in attendance

Senator Claire Moore (Chair), Senator Rachel Siewert (Deputy Chair), Senator Sue Boyce, Senator the Hon George Brandis, Senator Carol Brown, Senator the Hon Kim Carr, Senator Michaelia Cash, Senator Richard Di Natale, Senator Concetta Fierravanti-Wells, Senator Mitch Fifield, Senator Mark Furner, Senator Anne McEwan, Senator Bridget McKenzie, Senator the Hon Jan McLucas, Senator Stephen Parry, Senator Lee Rhiannon, Senator the Hon Nigel Scullion, Senator Arthur Sinodinos, Senator Dean Smith, Senator Peter Whish-Wilson, Senator Penny Wright, Senator Nick Xenophon

Secretariat

Dr Ian Holland	Committee Secretary
Mr Gerry McInally	Principal Research Officer
Mr Jarrod Baker	Senior Research Officer
Mr Patrick Hodder	Research Officer
Ms Eloise Menzies	Research Officer
Ms Carol Stewart	Administration Officer

Suite S1.59	Telephone: (02) 6277 3515
Parliament House	Fax: (02) 6277 5829
CANBERRA ACT 2600	Email: community.affairs.sen@aph.gov.au

Table of Contents

Membership of the Committee	iii
Chapter 1.....	1
Introduction	1
Details of hearings	1
Questions on Notice	2
Hansard transcripts	3
Changes in the PAES.....	3
Procedural issues	4
Chapter 2.....	5
Health and Ageing Portfolio	5
Department of Health and Ageing.....	5
Cross Outcomes/Corporate Matters	6
Population Health	7
Therapeutic Goods Administration	7
National Health and Medical Research Council (NHMRC).....	8
Australian National Preventative Health Agency (ANPHA).....	8
Food Standards Australia and New Zealand (FSANZ).....	8
Australian Commission on Safety and Quality in Health Care (ACSQHC).....	9
Biosecurity and Emergency Response	9
Private Health	10
Private Health Insurance Administration Council.....	10
Hearing Services.....	10
Health Workforce Capacity.....	10
Health Workforce Australia (HWA)	11
Aged Care and Population Ageing	11

Health System Capacity and Quality.....	12
Acute Care	12
National Health Performance Authority.....	13
Australian Organ and Tissue Donation and Transplantation Authority.....	13
Primary Care.....	13
Rural Health.....	14
Access to Pharmaceuticals	14
Mental Health	16
Chapter 3.....	17
Families, Housing, Community Services and Indigenous Affairs Portfolio	17
Department of Families, Housing, Community Services and Indigenous Affairs	17
Cross Outcomes/Corporate Matters	17
Families and Children.....	18
Housing.....	19
Australian Institute of Family Studies.....	20
Community Capability and the Vulnerable.....	20
Seniors	21
Disability and Carers	21
Women and the Workplace Gender Equality Agency	22
Chapter 4.....	25
Human Services Portfolio	25
Department of Human Services.....	25
Corporate	25
Services to the Community	26
Chapter 5.....	29
Cross Portfolio Matters.....	29
General Matters	29

Closing the Gap	30
Stronger Futures	31
Indigenous Land Corporation (ILC).....	31
Indigenous Business Australia (IBA).....	32
Office of the Registrar of Indigenous Corporations (ORIC).....	32
Health	32
Employment and Economic Development.....	33
Indigenous Housing.....	33

Appendix 1

Departments and agencies under the Committee's oversight	35
---	-----------

Appendix 2

Commonwealth Authorities and Companies under the Committee's oversight	37
---	-----------

Appendix 3

Index to Hansard Transcripts	39
---	-----------

Chapter 1

Introduction

1.1 On 7 February 2013 the Senate referred the following documents to the committee for examination and report in relation to its portfolios:

- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2013 [Appropriation Bill (No. 3) 2012-2013].
- Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2013 [Appropriation Bill (No. 4) 2012-2013].
- Final Budget outcome for 2011-2012; and
- Issues from the advances under the annual Appropriation Acts for 2011-2012.¹

1.2 The committee is responsible for the examination of the following portfolios:

- Health and Ageing;
- Families, Housing, Community Services and Indigenous Affairs; and
- Human Services.

1.3 The committee was required to report to the Senate on its consideration of 2012-2013 additional estimates on Tuesday 19 March 2013.²

Details of hearings

1.4 The committee considered the Portfolio Additional Estimates Statements (PAES) 2012-2013 for the Families, Housing, Community Services and Indigenous Affairs portfolio, the Human Services portfolio, and the Health and Ageing portfolio, at hearings from 13 February 2013 to 15 February 2013 (inclusive). The hearings were conducted in accordance with the agreed agenda outlined as follows:

- Wednesday 13 February 2013 – Health and Ageing portfolio
- Thursday 14 February 2013 – Families, Housing, Community Services and Indigenous Affairs portfolio and Human Services portfolio
- Friday 15 February 2013 – Cross Portfolio – Indigenous Matters

1.5 The committee heard evidence from the following Senators:

- Senator the Hon Jan McLucas, Parliamentary Secretary for Disabilities and Carers (representing the Minister for Families, Housing, Community

1 *Journals of the Senate*, No. 132, 7 February 2013, p. 3603.

2 *Journals of the Senate*, No. 121, 1 November 2012, p. 3239.

Services and Indigenous Affairs and the Minister for Health and Ageing).

- Senator the Hon Kim Carr, Minister for Human Services.
- Senator the Hon Don Farrell, Parliamentary Secretary for Sustainability and Urban Water (representing the Minister for Families, Housing, Community Services and Indigenous Affairs and all relevant Ministers for the Cross Portfolio – Indigenous Matters).

1.6 Evidence was also provided by the following:

- Ms Jane Halton, Secretary of the Department of Health and Ageing;
- Mr Finn Pratt, Secretary of the Department of Families, Housing, Community Services and Indigenous Affairs;
- Ms Kathryn Campbell, Secretary of the Department of Human Services;
- Ms Jennifer Taylor, Deputy Secretary of the Department of Education, Employment and Workplace relations;
- Mr David Learmonth, Deputy Secretary of the Department of Health and Ageing; and
- officers representing the departments and agencies covered by the estimates before the committee.

1.7 The committee also considered budget expenditure at a hearing on 15 February 2013 on cross portfolio Indigenous matters pursuant to Resolution of the Senate of 26 August 2008.³ Explanations relating to the estimates were received from Senator the Hon Don Farrell. Officers from the following portfolio Departments were in attendance:

- Families, Housing, Community Services and Indigenous Affairs;
- Health and Ageing; and
- Education, Employment and Workplace Relations.

1.8 The committee thanks the ministers, departmental secretaries and officers for their assistance and cooperation during the hearings.

Questions on Notice

1.9 In accordance with Standing Order 26, the date for submission to the committee of written answers to questions or additional information relating to the expenditure is 5 April 2013.

3 *Journals of the Senate*, No. 22, 26 August 2008, p. 683.

1.10 Answers to questions taken on notice and tabled documents relating to the committee's hearings will be tabled in the Senate. Answers to questions on notice and additional information may be accessed via the committee's website.

Hansard transcripts

1.11 The committee discussed many of the expenditure proposals and information contained in the PAES. These discussions are detailed in the committee's *Hansard* transcripts of 13 February 2013 to 15 February 2013 (inclusive), copies of which will be tabled in the Senate. *Hansard* transcripts of the estimates proceedings are also accessible on the committee's website at http://www.aph.gov.au/senate_ca.

1.12 References to the Hansard transcript are to the proof Hansard; page numbers may vary between the proof and the official Hansard transcript.

Changes in the PAES

1.13 The committee notes the establishment of the National Health Funding Body in the Health and Ageing portfolio since the Budget 2012-13. This new Portfolio agency was established on 25 June 2012 under the *National Health Reform Act 2011* to:

provide transparent, comparable and efficient administration of Commonwealth and state and territory funding of the Australian public hospital system, and support the obligations and responsibilities of the Administrator of the National Health Funding Pool under common multi-jurisdictional health reform legislation.⁴

1.14 The committee also notes Ministerial changes in the Health and Ageing and Families, Housing, Community Services and Indigenous Affairs portfolio since the publication of the 2012-13 Portfolio Budget Statements:

- In the Health and Ageing portfolio, on 2 February 2013 the Hon. Melissa Parke MP was appointed as Parliamentary Secretary for Mental Health;⁵
- In the Families, Housing, Community Services and Indigenous Affairs portfolio, on 4 February 2013 the Hon. Mark Butler MP replaced the Hon. Brendan O'Connor MP as the Minister for Housing and Homelessness and the Hon. Melissa Parke MP was sworn in as Parliamentary Secretary for Homelessness and Social Housing.⁶

4 Health and Ageing, *Portfolio Additional Estimates Statements 2012-13*, p. 3.

5 Health and Ageing, *Portfolio Additional Estimates Statements 2012-13*, p. 3.

6 Families, Housing, Community Services and Indigenous Affairs, *Portfolio Additional Estimates Statements 2012-13*, p. 3.

1.15 Finally, the committee notes a change to the name of the Equal Opportunity for Women in the Workplace Agency (EOWA), in the Families, Housing, Community Services and Indigenous Affairs portfolio. Following the replacement of the *Equal Opportunity for Women in the Workplace Act 1999* with the *Workplace Gender Equality Act 2012*, the agency's name has been changed to the Workplace Gender Equality Agency. The PAES states that:

the outcome has been updated to reflect the shift in focus from equal opportunity for women to equality between the genders and associated responsibilities.⁷

Procedural issues

1.16 The following procedural issue during the committee's hearings was noted.

Grounds for not answering questions

1.17 The secretary of the Department at one point also claimed legal professional privilege as a reason for not releasing legal advice. The senator asking the question, however, appeared already to have moved on and did not press the matter. The committee also notes that no formal claims were made for public interest immunity. Departments should be aware of and adhere to the order of the Senate of 13 May 2009.

7 Families, Housing, Community Services and Indigenous Affairs, *Portfolio Additional Estimates Statements 2012-13*, p. 3.

Chapter 2

Health and Ageing Portfolio

Department of Health and Ageing

2.1 This chapter outlines key issues discussed during the 2012-2013 additional estimates hearings for the Health and Ageing portfolio.

2.2 The committee heard evidence from the department on Wednesday 13 February 2013. Areas of the portfolio and agencies were called in the following order:

- Whole of Portfolio/Corporate Matters
- Australian Institution of Health and Welfare
- Population Health
- Therapeutic Goods Administration (TGA)
- National Health and Medical Research Council (NHMRC)
- Australian National Preventive Health Agency (ANPHA)
- Food Standards Australia New Zealand (FSANZ)
- Australian Commission on Safety and Quality in Health Care (ACSQHC)
- Biosecurity and Emergency Response
- Private Health
- Private health Insurance Administration Council (PHIAC)
- Hearing Services
- Health Workforce Capacity
- Health Workforce Australia (HWA)
- Aged Care and Population Ageing
- Aged Care Standards Accreditation Agency
- Acute Care
- Independent Hospital Pricing Authority
- National Health Performance Authority
- Australian Organ and Tissue Donation and Transplantation Authority
- Access to Medical Services
- Professional Services Review (PSR)
- Health System Capacity and Quality
- Primary Care

- Rural Health
- Access to Pharmaceutical Services
- Mental Health

2.3 The committee also heard evidence from the National e-Health Transition Authority (NeHTA) under the department's "Health System Capacity and Quality" area.

Cross Outcomes/Corporate Matters¹

2.4 Proceedings commenced with questions about the provision of information on actual expense and budget estimates at the subprogram level. In this line of questioning, the committee examined the clarity around budget processes, including the financial information available at the sub-program level and the difficulties involved in discerning how money is spent at the sub-program level from the portfolio budget statements.² The department pointed out that activity at the sub-program level cuts across several divisions and is rarely reconcilable with the budget documents.³ Later in the hearing the department also pointed out that sub-programs are monitored against performance indicators, but that the individual financial detail for the sub-program level is compiled manually because it does not universally align with the budget structure. The current departmental IT structure is only capable of compiling budgetary data at the outcome and program level.⁴ The department does manually compile some areas of sub-program expenditure for an incoming minister or government, but these briefs do not contain everything. The department offered to compile sub-program financial information for the committee on notice in selected program areas.⁵

2.5 The department also noted that flexible funds may be a complicating factor because a lot of the sub-programs have been amalgamated into flexible funds.⁶ The need to retain transparency with the move to flexible funding has been canvassed in the Community Affairs Report on Annual Reports (2013 No.1).

2.6 The committee also discussed the following items:

- Commonwealth spending in relation to the Tasmanian Health Assistance Package, in particular the Commission on Delivery of Health Services in Tasmania;

1 *Proof Estimates Hansard*, 13 February 2013, p. 6.

2 *Proof Estimates Hansard*, 13 February 2013, p. 7.

3 *Proof Estimates Hansard*, 13 February 2013, p. 7.

4 *Proof Estimates Hansard*, 13 February 2013, p. 41.

5 *Proof Estimates Hansard*, 13 February 2013, p. 42.

6 *Proof Estimates Hansard*, 13 February 2013, p. 15.

- The alignment of responsibilities between the Australian National Health Performance Authority (ANPHA) and the department, including recommendations made by the auditor-general;
- Revenue generated by the Australian Institute of Health and Welfare.

Population Health⁷

2.7 Senator Furner asked the department to update the committee on its measures to help people give up smoking. The department noted that the arrangements for retail compliance with plain packaging of tobacco came into force on 1 December 2012. The department noted that it has encountered strong interest from overseas in the plain packaging initiative, such as the release in the United Kingdom of a discussion paper on plain packaging. Questions were also asked about research commissioned to accompany the introduction of plain-packaging.⁸

2.8 Senator Brown asked the department to provide an update on the bowel cancer program. The department provided the committee with information on bowel cancer screening programs including the public distribution of screening kits and subsequent screening participation rates by members of the public.

2.9 The committee also discussed the national strategy documents between the Commonwealth and all states and territories on HIV, noting that whilst the documents contain principles of best practice, the states face different challenges and need to implement their own strategies.

2.10 The committee also discussed the funding allocated to palliative care under the Tasmanian Health Assistance Package.

Therapeutic Goods Administration⁹

2.11 Senators Fierravanti-Wells and Di Natale had a discussion with the Therapeutic Goods Administration (TGA) about the registries that the TGA maintains for high-risk implantable devices, clinical evidence advice, risk communication, and the potential adverse impacts of high-risk implantable devices. The TGA noted that they are still finalising recommendations to government on options for the introduction of registries, and outlined for the committee some of the key advantages and disadvantages of the different types of registries.¹⁰

2.12 The TGA took a question on notice from Senator Xenophon concerning a possible inconsistency between a response to an earlier question on notice regarding urogynaecological mesh, and the TGA's response to the ABC's 7:30 program on the

7 *Proof Estimates Hansard*, 13 February 2013, pp. 13–27.

8 *Proof Estimates Hansard*, 13 February 2013, p. 23.

9 *Proof Estimates Hansard*, 13 February 2013, pp. 27–31.

10 *Proof Estimates Hansard*, 13 February 2013, p. 28.

product.¹¹ The committee also discussed TGA recommendations on the regulation of complementary medicines.

National Health and Medical Research Council (NHMRC)¹²

2.13 Senator Fierravanti-Wells asked the NHMRC about an article appearing in the *Sunday Age* on 27 January 2013 concerning drug trials in India. The NHMRC confirmed it was aware of the article and undertook to provide detail on notice to the committee on the proportion of funding spent on overseas trials. The NHMRC also noted that they have followed up with the university that conducted the trial to ensure ethical guidelines were adhered to.

2.14 Senator Fierravanti-Wells also asked questions about the development of the Australian Guide to Healthy Eating. The NHMRC explained that the basis of the guidelines is an examination of 50 000 new pieces of evidence since the development of the last guidelines in 2003.

2.15 Senator Di Natale inquired into the NHMRC's role in providing advice on antimicrobial resistance. The NHMRC noted that their role changed when they ceased to be a division of the department and referred the majority of questions to the department.

Australian National Preventative Health Agency (ANPHA)¹³

2.16 The committee had a discussion with ANPHA about a report on public interest case for minimum floor price of alcohol. ANPHA confirmed that the report is due to government in the first quarter of 2013 and that they are on target to provide this to the Minister by the due date. The Minister will then decide whether the report is to be made public.

2.17 Senator Fierravanti-Wells asked additional questions of ANPHA concerning protocols on conflicts of interest in awarding research grants, ANPHA's interaction or coordination with NHMRC and the department, and recommendations from the Auditor-General for ANPHA to 'actively review the alignment of (their) responsibilities.'¹⁴ ANPHA took a number of these questions on notice.

Food Standards Australia and New Zealand (FSANZ)¹⁵

2.18 Senator Sinodinos inquired into FSANZ's cost recovery fees. FSANZ pointed out that they have a legislative obligation to recover costs, and therefore have to

11 *Proof Estimates Hansard*, 13 February 2013, p. 29.

12 *Proof Estimates Hansard*, 13 February 2013, pp. 31–37.

13 *Proof Estimates Hansard*, 13 February 2013, pp. 37–40.

14 *Proof Estimates Hansard*, 13 February 2013, p. 38.

15 *Proof Estimates Hansard*, 13 February 2013, pp. 43–49.

comply with government guidelines about review of their cost recovery process. Although historically FSANZ have not reviewed their cost recovery fees annually, they have now discussed whether to do so. FSANZ also provided the committee with information on the numbers of staff involved in cost recovery work as opposed to other work.

2.19 Senator Di Natale put further questions to FSANZ about anti-microbial resistance issues relating to a risk assessment done on New Zealand apple orchards.

2.20 Senator Whish-Wilson questioned FSANZ about its reviews of low-THC hemp for food. FSANZ noted that its more recent review further explored economic and cost impacts on the regulatory system, and that they engaged in a lot of consultation with international bodies. Senator Whish-Wilson noted that the COAG legislative and governance forum on food regulation requested a review of FSANZ's decision. FSANZ indicated that the reasoning underpinning the request for review concerned enforcement issues, and potential conflicts with current legislation.

2.21 FSANZ also took questions on notice from Senator Fierravanti-Wells regarding food on international cruise ships and the use of carbon monoxide in fish.

Australian Commission on Safety and Quality in Health Care (ACSQHC)¹⁶

2.22 The committee inquired into the progress of the ACSQHC's three year data plan, and other activities of the ACSQHC in the aged care and mental health spaces including the development of a national aged care residential medication chart, which was tabled during the hearing.

2.23 Senator Di Natale had further questions for ACSQHC and the department on anti-microbial resistance, and the government's approach to addressing the issue. There was a discussion about coordination of effort between departments and agencies, and the issue of antibiotic usage and anti-microbial resistance in animals does not currently appear to have been explored to the same degree as anti-microbial resistance in humans. Ms Halton provided an update on activities in this area including an agreement with Andrew Metcalfe, secretary of DAFF about the coordination of activities between DoHA and DAFF from a policy and regulatory perspective, and the development of a new steering group comprising the Chief Medical Officer, Chief Veterinary Officer, Ms Halton and Mr Metcalfe.

Biosecurity and Emergency Response¹⁷

2.24 The committee's questions under this outcome focused on the department's emergency response plans in the case of extreme weather events. The department outlined the Commonwealth's role in coordinating a response to natural disasters

16 *Proof Estimates Hansard*, 13 February 2013, pp. 49–54.

17 *Proof Estimates Hansard*, 13 February 2013, pp. 54–55.

including in relation to aged-care facilities, mental health, outbreaks of infectious diseases and pharmacies.

Private Health¹⁸

2.25 Following on from the committee hearing on Friday 8 February into the proposed legislative changes to the Private Health Insurance Rebate, the committee had further questions about the consultation process and the projected impacts of the legislative changes.

Private Health Insurance Administration Council¹⁹

2.26 Senator Fierravanti-Wells inquired into comments made by PHIAC in relation to people downgrading their level of private health insurance cover, and the effects of pre-paying for cover. Senator Fierravanti-Wells asked PHIAC to provide the committee with any further comments they may have on notice.

Hearing Services²⁰

2.27 The department undertook to provide the committee with an update on progress in this outcome beyond that documented in the report on the committee's Inquiry into Hearing Health in Australia.²¹ The committee established that the department does not collect information on the impact of industrial hearing impairments.

Health Workforce Capacity²²

2.28 Senator Fierravanti-Wells raised questions about the review of the Australian Standard Geographical Classification for Remoteness Areas (ASGC-RA). The department confirmed the government has asked Ms Jenny Mason to complete a general review of health workforce programs, including ASGC-RA. The report is expected to be finalised at the end of March 2013.

2.29 The department undertook to provide list of programs that have been moved into the Health Workforce Fund on notice. The department also took further questions on notice in relation to the allocation of monies from this fund and the financial years involved.

2.30 The committee also discussed the evaluation of the National Partnership Agreement on hospital and health workforce reform, which will cease to be funded on

18 *Proof Estimates Hansard*, 13 February 2013, pp. 55–57.

19 *Proof Estimates Hansard*, 13 February 2013, pp. 58–59.

20 *Proof Estimates Hansard*, 13 February 2013, pp. 59–61.

21 Community Affairs References Committee, *Hear Us: Inquiry into Hearing Health in Australia*, May 2010.

22 *Proof Estimates Hansard*, 13 February 2013, pp. 61–63.

1 July 2013, and the dental relocation grant scheme, due to commence in the new financial year.

Health Workforce Australia (HWA)²³

2.31 HWA and the department provided information to the committee on the Rural Health Professionals Program, including the location of funding for the program in the budget papers and a list of relocation grants allocated by profession.

Aged Care and Population Ageing²⁴

2.32 Senator Fierravanti-Wells led questions on this outcome, beginning with questions on recent financial modelling and recommendations from the Productivity Commission in its *Caring for Older Australian's* report.²⁵ The committee established that the department had done its own subsequent modelling and analysis of the report.

2.33 The committee had a number of questions concerning reviews of and changes to the Aged Care Funding Instrument (ACFI). The committee discussed issues around the department's response to high levels of inaccurate claiming, and the department clarified its role in monitoring and investigating the detail of payments, as opposed to the role of the Department of Human Services in 'looking at the integrity of the payments themselves'.²⁶ The department took a question on notice to clarify the information it is able to provide to the committee surrounding ongoing fraud investigations against providers. The department outlined some of the factors that may be attributed to the high levels of inaccurate claiming, such as the increasing use of consultants without a clinical background. The department also noted that a proportion of down-graded claims are overturned because evidence is subsequently provided by the facility to back up the unusual claims.

2.34 The committee also discussed the recent set of changes to the ACFI and the potential impacts these changes may have on remote and regional aged care homes and smaller aged care homes. The department took a question on notice to explain the application process for the viability supplement for these facilities.

2.35 The committee also discussed aged care approval rounds, Home and Community Care (HACC) funding, the Living Longer, Living Better package, assistive technology, no-interest loans for aged care providers, non-operational bed licences, occupancy rates, complaint schemes, transport, aged care facility assessors and Meals on Wheels funding. Questions on notice were taken in relation to forward estimates funding for aged care, and the aged care assessment program.

23 *Proof Estimates Hansard*, 13 February 2013, p. 63.

24 *Proof Estimates Hansard*, 13 February 2013, pp. 64–78.

25 Productivity Commission, *Caring for Older Australians*, Report No. 53, Final Inquiry Report, 2011.

26 *Proof Estimates Hansard*, 13 February 2013, p. 65.

*Health System Capacity and Quality*²⁷

2.36 Questions under this outcome largely concerned the progress of the Personally Controlled Electronic Health Records system. The committee established that the initial sign-up target of 500 000 by 2013 would not be met, as to date there had been only 56 761 sign-ups to the system. The department noted, however, that the registration phase was the last in a series of steps to establishing the system and that there had not yet been a big push for registration. The department also answered questions relating to the methods by which consumers can register with the PCEHR, funding for Medicare locals to promote a PCEHR registration process, software compatibility, and security and privacy in relation to the e-health record.

2.37 Senator Brown sought information from the department on electronic advance care programs in Tasmania. The department noted that it is still in consultation with Tasmanian government over an expanded rollout of the advance care planning facility that is already in place in the Cradle Coast connected care e-health site. While funding will be available for the rollout on 1 July 2013, the department noted that there are currently no agreed timeframes or implementation plans. The department also outlined the e-health initiatives that are funded under the Tasmanian health assistance package. It was noted that NeHTA would coordinate and facilitate a number of these initiatives.

2.38 The committee also discussed and placed questions on notice about visits from overseas delegations and the projects funded by the Health Hospitals fund.

*Acute Care*²⁸

2.39 The department provided the committee with the latest figures on organ donation, noting that while there has been growth in organ donation there is much more capacity to continue to increase the rate of organ donation in Australia. The committee also discussed training being conducted around the family donation conversation. The department took questions on notice concerning state by state figures for organ donation.

2.40 Ms Halton and Ms Flanagan explained the operation of the indexation formula that resulted in the reduction of funding in the forward estimates. Ms Flanagan and Ms Anderson told the committee that 712.79 of a target of 1 325 beds or their equivalents have been delivered nationally. Ms Anderson took a question on notice regarding the mental health component of these beds. Ms Flanagan clarified details of National Emergency Access Target (NEAT) reward funding.

27 *Proof Estimates Hansard*, 13 February 2013, pp. 78–92.

28 *Proof Estimates Hansard*, 13 February 2013, pp. 92–99.

National Health Performance Authority²⁹

2.41 The Authority outlined for the committee information on performance of emergency departments contained in its recent report, and noted that it will be releasing reports for both hospitals and healthy communities for each of the quarters in 2013.

Australian Organ and Tissue Donation and Transplantation Authority

2.42 The Authority gave some context to organ donation targets and the rate that was achieved in 2012. Ms Cass noted that while the target of 16.3 donors per million people (DPMP) was not achieved, the achieved rate of 15.6 still represented a third year of consecutive growth, and that there had actually been agreements with enough donor families to have reached the target, explaining the difference between consented and actual donors. Ms Cass also pointed out that 6 of 8 jurisdictions achieved a donation rate outcome above 16.3 DPMP in 2012. The committee was interested to elaborate on the different achievements across jurisdictions and Ms Cass provided some possible reasons for the difference including that the smaller jurisdictions are easier to influence and achieve change in practice.

Primary Care³⁰

2.43 Mr Booth confirmed that outcomes will be monitored throughout and at the end of the diabetes coordinated care trial.

2.44 The majority of questions directed to the department under this outcome concerned Medicare Locals. Mr Butt clarified some aspects of funding for Medicare Locals, noting that the funding that each gets will vary, as 'there is a whole range of programs that have been rolled out through all of them. The difference will be based on their weighted population.'³¹ Ms Kneipp also outlined the after-hours funding directed through the Medicare Local flexible fund, Rural GP locum funding, and some key aspects of the formula used to allocate core funding to Medicare Locals. The department took a question on notice to provide the total amount of core funding for Medicare locals to the committee, and to provide a breakdown of funding delivered in terms of program.

2.45 Senator Fierravanti-Wells inquired into a workshop being advertised at two Medicare Locals promising to 'double (a General Practitioner's) income'. Ms Halton agreed that the language used to advertised the workshop was inappropriate and affirmed that the department would look into the workshop and particularly the advertising around it. The department agreed to find out on notice whether any funding from the department was being used to pay for the workshops. The

29 *Proof Estimates Hansard*, 13 February 2013, pp. 97–98.

30 *Proof Estimates Hansard*, 13 February 2013, pp. 99–115.

31 *Proof Estimates Hansard*, 13 February 2013, p. 101.

committee also discussed the Medicare Locals forum, fit-outs for Medicare Locals, staff numbers in the Medicare Locals branch of the department, and the ability of Medicare Locals to contract out their services. In relation to staff numbers, Ms Halton gave a breakdown of the reduction in departmental staff working in primary care from 2009-10 to 2012-13.

2.46 The committee then discussed and clarified reasons for delay in construction of various GP superclinics, such as the Redcliffe and Wannaroo Superclinics. Mr Butt noted that the plan is to have all superclinics built in five years, but acknowledged that problems such as floods and rezoning of land that may delay the construction of some of the superclinics. Ms Faichney ran the committee through some of the examples, provided a list of the 15 superclinics that have not yet begun construction, provided more information on the 4 that are yet to sign a funding agreement.

Rural Health³²

2.47 The department confirmed that the Rural Health Outreach fund is on track to be implemented by July 1 2013 and that there have been no changes to the fund's guidelines. The department also confirmed that they envisage that \$9 million or \$10 million will be available for the seventh round of the National Rural and Remote Health Infrastructure Program. Ms Faichney confirmed that the majority of approved projects from previous funding rounds have been completed or are due for completion within their planned budget and frameworks.

Access to Pharmaceuticals³³

2.48 The committee first discussed official listing times for medicines, and Ms McNeill and Mr Learmonth provided the committee with information about the reduction in time taken between approval for listing of high-cost medicines by the Pharmaceutical Benefits Advisory Committee (PBAC) and when the Minister announces that there has been cabinet approval for listing of the medicines.

2.49 Ms McNeill noted that:

The government made a commitment under the memorandum of understanding that it would use its best endeavours to consider medicines worth over \$10 million in any financial year within six months of the pricing being agreed.³⁴

2.50 Senator Di Natale queried the meaning of 'best endeavours' and tabled an analysis of listing times for high-cost medicines which indicated that while the time between PBAC approval and the ministerial announcement has significantly decreased, the time between announcement and actual listing has significantly

32 *Proof Estimates Hansard*, 13 February 2013, pp. 115–116.

33 *Proof Estimates Hansard*, 13 February 2013, pp. 116–124.

34 *Proof Estimates Hansard*, 13 February 2013, p. 116.

increased. The department had not seen this analysis, and disputed it, wanting to know which drugs were included in the analysis. The Senator noted that it concerned high-cost drugs, and Ms Halton noted that that she "would want to look at the particular circumstances of what is in which category because, if there is a statistical issue... I bet you I can explain it based on exactly the drugs."³⁵ The Senator asked the department to look at this analysis and provide the committee with a response. The committee clarified exactly the phase of time being discussed in the memorandum of understanding.

2.51 The committee also discussed details of the listing process for a selection of specific medicines, including one rejected for the Pharmaceutical Benefits Scheme (PBS) and partially rejected for the life-saving drugs scheme. Mr Learmonth and Ms McNeill explained the rationale for the life-saving drugs program and some of the processes that PBAC go through when deciding whether to recommend a medicine for listing.

2.52 Ms McNeill outlined aspects of post-market reviews of PBS listed medicines including where to view the frameworks and procedures put in place to manage post-market reviews, how stakeholders are notified and identified and variation in timeframes for reviews. Ms McNeill highlighted how the independence of PBAC is maintained during the review process, noting that secretariats and independent evaluators actually do the work for the PBAC in evaluating and putting review material together. The work to date conducted around post-market reviews has cost \$1.1 million.

2.53 The committee also discussed the statutory price reduction triggered when a medicine moves from an F1 formula to an F2 formula under section 99ACB of the *National Health Act 1953* (Cth). Senator Di Natale was interested in how this price reduction applies when a company releases the same medicine with different delivery mechanism, rather than when a generic is introduced into the market. Ms McNeill, Ms Halton and Mr Learmonth explained that sometimes a company will introduce a slightly different product onto the market to eat up or retain market share before the introduction of a generic, and often also remove the original product from sale, to hamper the introduction of a generic. The department took questions on notice about current annual expenditure for F1 drugs expected to come off patent and trigger the statutory price reduction, the estimated saving to government over forward estimates due to the statutory price reduction, and the number and detail of cases where the originator company with a product in F1 introduced a new mechanism that triggered a statutory price reduction.

Mental Health³⁶

2.54 The committee discussed the progress of negotiations around the Early Psychosis Prevention and Intervention Centres (EPPICs), and recommendations in the National Mental Health Commission's report card. Ms Champion noted that the process for COAG to prepare a response to the report card will follow through this year.

2.55 The committee clarified that the programs listed in Minister Plibersek's brief remain unchanged aside from the introduction of the Mental Health Reform Package.

2.56 Senator Wright focused on the Mental Health Nurse Incentive Program. Ms Champion noted for the committee that there are currently 434 organisations participating in the program. Mr Nicholls took on notice to provide information on how many organisations have left the program since 9 May last year, or for the financial year. The department also took a number of questions on notice relating to the session allocations for the program.

2.57 In response to Senator Wright's question concerning whether there were arrangements in place to provide services where organisations have used up their allocation or are about to do so, Ms Nicholls and Ms Champion clarified that organisation in the program are given an opportunity to ask for review of the allocations. The majority of requests for reviews seeking increases to session allocations are granted, and the program allows for unused sessions to be transferred to organisations seeking extra sessions, or to organisations seeking to enter the program. The department agreed to provide the committee with information about whether any organisations had given up un-used sessions on notice. Ms Nicholls also clarified that the client's GP or psychiatrist is actually the primary care provider, and that the mental health nurse works alongside the GP or psychiatrist.

2.58 The committee finally discussed the representation of people with mental illness, carers and from the non-government sector in the Mental Health and Drug and Alcohol Principal Committee and the Working Group on Mental Health Reform, two national advisory structures in mental health reporting to COAG. Ms Huxtable explained that Committee is comprised of state and Commonwealth officials, but that the Committee is able to engage with stakeholders before its meetings. The working group is made up of health departments and first ministers, but is supported by an expert reference group. States are currently in the process of nominating representatives for this group, and the nominations that the department have seen thus far indicate that some consumers and carers are being nominated.

36 *Proof Estimates Hansard*, 13 February 2013, pp. 124–130.

Chapter 3

Families, Housing, Community Services and Indigenous Affairs Portfolio

Department of Families, Housing, Community Services and Indigenous Affairs

3.1 This chapter outlines key issues discussed during the 2012-2013 additional estimates hearings for the Families, Housing, Community Services and Indigenous Affairs Portfolio.

3.2 The committee heard evidence from the department on Thursday 14 February 2013. Areas of the portfolio were called in the following order:

- Cross Outcomes/Corporate Matters
- Families and Children
- Housing
- Australian Institute of Family Studies
- Community Capability and the Vulnerable
- Seniors
- Disability and Carers
- Women
- Workplace Gender Equality Agency

*Cross Outcomes/Corporate Matters*¹

3.3 Proceedings commenced with the Chair noting that questions on the National Disability Insurance Scheme (NDIS) would be open for discussion during the hearing despite the current inquiry by the committee into the NDIS legislation. Mr Finn Pratt, Secretary of the Department of Families, Housing, Community Services and Indigenous Affairs, tabled an updated organisational chart for the department.

3.4 Senator Fifield inquired into communications methods used to raise awareness of the Schoolkids Bonus payments and the Household Assistance Package, focusing on contracts between the department and companies contracted to develop and test advertisements and to conduct market research.

3.5 There was then a discussion of the department's audit findings. The secretary noted that he was 'moderately pleased' with the zero audit findings by the Australian

1 *Proof Estimates Hansard*, 14 February 2013, pp. 4–16.

National Audit Office (ANAO), the best in the department's history. The committee also discussed the ANAO legislative finding relating to potential breaches of section 83 of the Constitution arising from adjusted mining royalty payments to the Aboriginals Benefit Account. Departmental officers noted that the department is pursuing legislative amendments with regards to this issue. The zero audit findings and the potential breaches of section 83 of the Constitution have been covered in this committee's Report on Annual Reports (2013 No. 1).² Departmental officers also clarified their approach to potential breaches of section 83 in relation to the payment of the Family Tax Benefit.

3.6 Senators Fifield and Siewert asked questions about the government response to the social and community services (SACS) award case. Departmental officers confirmed that the government has committed \$2.8 billion in assistance to organisations over forward estimates and that \$8 million has been paid out to date. Questions on Notice were accepted relating to the organisations who have received offers for funding, and specifically relating to Western Australian organisations who have taken up those offers.

3.7 The Committee also discussed the following items:

- Variations in the department's forward estimates;
- Funding directed through the department in relation to the Royal Commission into Institutional Responses to Child Sexual Abuse; and
- The Australian Charities and Not-for-Profits Commission.

Families and Children³

3.8 The committee directed the majority of questions under this outcome to the efficiency and effectiveness of the various communications methods in relation to the Schoolkids bonus. Members of the committee queried the use a mass media campaign to advertise an automatic payment. Departmental officers outlined the strategic purpose of the advertising campaign and clarified that the advertising is targeted to informing people about why they are receiving a payment. The information campaign sought to avert the possibility of the Department of Human Services, who would be administering the payments, being inundated with a large volume of calls from recipients. The department took to provide research on notice to the committee regarding the relative merits of an advertising campaign and a mail-out.

3.9 Ms Bell, Branch Manager, Communications and Media, provided the committee with figures on expenditure to date and anticipated expenditure in relation to advertising the schoolkids bonus, and undertook to provide details of the tender process for advertising, and a breakdown of monies spent. The department also

2 Community Affairs Legislation Committee, *Report on Annual Reports (No. 1 of 2013)*, March 2013, p. 14.

3 *Proof Estimates Hansard*, 14 February 2013, pp. 16–26, 34–36.

undertook on notice to determine whether they are able to provide the research and media strategies provided by the media contractors, the detail of cohorts in focus groups and a breakdown by jurisdiction of the amount of payments. In response to questions from Senator Furner, Mr Whitecross, Branch Manager, Family Payments and Child Support, clarified that more families are receiving larger payments under the schoolkids bonus than were under the Education Tax Refund, and noted that over the life of a child, a family would receive around \$8 000 in schoolkids bonus payments.

3.10 Senator Cash inquired into promotional materials around family payments. Ms Bell clarified that the kits in question related to a range of family measures, not solely the schoolkids bonus. Ms Bell took a number of questions on notice relating to the specific products included in the kits and the research behind the kits.

3.11 The committee had questions relating to the numbers of families receiving Family Tax Benefit Parts A and B, and the eligibility requirements including immunisation requirements, for the Family Tax Benefit. The committee also discussed the number of people accessing Dad and Partner payments and Paid parental leave, and the funding arrangements for Family and Relationship Services Australia (FRSA), including the funding for the FRSA national conference and senior executives forum.

*Housing*⁴

3.12 The committee began under this outcome by seeking clarification of the responsibilities of the Minister and the Parliamentary Secretary. Mr Pratt noted that the breakdown of responsibilities between the Minister and the Parliamentary Secretary are still being finalised but confirmed that Minister Butler is responsible for housing and homelessness and Parliamentary Secretary Parke is responsible for social housing and homelessness. Mr Pratt took to provide a more detailed breakdown of responsibilities to the committee on notice.

3.13 Ms Carroll, Deputy Secretary, responded to the committee's questions on the National Partnership Agreement (NPA) on housing and homelessness and the National Affordable Housing Agreement (NAHA) with updates on these agreements, noting that the NPA is still being negotiated, while the NAHA is an ongoing agreement subject to a funding review. Senator Payne asked the department to provide on notice advice from the minister of what they intend to do with the NAHA advisory committee.

3.14 Senator Payne also asked for an update on social housing initiative dwellings. Mr Palmer, Manager, Housing and Homelessness, provided this, noting that 99.4 per cent of approved dwellings have been completed. Ms Pickering, Branch Manager, Commonwealth State Relations, provided the committee with information on the review conducted by KPMG into the initiative.

4 *Proof Estimates Hansard*, 14 February 2013, pp. 26–34.

- 3.15 The committee also discussed the following items:
- consultation processes around community housing;
 - the bulk verification process for community housing rents;
 - engagement of indigenous community housing organisations;
 - the Public Housing Rent Deduction Scheme;
 - the Building Better Regional Cities program; and
 - the National Rental Affordability Scheme

*Australian Institute of Family Studies*⁵

3.16 The Institute outlined their process of setting strategic directions and directed the committee to their annual report which details the membership of the Institute's advisory council.

3.17 The Institute then discussed the work that is being undertaken in the area of grandparents providing care for children, noting that they are collecting information from various research and studies including the longitudinal study of Australian children.

3.18 Senator Siewert inquired into the input from stakeholders into the Institute's past adoption experience study. The Institute noted that it had received input from a range of different affected stakeholders in the study but that these were kept as separate sources of information and that therefore groups did not comment on statements from other groups. The Institute assured the committee that there should be no concern that service providers were given extra opportunity to comment.

*Community Capability and the Vulnerable*⁶

3.19 The committee began with questions concerning gambling reform including the pokies trial in ACT, and consultations with the states about what federal regulation may entail. In relation to the ACT trial, Ms Croke, Acting Group Manager, Problem Gambling and SACS, gave details on the establishment, membership and meetings of the oversight committee for the trial, and undertook to provide the minutes and meeting papers for the meetings. Departmental officers took questions concerning control mechanisms for funds received as compensation by clubs, and money to date spent by the Commonwealth on the trial.

3.20 Regarding wider consultation with states around federal regulation of problem gambling, Senator Cash asked the department to provide on notice the dates of those meetings. The committee also discussed the consultation around and status of the drafting of pre-commitment regulations. Ms Croke noted that the department is

5 *Proof Estimates Hansard*, 14 February 2013, pp. 36–39.

6 *Proof Estimates Hansard*, 14 February 2013, pp. 39–58.

working on a consultation strategy, the form of which may include a discussion paper, to be released at the end of March or April this year, followed by consultation.

3.21 The committee also discussed the expert advice provided to the department on pre-commitment and the response of manufacturers to this advice, the post-implementation review of the trial, the level of expertise in the Problem Gambling Taskforce, research into problem gambling, and the powers and staff of the National Gambling Regulator.

3.22 An extended discussion of income management followed, with a range of views being expressed by the committee and the department over the effectiveness or otherwise of the measure. Senator Siewert asked questions about the report of the Social Policy Research Centre, which held that there was "no measurable evidence of any positive impact of income management".⁷ The department noted that this report had mixed findings.⁸ There was also discussion concerning difficulty in effectively measuring outcomes for income support programs and the issue of data scarcity precluding a thorough evaluation of the program over the period of its operation.

*Seniors*⁹

3.23 Senator Fierravanti-Wells asked the department to provide a breakdown of recipients of the age pension for a number of variables including receipt of part and full pensions, male and female, and singles and couples. The department also provided further data on staffing levels in the seniors area, the seniors supplement, department of veterans affairs and seniors healthcare cardholders, and recipients of couple payments.

3.24 Ms Foster, Branch Manager, Seniors and Means Test provided an update on the seniors work bonus and pension reforms, noting that aged-care pensions increased by around \$172 a fortnight for single people and \$182 a fortnight for couples combined. The committee also discussed the effect of the Household Assistance Package.

*Disability and Carers*¹⁰

3.25 The committee began questions in outcome five with a comprehensive discussion of the National Disability Insurance Scheme (NDIS) and the NDIS Launch Transition Agency. Senator Fifield commenced with questions on the budget for the scheme and for the agency, and inquired into the difference between the phases for the scheme outlined by the Productivity Commission and the Government. The committee

7 *Proof Estimates Hansard*, 14 February 2013, p. 51.

8 *Proof Estimates Hansard*, 14 February 2013, p. 52.

9 *Proof Estimates Hansard*, 14 February 2013, pp. 58–60.

10 *Proof Estimates Hansard*, 14 February 2013, pp. 60–84.

followed this with questions concerning access to mainstream services by persons within the NDIS, and the timeframe for release of draft rules for the scheme.

3.26 The committee queried the rationale for the apparent extensive use of delegated legislative instruments. Ms Wilson, Branch Manager, Disability and Carers Policy, noted that the practice of containing detail in disallowable instruments or statutory instruments under framework or enabling legislation allows for greater flexibility in the implementation and allows rules to be changed quickly if this becomes appropriate.

3.27 The committee also discussed appeal mechanisms, governance arrangements, the age cut-off, carers, the National Injury Insurance Scheme, the NDIS Launch Transition Agency and the contingency planning and preparations underway in the launch regions.

3.28 In relation to mental health, Senator Fierravanti-Wells confirmed with the department that it is still responsible for selected components of the National Mental Health Reform Package — Personal Helpers and Mentors (PHaMs) service, Family Mental Health Support Services, Mental Health Respite, and Carer Support — and sought details around expenditure, projections over the forward estimates, and client profiles for these programs. Senator Fierravanti-Wells also sought details on the number of people on the disability support pension that have a mental illness, and the number of those clients who are working up to 30 hours per week.

3.29 The committee inquired into the new assessment processes for the disability support pension (DSP) and Newstart, and asked for the percentage of DSP claimants with a severe impairment. The committee also sought an update on the Federal Court case concerning the business services wage assessment tool. Departmental officers outlined what they regarded as the implications and consequences of the finding and the process for appeal. The committee also discussed the issue of people entering into and retiring from Australian Disability Enterprises.

Women and the Workplace Gender Equality Agency¹¹

3.30 The Office for Women and the Workplace Gender Equality Agency (WGEA) were called together for the final outcome discussed in the hearing. The WGEA provided information on the update of their website to reflect changes to the legislation underpinning the agency and confirmed that the majority of calls the agency is receiving concern the requirements on employers for the current reporting year. Ms Conway, Director of the WGEA, outlined the Agency's involvement in developing gender equality indicators, which has included consultation with stakeholders and meeting with Ms Carol Schwartz, appointed by the minister to conduct the consultation.

11 *Proof Estimates Hansard*, 14 February 2013, pp. 84–90.

3.31 Senator Cash questioned the Office for Women about the department's role in the BoardLinks initiative, noting her concern to ensure that the initiatives outcomes were monitored effectively.¹²

3.32 The committee also discussed progress on the national data collection and reporting framework, partnerships with music festivals in The Line program, the domestic implementation of the national action plan on UN Security Council resolution 1325, the Board Diversity Scholarship program, the UN forum in March,¹³ and women's alliances.

12 *Proof Estimates Hansard*, 14 February 2013, p. 85.

13 The fifty-seventh session of the Commission on the Status of Women, 4–15 March 2013.

Chapter 4

Human Services Portfolio

Department of Human Services

4.1 This chapter contains key issues discussed during the 2012-2013 additional estimates hearings for the Human Services portfolio.

4.2 The committee heard evidence from the department on Thursday 14 February 2013. Areas of the portfolio and agencies were called in the following order:

- Corporate
- Services to the Community

4.3 Senator the Hon. Kim Carr, Minister for Human Services, and department secretary Ms Kathryn Campbell both gave opening statements concerning a letter containing incorrect advice sent in December 2012 to people moving from the parenting payment to Newstart allowance. The letter incorrectly instructed recipients to destroy their healthcare cards. Senator Carr emphasised the achievements of the department in the past financial year before expressing his disappointment that the error could occur and confirming the department will conduct a review of its approach to communicating with citizens. Ms Campbell provided the committee with a full outline of the facts surrounding the incorrect advice, the department's response when it discovered the error, and the safeguards put in place to ensure such an error will not reoccur.

*Corporate*¹

4.4 The committee began with questions into the department's response when it discovered that incorrect advice had been sent to clients. Senator Fifield thanked the minister and secretary for addressing the issue first off,² and inquired into the delay between 30 November 2012, when departmental officers became aware of the error, and 13 January, when the minister and secretary became aware of the error. Ms Campbell noted that the department has a detailed escalation process that did not work on this occasion,³ acknowledging the role of human error in the incident. Ms Campbell confirmed that reasonably senior staff had been responsible for the initial failure to review the entire letter, and then to escalate the incident, and that these staff had been counselled but that no code of practice breaches had been established. Ms Campbell also confirmed that the wider review would consider issues such as cutting down the number of paragraphs and templates for mail out letters.

1 *Proof Estimates Hansard*, 14 February 2013, pp. 92–106.

2 *Proof Estimates Hansard*, 14 February 2013, p. 94.

3 *Proof Estimates Hansard*, 14 February 2013, p. 95.

4.5 The committee queried whether large mail outs detailing significant changes in policy or activities should ever go through the minister's office. Ms Campbell and Senator Carr noted that 'business-as-usual' will generally not go through the office but noted that the review will look at issues of whether letters advising in changes of policy should be shown to the minister and follow different protocols to other standard letters.

4.6 Some committee members noted that the paragraphs instructing people to destroy their concession cards were quite harsh, and that a similar issue had arisen with regard to letters sent to income management recipients when a policy change occurred. The committee also inquired into the number of people who actually destroyed their cards, issues around eligibility for concession cards generally and for people transitioning between payments, and timeframes involved for people transitioning to a new payment to receive a new card.

4.7 The committee then moved to questions on a feature piece in the *Age* by the minister on the safety of DHS staff, and discussed the decision by the minister to cease face-to-face services for child support in the open plan Smart Centres. Ms Campbell and Senator Carr noted that face-to-face services will continue to be provided in existing centres with appropriate guarantees of security for staff, such as security staff, duress alarms, exits that allow safe exit if a violent situation occurs, and closed-circuit television.

4.8 The committee returned to the uptake of online services, requesting an update on the number of DHS customers registered online, and the number of people who report their income online. The minister noted that the department has introduced a series of apps for Smartphones, that there had been substantial progress in this area, and highlighted the department's preference for persuasive rather than draconian approach to online engagement. Senator Furner inquired into the effect of online engagement on the department's ability to respond more quickly to the recent natural disasters, such as flooding in Queensland and bushfires in Tasmania.

*Services to the Community*⁴

4.9 The committee inquired into whether there had been movements in frontline staff for call centres. Ms Campbell responded that while the transition phase is still afoot this issue is difficult to discuss, but that the department is aiming to blend its workforce across master programs (Centrelink, Medicare, Child Support) and transitioning from call centres to Smart Centres where both call and processing work can occur.

4.10 The committee asked a range of questions about the public tip-off line, compliance program, and the weekly payment program before returning to issues surrounding people transferring from parenting payment single to different payments

4 *Proof Estimates Hansard*, 14 February 2013, pp. 106–115.

provided by the department. Mr Sandison, Deputy Secretary, Participation, Families and Older Australians, noted that there is a dedicated team of departmental staff to support the group transitioning to a new payment, and that group is treated with a high priority in terms of engagement with the officers. Mr Sandison then outlined in more detail the processes of engaging with customers transitioning to a new payment, also answering questions from the committee about Centrepay arrangements for this group and the feedback provided to local offices in relation to people who are transitioning from one payment to another.

4.11 The committee also discussed Jobskills expos, with the department providing a general outline of its role in coordinating these figures relating to attendance at expos and how many jobseekers have gained employment as a result of attending. Finally the committee returned to a brief discussion of disaster recovery payments, with the department describing the way it operates in situations where there are power and telecommunications outages.

Chapter 5

Cross Portfolio Matters

5.1 This chapter contains key issues discussed during the 2012-2013 additional estimates hearings for cross portfolio Indigenous matters pursuant to Resolution of the Senate of 26 August 2008.¹ The following portfolio departments were in attendance:

- Families, Housing, Community Services and Indigenous Affairs
- Health and Ageing
- Education, Employment and Workplace Relations

5.2 The committee heard evidence from portfolio departments on Friday 15 February 2013. Areas of the portfolios were called in the following order:

- General Matters
- Closing the Gap
- Stronger Futures
- Indigenous Land Corporation
- Indigenous Business Australia
- Office of the Registrar of Indigenous Corporations (ORIC)
- Health Issues
- Employment and Economic Development
- Indigenous Housing

*General Matters*²

5.3 The morning session began with a discussion of the number of late answers to questions on notice in the cross portfolio Indigenous matters area following supplementary estimates. The committee requested notification from FaHCSIA in the future when the department becomes aware of a significant delay in providing answers to estimates questions on notice. The Chair put on record that,

this is a standard process in our committee and we understand the difficulty, particularly with the wide range of issues and a number of questions... If there is going to be a delay with particular answers because of the complexity or because you need to get in contact with other people, we need to be advised of that.³

1 *Journals of the Senate*, No. 22, 26 August 2008, p. 683.

2 *Proof Estimates Hansard*, 15 February 2013, pp. 3–8.

3 *Proof Estimates Hansard*, 15 February 2013, p. 3.

5.4 And additionally:

...I would put on record our disappointment with the answers from the Northern Land Council ...I know it was followed up by the secretariat. It took the secretariat a number of contacts with the Northern Land Council to get responses and the last of those came through last night... I particularly wanted it put on the record that numerous contacts were made.⁴

5.5 Mr Dillion noted that:

In relation to the Northern Land Council, I also put on record that we have recorded on file 26 follow-ups from the department to the Northern Land Council between November 2012 and last night.⁵

5.6 The committee requested a briefing from FaHCSIA on the reporting processes and arrangements in place between the Land Councils and the Royalty Associations. The committee was keen to ascertain what governance processes are in place to monitor the transfer of royalty funds from the Aboriginals Benefit Account to the responsible Land Council for distribution to Aboriginal corporations under the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act).⁶

5.7 The committee also discussed funding options for successful programs that are first developed through one-off grants provided by the Aboriginal Benefits Account.⁷

Closing the Gap⁸

5.8 The committee discussed specific programs directed to closing the gap in life expectancy between indigenous and non-indigenous Australians, as well as infant mortality, numeracy and literacy. Discussion focused on the difficulty in obtaining data around early childhood education programs directed to this outcome. The issue of data consistency was highlighted by both the department and the Coordinator General for Remote Indigenous Services, Mr Brian Gleeson. Senator Scullion summed up the discussion of access to childhood education by noting that access needs to be accompanied by attendance if these measures are to reach a satisfactory outcome.⁹

5.9 The committee returned to the problem of matching progress to particular measures, most notably income management. Ms Hefren-Webb, Branch Manager, Welfare Payments reform commented,

4 *Proof Estimates Hansard*, 15 February 2013, p. 4.

5 *Proof Estimates Hansard*, 15 February 2013, p. 4.

6 *Proof Estimates Hansard*, 15 February 2013, p. 6.

7 *Proof Estimates Hansard*, 15 February 2013, pp. 7–8.

8 *Proof Estimates Hansard*, 15 February 2013, pp. 8–19.

9 *Proof Estimates Hansard*, 15 February 2013, p. 14.

I guess what I was talking about yesterday was not the question that there is no measureable data on outcomes for children but how do you attribute them to a particular program in the context of a very complex policy environment.¹⁰

Stronger Futures¹¹

5.10 The committee's questions around Stronger Futures included questions on collaboration between the Commonwealth and Northern Territory governments and the scrutiny provisions relating to licensed premises. The department outlined the decision making process for review of licensed establishments, and particularly the timeline involved in the review, clarifying that a review will not necessarily focus on breach of licence conditions and is more concerned over whether an establishment is associated with harm in the community.

5.11 The committee moved to a discussion of alcohol management plans, powers of referral for the alcohol and other drugs tribunal, and possibilities for dealing with persons referred if the tribunal is abolished. The committee also discussed the ways that the Commonwealth is generally handling programs jointly funded by the Northern Territory that have lost funding as a result of Territory budget cuts.

Indigenous Land Corporation (ILC)¹²

5.12 The ILC provided an update on its employment programs, particularly Ayres Rock Resort. Senator Scullion congratulated the ILC on the calibre of this facility.¹³ The committee asked questions about money expended by the ILC for procuring a consultant to facilitate an ILC board and senior management planning day. The committee questioned the ILC about its procurement processes and the number of actual quotes obtained as opposed to the number of organisations approached about the supply of a service.¹⁴

5.13 The committee asked questions of officers from FaHCSIA and the ILC concerning the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act) and the procedures undertaken by the board of the ILC during the time that Mr Bruce Gemmill was resigned from his position as CEO of the ILC. The committee also inquired into the legal advice received by FaHCSIA, with regard to this event.¹⁵

10 *Proof Estimates Hansard*, 15 February 2013, p. 13.

11 *Proof Estimates Hansard*, 15 February 2013, pp. 19–24.

12 *Proof Estimates Hansard*, 15 February 2013, pp. 24–32.

13 *Proof Estimates Hansard*, 15 February 2013, p. 25.

14 *Proof Estimates Hansard*, 15 February 2013, pp. 24–27.

15 *Proof Estimates Hansard*, 15 February 2013, pp. 27–30.

5.14 The committee also inquired into funding support provided to the National Centre for Indigenous Excellence (NCIE), by the ILC, in particular, remuneration provided to members of the NCIE board, and the actions of CEO in authorising a contribution from the NCIE towards the construction of a statue.¹⁶

Indigenous Business Australia (IBA)¹⁷

5.15 The committee had been requesting, over the course of previous estimates, a letter to the board of IBA from the then General Manager, Mr Ron Morony, dated 17 March 2010. The letter addressed issues of administration of IBA, in particular the relationships between the Board and the officers of IBA. This letter was tabled by IBA at the hearing. After consultation with the committee, a response by the IBA to Mr Moroney's letter was published on the committee's website.

5.16 The committee briefly returned to its discussion of IBA's investments in Tjapukai Aboriginal Cultural Park, which had been discussed during the 2012-13 budget estimates hearings.¹⁸

Office of the Registrar of Indigenous Corporations (ORIC)¹⁹

5.17 The committee briefly questioned ORIC and FaHCSIA officers about funding of the Jawoyn Association Aboriginal Corporation. Mr Bevan, Registrar, Office of Registrar of Indigenous Corporations, noted that inquiries into this issue are ongoing and he was therefore unable to make substantive comments. Mr Dillon and Ms Hand, Deputy Secretary and Chief Operating Officer gave a brief account of FaHCSIA's funding of this organisation.

Health²⁰

5.18 Mr Smyth, First Assistant Secretary, Population Health Division, provided an update on the Indigenous Marathon Program, and Ms Killen, Assistant Secretary, Program Management and Evaluation Branch, outlined future funding for programs after the expiry of the National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes, noting that the Commonwealth's contribution to the Agreement does not end at the end of this financial year.

5.19 The committee also discussed the progress of a range of Indigenous health strategies in the areas of chronic disease, hearing health, smoking rates, mental health, dialysis and renal health, and aged care.

16 *Proof Estimates Hansard*, 15 February 2013, pp. 30–31.

17 *Proof Estimates Hansard*, 15 February 2013, pp. 32–34.

18 See Senate Community Affairs Legislation Committee, *Report on Budget Estimates 2012-13*, June 2012, p 34.

19 *Proof Estimates Hansard*, 15 February 2013, pp. 34–35.

20 *Proof Estimates Hansard*, 15 February 2013, pp. 35–48.

Employment and Economic Development²¹

5.20 Officers from the Department of Education, Employment, and Workplace Relations (DEEWR) provided a detailed progress update on the operation of the Indigenous Employment Program (IEP), noting that the program has seen unprecedented demand over the last 12 months and the department therefore had to put together a priority list for future funding. Ms Wood, Group Manager, Indigenous Economic Strategy, explained that the IEP is useful for employers develop new models or innovate but is not a recurrent funding source; rather, the program is project based. DEEWR officers undertook to provide the priority list for future IEP funding on notice to the committee. The committee then discussed specific IEP funded projects.

5.21 Moving to the Remote Jobs and Communities Program (RJCP), the committee queried the justification for excluding the great southern area from the 59 remote regions identified under the program. Ms Milliken, Group Manager, Income Support and Remote Service Implementation, explained that the classification draws on historical measures of remoteness from other employment services. Ms Milliken also provided the committee with detail of the assessment process and selection criteria for the RJCP, and the timeline for its adoption.

5.22 The committee also discussed community action plans, the Australian Employment Covenant, and the report on the review of the Vocational Training and Employment Centre model. Senator Scullion expressed his disappointment at being unable to view the report.

Indigenous Housing²²

5.23 Immediately prior to discussion under this outcome, FaHCSIA officers had responded to a written question from Senator Scullion relating to ownership and management of remote housing, noting that the 'vast majority of remote houses are actually located on Aboriginal land trust land and therefore the ownership is with the land trust whether or not they are then leased to someone else.'²³

5.24 The committee discussed the progress of the National Partnership Agreement on Remote Indigenous Housing (NPARIH) including the tenancy agreements in public housing, land tenure reform to enable the development of a private housing sector, and the division of Commonwealth and Northern Territory government expenditures under NPARIH.

5.25 In relation to tenancy agreements, FaHCSIA officers gave detail of progress in this area, including a brief description of the tenancy support program. Ms Edwards

21 *Proof Estimates Hansard*, 15 February 2013, pp. 48–58.

22 *Proof Estimates Hansard*, 15 February 2013, pp. 59–69.

23 *Proof Estimates Hansard*, 15 February 2013, p. 57.

added that, 'the enhanced tenancy support and tenancy management arrangements are a fundamental part of the reforms that the NPARIH has brought. It is certainly something we take very seriously.'²⁴ Senator Scullion noted that in his experience many of the occupants have trouble understanding the underlying nature of tenancy arrangements.

5.26 There appeared to be agreement between the committee and the officers of FaHCSIA on the need for land tenure reform to enable private tenure and the development of a private housing sector alongside the existing public housing sector:

Mr Dillon: This is why NPARIH focuses on structural reforms and in particular why it focuses on land tenure reform. These remote communities are the only part of Australia where there is absolutely no private sector investment in the housing market. There is no home ownership and there is no housing market; therefore, everything falls to the social housing sector. That is untenable going forward over the next 20, 30 or 40 years. Yes, there can be a social housing sector, but surely we aspire to a situation where there is more than social housing in these places.

Senator SCULLION: I do not think you will get disagreement from me or from probably most people in this place on that.²⁵

Senator Claire Moore
Chair

24 *Proof Estimates Hansard*, 15 February 2013, p. 62.

25 *Proof Estimates Hansard*, 15 February 2013, p. 65.

Appendix 1

Departments and agencies under the Committee's oversight¹

Families, Housing, Community Services and Indigenous Affairs Portfolio

- Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)
- Australian Institute of Family Studies
- Workplace Gender Equality Agency (WGEA)

Health and Ageing Portfolio

- Department of Health and Ageing (DoHA)
- Australian National Preventive Health Agency (ANPHA)
- Australian Organ and Tissue Donation and Transplantation Authority
- Australian Radiation Protection and Nuclear Safety Agency (ARPANSA)
- Cancer Australia
- Independent Hospital Pricing Authority
- National Blood Authority
- National Health and Medical Research Council (NHMRC)
- National Health Performance Authority
- Private Health Insurance Ombudsman
- Professional Services Review Scheme

Human Services Portfolio

- Department of Human Services (DHS)

1 This document has been prepared based on the Department of Finance and Deregulation's *Chart of 110 Agencies under the Financial Management and Accountability Act 1997 (FMA Act)* as at 1 June 2012, <http://www.finance.gov.au/publications/flipchart/docs/FMACACFlipchart.pdf>

Appendix 2

Commonwealth Authorities and Companies under the Committee's oversight¹

Families, Housing, Community Services and Indigenous Affairs Portfolio

- Aboriginal Hostels Limited
- Anindilyakwa Land Council
- Central Land Council
- Indigenous Business Australia
- Indigenous Land Corporation
- Northern Land Council
- Outback Stores Pty Ltd
- Tiwi Land Council
- Torres Strait Regional Authority
- Wreck Bay Aboriginal Community Council

Health and Ageing Portfolio

- Aged Care Standards and Accreditation Agency Ltd
- Australian Commission on Safety and Quality in Health Care
- Australian Institute of Health and Welfare
- Food Standards Australia New Zealand
- General Practice Education and Training Limited
- Health Workforce Australia
- Private Health Insurance Administration Council

Human Services Portfolio

- Australian Hearing Services (Australian Hearing)

1 This document has been prepared based on the Department of Finance and Deregulation's *Chart of 84 bodies under the Commonwealth Authorities and Companies Act 1997 (CAC Act)* as at 1 June 2012,
<http://www.finance.gov.au/publications/flipchart/docs/FMACACFlipchart.pdf>

Appendix 3

Index to Hansard Transcripts¹

Page no.

Wednesday, 13 February 2013

Health and Ageing Portfolio

Cross Outcomes/ Corporate Matters	6
Population Health	13
Therapeutic Goods Administration.....	27
National Health and Medical Research Council (NHMRC)	31
Australian National Preventative Health Agency (ANPHA)	37
Food Standards Australia and New Zealand (FSANZ)	43
Australian Commission on Safety and Quality in Health Care (ACSQHC)	49
Biosecurity and Emergency Response.....	54
Private Health.....	55
Private Health Insurance Administration Council.....	58
Hearing Services	59
Health Workforce Capacity	61
Health Workforce Australia (HWA).....	63
Aged Care and Population Ageing	64
Health System Capacity and Quality	78
Acute Care	92
National Health Performance Authority.....	97
Australian Organ and Tissue Donation and Transplantation Authority	98
Primary Care	99
Rural Health	115
Access to Pharmaceuticals	116
Mental Health.....	124

¹ Hansard page numbers referred to in this appendix are based on proof Hansards. Page numbers may vary slightly in the final official Hansard transcripts.

Thursday, 14 February 2013
Families, Housing, Community Services and Indigenous Affairs Portfolio

Cross Outcomes/ Corporate Matters.....	4
Families and Children.....	16
Housing.....	27
Australian Institute of Family Studies	36
Community Capability and the Vulnerable	39
Seniors.....	58
Disability and Carers	60
Women and the Workplace Gender Equality Agency (WGEA).....	84

Human Services Portfolio

Corporate Operations and Enabling Services	92
Services to the Community	106

Friday, 15 February 2013
Cross Portfolio – Indigenous Matters

General Matters	3
Closing the Gap	8
Stronger Futures	19
Indigenous Land Corporation (ILC).....	24
Indigenous Business Australia (IBA)	32
Office of the Registrar of Indigenous Corporations	34
Health	35
Employment and Economic Development	48
Indigenous Housing	59