# The Senate

Standing Committee on Community Affairs

Budget estimates 2008-09

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# **Membership of the Committee**

Senator Claire Moore, Chair ALP, Queensland

Senator Gary Humphries, Deputy Chairman LP, Australian Capital Territory

Senator Judith Adams LP, Western Australia

Senator Lyn Allison AD. Victoria

Senator Sue Boyce LP, Queensland

Senator Carol Brown ALP, Tasmania

Senator Kate Lundy ALP, Australian Capital Territory

Senator Helen Polley ALP, Tasmania

# **Senate Community Affairs Committee Report on Budget Estimates 2008-2009**

- 1.1 On 13 May 2008 the Senate referred the following documents to the Committee for examination and report in relation to the portfolios of Families, Housing, Community Services and Indigenous Affairs; and Health and Ageing:
- particulars of proposed expenditure in respect of the year ending on 30 June 2009
- particulars of certain proposed expenditure in respect of the year ending on 30 June 2009
- particulars of proposed supplementary expenditure in respect of the year ending on 30 June 2008
- particulars of certain proposed supplementary expenditure in respect of the year ending on 30 June 2008.
- 1.2 The Committee has considered the budget expenditure of the portfolios set out in their respective Portfolio Budget Statements 2008-2009 (PBS). Explanations relating to the estimates were received from Senator the Hon Chris Evans, Minister for Immigration and Citizenship representing the Minister for Families, Housing, Community Services and Indigenous Affairs and Senator the Hon Jan McLucas, Parliamentary Secretary to the Minister for Health and Ageing, and officers from the portfolio Departments at hearings held from 2 to 5 June 2008.
- 1.3 The Committee expresses its appreciation for the assistance of the Minister; Parliamentary Secretary; Dr Jeff Harmer, Secretary, Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA); and Ms Jane Halton, Secretary, Department of Health and Ageing (DoHA); and the officers who appeared before it.
- 1.4 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 1 August 2008.
- 1.5 The Committee discussed many of the expenditure proposals and information contained in the PBS. These discussions are detailed in the Committee's *Hansard* transcripts of 2 to 5 June 2008, copies of which will be tabled in the Senate. *Hansard* transcripts of the estimates proceedings are also accessible on the Committee's website at <a href="http://www.aph.gov.au/senate\_ca">http://www.aph.gov.au/senate\_ca</a>. Answers to questions taken on notice and tabled documents relating to the Committee's hearings will be tabled separately in the Senate. Consolidated volumes of this additional information may be accessed from the Committee's website.

1.6 At the conclusion of the hearings Senators Moore and Humphries, the current and former Committee Chairs, and the DoHA Secretary, Ms Halton, acknowledged the significant contribution made to the Committee over many years by retiring Senators Patterson, Allison, Stott Despoja and Webber. Senator McLucas, Parliamentary Secretary for Health and Ageing endorsed the remarks and also paid tribute to Senators Nettle, Bartlett and Murray who have also contributed to the work of the Committee in a number of major inquiries.<sup>1</sup>

#### **Procedural matters**

### Budget issues and Indigenous Australians

- 1.7 The Committee asked a considerable number of questions covering a wide range of Indigenous issues. These are noted later in the report. However, Senators were again confronted with the difficulty and frustration of knowing in which portfolio questions might best be asked. While FaHCSIA was accommodating in directing Senators in this regard, the effect was that Senators had to again shuffle between committees often to pursue questions with other portfolios on the same issue. This difficulty was especially prominent during previous estimates in attempting to question a range of matters relating to the Northern Territory Emergency Response and in these estimates in questioning the Closing the Gap budget measures.
- 1.8 This totally unacceptable situation arises due to the complexity and cross-over of matters with regard to the whole-of-government coordination of policy development and service delivery for Indigenous Australians. This issue is clearly acknowledged by the Government in the Budget Statement 'Closing the Gap between Indigenous and non-Indigenous Australians':

The Australian Government's commitment to turn around Indigenous disadvantage is supported by \$425.3 million in new funds in the 2008-09 Budget (see Appendix 2). The funding is provided across eight portfolios, but will be spent as part of an integrated whole-of-government strategy (emphasis added).<sup>2</sup>

1.9 For Senators to try and question a budget measure across eight portfolios is clearly untenable. The Committee considers that as the Government has acknowledged that this is an integrated whole-of-government strategy, it should be quite straightforward to arrange during the estimates hearing program (possibly a spill-over day) a separate time to conduct an estimates hearing on Indigenous matters that would include all the portfolios with budget expenditure or responsibility for Indigenous issues.

<sup>1</sup> *Committee Hansard*, 4.06.08, p.78 and 5.06.08, pp.CA148-150.

Budget: 'Closing the Gap between Indigenous and non-Indigenous Australians, Statement by The Hon Jenny Macklin, 13 May 2008, p.1.

#### **Recommendation 1**

- 1.10 The Committee recommends that future estimates hearing programs include a separate time to conduct an estimates hearing on Indigenous matters that would include all the portfolios with budget expenditure or responsibility for Indigenous issues.
- 1.11 Given the similar proposed cross-portfolio nature of the government's social inclusion agenda, the Committee believes that it would be useful for departments to consider how best to address this issue.

# Appearance of Medibank Private

- 1.12 Medibank Private Limited, a Government Business Enterprise (GBE) with the Minister for Finance and Deregulation as their sole shareholder, has appeared before the Community Affairs Committee at DoHA estimates hearings for many years during the questioning of private health insurance matters. This has greatly assisted Senators questioning in this subject area and has been undertaken with the cooperation and goodwill of all involved.
- 1.13 However, for these budget estimates Medibank Private was requested by individual Senators to appear before both the Finance and Public Administration Committee and the Community Affairs Committee. Medibank Private graciously acceded to the twin requests, though this is an unsatisfactory procedure. The Parliamentary Secretary, Senator McLucas, addressed the Committee Chair with regard to this matter:

On behalf of Medibank Private, ask that you as chair of this committee discuss with the chair of Finance and Public Administration the perennial problem of where Medibank Private should appear. They have been called twice to these estimates. I accept that at this estimates it is an issue that you want to find out about in the context of both Finance and Public Administration and this committee. Senator Humphries and I have had this discussion over a number of years. It probably would be useful if we could clarify which committee Medibank Private should appear in front of. Personally, I do not think it is reasonable to have them appear at two into the future. If that could be clarified, that would be extremely useful for Medibank Private.<sup>3</sup>

1.14 The Chair responded that she agreed Medibank Private should not be expected to appear twice at estimates and would endeavour to clarify the matter prior to the supplementary estimates hearings.<sup>4</sup>

<sup>3</sup> *Committee Hansard*, 4.06.08, p.CA50.

<sup>4</sup> *Committee Hansard*, 4.06.08, p.CA50.

# Requests for attendance of portfolio agencies at the hearing but not questioned

- 1.15 Some agencies had been requested to attend the hearing but were not then called to the table to answer questions. This situation had also arisen at the Additional Estimates hearings. Reasons ranged from the Senator who had requested their appearance unable to be in attendance at the time and other Senators not having any questions of these agencies and, in one case, because time constraints resulted in the questions for the agency having to be placed on notice.
- 1.16 Some of the agencies that were not questioned had travelled from interstate and had spent a considerable amount of time at the hearing waiting to be called. In the case of two agencies this situation had also occurred at the previous estimates.
- 1.17 The Committee Chair apologised to representatives of the agencies concerned, and with the cooperation of the Committee intends to try to prevent this situation occurring at future hearings. The Committee will trial a procedure similar to the practice with the supplementary estimates that will list on the hearing program the name of the Senator/s who requested the attendance of a particular agency so that if they are not in attendance at the time they may be contacted.

## Provision of answers relating to Additional Estimates 2007-08

- 1.18 The Committee is again pleased to acknowledge DoHA's efforts in providing answers to questions on notice relating to the additional estimates. A considerable number of answers were provided by the due date 11 April 2008, with the rest being provided throughout April and early May, with the exception of three remaining answers which were provided to the Committee in late May.
- 1.19 Similarly to the previous round of estimates FaHCSIA were not able to provide any answers to questions on notice by the due date. A substantial number of answers were provided in early May and the remainder provided to the Committee shortly before the budget estimates hearings, following the same pattern as the previous estimates round. Senators expressed their dissatisfaction at the late provision of answers. The Departmental Secretary offered an apology and explained that best efforts were made by the Department to provide timely responses, and pointed out that the budgetary period is traditionally a particularly busy time which also contributed to the delay in a number of answers not being able to be provided earlier.<sup>5</sup>

#### Portfolio Budget Statements

1.20 The inclusion of output groups in FaHCSIA's portfolio structure and outcomes (Figure 1 in the Portfolio Overview) would be an advantage in order to avoid having to locate the various output groups in each of the Outcomes performance information in Section 2 of the PBS.<sup>6</sup>

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<sup>5</sup> *Committee Hansard*, 2.06.08, p.CA11.

<sup>6</sup> FaHCSIA PBS, p.11.

#### Revisions to Portfolio Structure and Outcomes 2008-2009 from 2007-08

1.21 Changes to the Families, Housing, Community Services and Indigenous Affairs Portfolio arising from the Administrative Arrangements Order (AAO) released 3.12.07, revised 25.01.08 accounted for the following changes to the FaHCSIA Outcome structure:

Revisions to FaHCSIA Outcomes/Output groups			
2008-09	2007-08		
Output Group 2.4 – Addressing Youth Homelessness	Formerly Output Group 2.4 – Support for Youth		
	Output Group 3.3 – Child Care Support On 3.12.07 AAO transferred all programs and functions from this output group to DEEWR		

## **Issues**

# Families, Housing, Community Services and Indigenous Affairs portfolio

- 1.22 During FaHCSIA's hearings information was sought by the Committee on matters relating to portfolio and corporate matters which included updates on staff workloads, staffing levels particularly with regard to SES officers, and possible staff reductions. It was somewhat difficult for FaHCSIA to provide comparisons with previous years as to staffing levels because of the significant AAO transfers of various programs both to and from FaHCSIA. Efficiency dividends, ministerial staff, board appointments, overseas travel, media monitoring, and community cabinet meetings were included in discussions.
- 1.23 FaHCSIA was asked what feedback had been received from the public regarding adequacy of their pensions and commented that a lot of the issues discussed were covered in the Committee's inquiry into the cost of living pressures on older Australians, which is still awaiting a Government response. The Committee was advised that FaHCSIA would be providing data for the Henry review of the tax system which will report on the appropriate level of income support and allowances. Carers and seniors groups will be consulted to allow them to provide feedback relating to their concerns to assist the review.<sup>7</sup>
- 1.24 Issues relating to housing support were debated at length, particularly housing affordability. Detailed information was sought in relation to the operation of the

<sup>7</sup> *Committee Hansard*, 2.06.08, pp.CA4-16.

Housing Affordability Fund and the National Rental Affordability Scheme.<sup>8</sup> The Committee was informed regarding various programs and measures to support people who are homeless, particularly homeless youth. 'A Place to Call Home' initiative to reduce the numbers of homeless people was explained in detail.<sup>9</sup>

- 1.25 A number of questions were asked relating to carers and support for people with disabilities, particularly with regard to the Commonwealth State/Territory Disability Agreement (CSTDA) which was discussed in detail, as well as the disability assistance package, supported accommodation places, carer payments and allowances, including the new assessment tool and process. Support and improved accommodation arrangements for young people with a disability and young people in nursing homes, unmet need, rehabilitation services, special disability trusts, disability support pensions, and assistance for children with autism spectrum disorders were also amongst topics discussed.<sup>10</sup>
- 1.26 Information was sought on matters relating to aged care support, such as the utilities allowance, telephone allowance, transport concessions, the use of data from the Household, Income and Labour Dynamics in Australia (HILDA) Survey, Commonwealth Seniors Health Card, compliance review, the Henry review with regard to pensioner support.<sup>11</sup> The Minister commented that he considered the Committee's report into the cost of living pressures on older Australians would be a 'very useful basis for the [Henry] review'.<sup>12</sup> Senator Evans went on to say:

I would not be at all dismissive of the role that that committee report will play and the valuable contribution it makes to shaping the debate. I do not just say this as a senator. When committees do that work in advance of a sharp political divide, then they really do contribute substantially, and I think the report will be one of the landmark reports, so I am sure it will be taken very seriously.<sup>13</sup>

1.27 FaHCSIA provided Senators with information on matters relating to women which included support for victims of people trafficking programs, accommodation for women and children in need, the National Council to Reduce Violence Against Women and Children, and programs to help reduce domestic violence. The AppointWomen scheme and opportunities for the advancement of women were also discussed, as well as the Women's Leadership and Development Program and the National Rural Women's Summit.<sup>14</sup>

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<sup>8</sup> *Committee Hansard*, 2.06.08, pp.CA17-52.

<sup>9</sup> *Committee Hansard*, 2.06.08, pp.CA52-61.

<sup>10</sup> *Committee Hansard*, 2.06.08, pp.CA62-104.

<sup>11</sup> *Committee Hansard*, 2.06.08, pp.CA105-127.

<sup>12</sup> *Committee Hansard*, 2.06.08, p.CA127.

<sup>13</sup> *Committee Hansard*, 2.06.08, p.CA127.

<sup>14</sup> *Committee Hansard*, 2.06.08, pp.CA128-140.

- 1.28 As in previous hearings a large amount of FaHCSIA's hearing time (almost 8 hours) was taken up with the Committee seeking information on a wide range of Indigenous matters. The Closing the Gap measure was explained to the Committee in detail. The Government's intention is to achieve the COAG targets of closing gaps within certain timeframes between Indigenous and non-Indigenous Australians in the areas of life expectancy, education including early childhood education, mortality rates of children under five, gaps in reading, writing and numeracy, and employment outcomes for Indigenous peoples. Although FaHCSIA is the lead agency, policy development and service delivery is spread across a number of portfolios which increases the complexity of coordination and the task of Senators asking questions of the responsible portfolio department. The Northern Territory Government also has responsibility for some areas of policy and service delivery for Indigenous peoples.
- 1.29 As well as information provided on the above matters FaHCSIA detailed to the Committee the progress being made to achieve the targets across a wide range of Indigenous issues. The provision of adequate housing was discussed in detail, including tender processes, building design, construction costs, contracting issues, maintenance, and tenancy arrangements.<sup>15</sup>
- 1.30 Senators sought and were provided with updates on the progress of the Northern Territory Emergency Response (NTER) to ensure better outcomes for Indigenous peoples, particularly children. The Committee was informed on a range of matters including income support and management, income quarantining and the operation and use of merchant vendor provider cards, police protection, child protection workers, and pornographic material. The Committee was also provided with information relating to the proposed review of the NTER. Some other Indigenous matters included in discussions were petrol sniffing, and the youth alcohol prevention scheme. <sup>16</sup>
- 1.31 The Registrar of Indigenous Corporations informed the Committee on the appointment of an administrator and arrangements, including public consultations, relating to the Waminda Aboriginal Corporation. Senator Johnston asked if reports provided by the administrator to ORIC could be released and was advised that if the documents were made public 'there would be a reluctance by special administrators to be as open as possible with us'. Senator Johnston expressed concerns he had regarding possible misappropriation of funds and further pursued the release of the administrator's report and was advised that advice would be sought as to whether the report could be released.<sup>17</sup>
- 1.32 Aboriginal Hostels Limited agency provided the Committee with updates on their hostels, particularly the renal dialysis specific hostels. Indigenous Business

<sup>15</sup> *Committee Hansard*, 3.06.08, pp.CA4-81

<sup>16</sup> *Committee Hansard*, 3.06.08, pp.CA4-81.

<sup>17</sup> *Committee Hansard*, 3.06.08, pp.CA85-88.

Australia agency explained their history, progress, developments, programs and outcomes. 18

- 1.33 Matters relating to support for families which were discussed in some detail included budget changes which required income testing on Family Tax Benefit A and B, including the impact on and number of people who may be affected by the measure and the possible effect on rent assistance. Family Relationship Centres and the review of privacy issues, the FRSP online system, child support and the baby bonus were also discussed. <sup>19</sup>
- 1.34 The Committee was informed of the impact of changes to child support systems, including details of the new arrangements. The financial counselling program, emergency relief services, pandemic influenza preparedness, disaster recovery payments, volunteer small equipment grants, were also included in discussions <sup>20</sup>

# Health and Ageing portfolio

- 1.35 DoHA was asked a range of questions concerning staffing and other corporate matters similar to FaHCSIA. The graduate program was discussed, including details of rotations.<sup>21</sup>
- 1.36 The Australian Institute of Health and Welfare (AIHW) agency provided details to the Committee regarding their efficiency dividend, contract staff, research output and publications. Due to the Committee's current inquiry into ready-to-drink alcoholic beverages Senators had a particular interest in obtaining further information from AIHW relating to alcohol consumption and the numbers of people drinking at harmful levels, data which the agency had recently released in a survey. The Committee was also informed on data used to assess unmet need for supported accommodation and respite services and hospital statistics.<sup>22</sup>
- 1.37 Private health insurance matters were discussed at some length, particularly the changes to the Medicare levy surcharge thresholds and how this might impact on private health insurance coverage. DoHA was asked if they had provided advice to Treasury to inform the modelling on this measure and the nature of the advice. The Committee was informed that advice was provided to Treasury but details of the advice could not be provided because this formed part of the budget process and is part of advice to ministers. The possible impact of the Medicare levy surcharge on private health insurance membership and on public hospitals, Lifetime Health Care

<sup>18</sup> *Committee Hansard*, 3.06.08, pp.CA90-95.

<sup>19</sup> *Committee Hansard*, 3.06.08, pp.CA96-132.

<sup>20</sup> *Committee Hansard*, 3.06.08, pp.CA132-149.

<sup>21</sup> *Committee Hansard*, 4.06.08, pp.CA3-14.

<sup>22</sup> *Committee Hansard*, 4.06.08, pp.CA14-24.

cover, the private health insurance rebate, and increases in private health insurance premiums were discussed, as well as the reimbursement by private health insurance funds of surgically implanted prostheses.<sup>23</sup>

- 1.38 Further questions relating to private health insurance were asked of the Private Health Insurance Administration Council (PHIAC) covering the role of the Council, data collected and published, applications for rate changes, and the prudential safety of health funds.<sup>24</sup>
- 1.39 With regard to biosecurity and emergency response matters, DoHA informed the Committee about the shelf life and replacement program of the national medical stockpile of drugs in case of a pandemic, and preparedness for emergency situations.<sup>25</sup>
- 1.40 A wide range of questions were asked on population health matters which included program funding and expenditure, programs to reduce alcohol consumption and illicit drug use, identification of people with tuberculosis, including their treatment and management, and bowel cancer screening and breast screening programs. Pregnancy counselling services, including the helpline, and the funding of support services were also discussed. Information was also provided on the national women's health policy. A number of questions were also asked about monitoring of the sales of alcohol following the implementation of the new tax on ready-to-drink beverages. Healthy eating and programs to assist good nutrition were also discussed.<sup>26</sup>
- 1.41 The Therapeutic Goods Administration was asked about legal proceedings against employees of Pan Pharmaceuticals; the review being conducted by the National Coordinating Committee on Therapeutic Goods into extemporaneously prepared medicines; and labels on medicines for children less than two years of age.<sup>27</sup>
- 1.42 The Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) provided information regarding the purchase of a medical linear accelerator to undertake work to support dosimetry in radiotherapy, problems with the construction of the OPAL reactor at Lucas Heights and the development of models particularly for application in the event of a radiological dispersal device.<sup>28</sup>
- 1.43 Senators sought information from the Food Standards Australia New Zealand (FSANZ) agency concerning food labelling standards, genetically modified food

<sup>23</sup> *Committee Hansard*, 4.06.08, pp.CA28-59.

<sup>24</sup> *Committee Hansard*, 4.06.08, pp.CA98-104.

<sup>25</sup> *Committee Hansard*, 4.06.08, pp.CA59-62.

<sup>26</sup> *Committee Hansard*, 4.06.08, pp.CA62-87.

<sup>27</sup> *Committee Hansard*, 4.06.08, pp.CA88-90.

<sup>28</sup> *Committee Hansard*, 4.06.08, pp.CA90-91.

safety assessments, research into certain food colours, including children's behaviours and reactions to food colours, and food additives.<sup>29</sup>

- 1.44 Cancer Australia informed the Committee with regard to their objective to improve cancer data and how they were intending to achieve this. Progress with the National Centre for Gynaecological Cancers, an ongoing issue of particular interest to the Committee, was also discussed.<sup>30</sup>
- 1.45 The Committee discussed a number of aged care matters with DoHA, including the availability of mobile rapid response teams in certain areas, progress with the ACAT review, the Grant Thornton report into the financial liquidity of aged care providers and viability of the industry, the Aged Care Funding Instrument, the timeframe for bed allocation and bed readiness, the non take-up of aged care places in Western Australia and Tasmania. Compliance matters, police checks in nursing homes, increasing the aged care nursing workforce, administration of Bridgewater aged care facility, and the relocation of Alton Court residents following closure were also discussed. The Committee was also informed regarding the role of the recently appointed Ambassador for Ageing and her program of engagements, contract and remuneration.<sup>31</sup>
- 1.46 In relation to pharmaceutical matters DoHA was asked about funding for the expensive subsidised drug Varenicline which is prescribed to assist with quitting smoking, and whether the funding also covered counselling and follow-up to ensure that the money was effectively spent. DoHA explained that consultation with a medical practitioner was required to obtain the initial prescription for the drug, and a revisit to the doctor was necessary to continue treatment with the drug. The doctor had to be satisfied that the patient genuinely wished to give up smoking and also that some form of counselling would be undertaken as well as attendance at a smoking cessation program. Other matters discussed included subsidies for insulin pumps, and PBAC cost recovery.<sup>32</sup>
- 1.47 Senators sought detailed information covering access to medical and dental services including the funding and administration of the teen dental program. Other matters discussed were progress with the oncology unit at Royal Darwin Hospital, extension of Medicare funding for Positron Emission Tomography (PET), Medicare funding for home-based sleep testing, and obstructive sleep apnoea.<sup>33</sup>
- 1.48 A great deal of time was spent by Senators repeatedly requesting details of community sports grants which were election commitments and were repeatedly

<sup>29</sup> *Committee Hansard*, 4.06.08, pp.CA92-96.

<sup>30</sup> *Committee Hansard*, 4.06.08, pp.CA96-98.

<sup>31</sup> *Committee Hansard*, 4.06.08, pp.CA106-136.

<sup>32</sup> *Committee Hansard*, 4.06.08, pp.CA136-140.

<sup>33</sup> Committee Hansard, 5.06.08, pp.CA5-28.

advised that the commitment would be honoured and details of the projects would be advised when the appropriate negotiations had been completed.<sup>34</sup>

- 1.49 The Australian Sports Commission (ASC) was questioned about the status and future of Taekwondo Australia which had been deregistered by the Australian Olympic Committee. The ASC advised they were awaiting the international body to review the situation. Australia's prospects at the Beijing Olympics, the impact of efficiency dividends, costs to fund an Olympic team, security of the Australian Institute of Sport (AIS) campus, Australian Sports Foundation funding and projects were also included in discussions.<sup>35</sup>
- 1.50 Questions were asked of the Australian Sports Anti-Doping Authority (ASADA) relating to privacy issues concerning the list of 900 athletes whose Medicare records were accessed to ascertain if the athletes were illegitimately using substances for the purposes of doping. The Committee was advised that 'it was a pilot project after receiving legal advice from the Australian Government Solicitor to determine whether Medicare records could provide information not medical records of the doping records of athletes'. ASADA was asked whether the advice of the Privacy Commissioner was sought on the matter but advised that there had been no consultation. The Privacy Commissioner has launched an own motion investigation into the matter and ASADA is fully assisting the Privacy Commissioner in that regard.<sup>36</sup>
- 1.51 Primary health care matters discussed included detailed information on GP superclinics, GP training, the Healthy Kids Check program and Round the Clock Medicare program, the Patient Assisted Travel Scheme, and obstetrics in regional and rural areas.<sup>37</sup>
- 1.52 Indigenous health matters included alcohol and drug evaluation, and the evaluation of health benefits of swimming pools in outback communities, eye health and trachoma, petrol sniffing, primary health care services for Indigenous peoples, and maternal and child health.<sup>38</sup>
- 1.53 A range of rural health matters, including the Medical Specialist Outreach Assistance Program, were discussed. The Committee was also informed on matters relating to hearing services and devices, the hearing loss prevention program, and eHealth.<sup>39</sup>

<sup>34</sup> *Committee Hansard*, 5.06.08, pp.CA29-47.

<sup>35</sup> *Committee Hansard*, 5.06.08, pp.CA47-63.

<sup>36</sup> *Committee Hansard*, 5.06.08, pp.CA67-69.

<sup>37</sup> *Committee Hansard*, 5.06.08, pp.CA70-83.

<sup>38</sup> *Committee Hansard*, 5.06.08, pp.CA84-97.

<sup>39</sup> *Committee Hansard*, 5.06.08, pp.CA97-106.

- 1.54 The Committee was also provided with information on reductions in funding for mental health programs and services, the take-up of funding, assistance for the mental health nurse workforce, Better Access to Psychiatrists, Psychologists and the GPs program.<sup>40</sup>
- 1.55 The Chair of the National Health and Hospitals Reform Commission and departmental Secretary provided the Committee with information regarding the role of the Commission, funding, staffing, and the planned consultation program, and future work <sup>41</sup>
- 1.56 Questions were asked relating to the tender process for the Mersey Hospital, Tasmania, including the number of expressions of interest received and the number invited to tender. The Departmental Secretary advised the Committee that she had taken advice on the matter and stated that the tender process had been concluded and the government was considering its position and that no further information could be provided at the time. The Secretary drew attention to the relevant guideline in the Government Guidelines for Official Witnesses before Parliamentary Committees and Related Matters:

In relation to the guidelines for witnesses, I cannot advise you if, in advising you, it would identify considerations which are germane to government decisions. In fact, the guideline [2.15] says:

(c) should not identify considerations leading to government decisions or possible decisions, in areas of any sensitivity, unless those considerations have already been made public or the Minister authorises the department to identify them ...

The minister has not authorised me to identify these.<sup>42</sup>

- 1.57 The Committee notes that the Minister announced the outcome the following day, 6 June, that the two-stage tender process commenced in March had not resulted in a concluding bid and that the Australian Government is now in negotiations with the Tasmanian Government to operate the hospital on the Commonwealth's behalf. The Australian Government will continue to own and fund the Mersey Hospital, but the hospital will be integrated with services provided by the Tasmanian Government elsewhere in the North and North West and the rest of the State. 43
- 1.58 Further matters included in discussions with DoHA were hospital waiting lists, elective surgery waiting lists, the Commonwealth Dental Health Program, and the rural medical workforce shortage.<sup>44</sup>

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<sup>40</sup> *Committee Hansard*, 5.06.08, pp.CA107-117.

<sup>41</sup> *Committee Hansard*, 5.06.08, pp.CA117-126.

<sup>42</sup> *Committee Hansard* 5.06.08, pp.CA139-140, 145.

The Hon Nicola Roxon, Minister for Health and Ageing, Media Release, Mersey Hospital, 6 June 2008.

<sup>44</sup> *Committee Hansard*, 5.06.08, pp.CA128-148.

1.59 In addition to the above issues a number of administrative and process issues involving both portfolios were discussed during the estimates hearings and these are detailed in the *Hansard* transcripts of evidence.

Senator Claire Moore Chair June 2008