

Senate Community Affairs Legislation Committee

Report on Budget Estimates 2010-2011

1.1 On 11 May 2010 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 2011
- particulars of certain proposed expenditure in respect of the year ending on 30 June 2011.

1.2 The Committee has considered the budget expenditure of the portfolios set out in their respective Portfolio Budget Statements 2010-2011 (PBS). Explanations relating to the estimates were received from Senator the Hon Chris Evans and Senator the Hon Ursula Stephens representing the Minister for Families, Housing, Community Services and Indigenous Affairs and Senator the Hon Joseph Ludwig representing the Minister for Health and Ageing, and officers from the portfolio Departments at hearings held from 31 May to 3 June 2010.

1.3 The Committee also considered budget expenditure at a hearing on 4 June 2010 on cross portfolio Indigenous matters pursuant to Resolution of the Senate of 26 August 2008.¹ Explanations relating to the estimates were received from Senator the Hon Mark Arbib. Officers from the following portfolio Departments and agency were in attendance:

Education, Employment and Workplace Relations

Families, Housing, Community Services and Indigenous Affairs

Health and Ageing

Centrelink Agency (Human Services portfolio).

1.4 The Committee expresses its appreciation for the assistance of the Ministers, Departmental Secretaries and the officers who appeared before it.

1.5 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 30 July 2010.

1.6 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 31 May to 4 June 2010, copies of which will be tabled in the Senate. *Hansard* transcripts of the estimates proceedings are also accessible on the

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

Committee's website at http://www.aph.gov.au/senate_ca. 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.

Procedural matters

Program and PBS structure

1.7 During the hearings the Chair called the programs in the order listed under each of the Outcomes and according to the allocated times, which assisted Senators to focus their questioning on matters within the programs. Questions which time did not permit to ask at the hearing were placed on notice. The structure of the PBS also assisted Senators to more easily access information relating to particular programs. The amount of information required to be included in the PBS has greatly expanded the documents, with Health and Ageing (DoHA) PBS totalling 848 pages and Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) PBS with 311 pages.

Public interest immunity claims

1.8 During the hearings the issue of public interest immunity pursuant to Order of the Senate dated 13 May 2009 was not raised.

Questions relating to Bills before Committees

The Chair drew attention to advice from the Clerk of the Senate that, where Bills are before a Senate committee, the Senate has given the committee the task of conducting an inquiry specifically into that Bill and it will not be considered in other discussions such as estimates.²

Cross portfolio Indigenous matters

1.9 To assist both the Committee and portfolio departments the Committee conducted the cross portfolio Indigenous matters hearing in a similar program format to the previous hearing, with themes and issues listed for consideration across portfolios. This approach has proven to be a satisfactory way for Senators to seek information on cross portfolio matters. The Committee acknowledges and appreciates the assistance of the Department of Families, Housing, Community Services and Indigenous Affairs in coordinating portfolios to enable the hearing to be conducted in this manner.

1.10 Regrettably questions could not be asked of the Indigenous Land Corporation (ILC) at the cross portfolio hearing due to time constraints because Senators who had indicated they had questions were not in attendance at the scheduled commencement

2 Committee Hansard, 4.06.10, p.CA4.

time for the afternoon session. The Chair apologised to officers from the ILC who had travelled from interstate to attend the hearing, and with the cooperation of the Committee intends to try to prevent this situation occurring at future hearings.³

Allegation made by a Senator

1.11 Senator Humphries alleged that during the dinner break FaHCSIA officials' conversations were overhead in the cafeteria discussing estimates, as quoted by Senator Humphries:

It has been put to me, however, that a conversation was overheard at your table, and my informant relates to me a conversation along these lines. Secretary: 'You could refer them to page 66 – "Yes, Senator" – page 243, then to appendices.' Other official: 'And take your time.' Secretary: 'And take your time.' Other official: 'Just slow him right down.'⁴

Senator Humphries further commented:

I, of course, would be aghast if anybody appearing before the estimates committee saw it as their role to make more difficult the exercise of this committee to actually obtain information.⁵

1.12 The Chair responded 'Senator, it is most unusual to actually quote from an overheard conversation in this Senate estimates'.⁶

1.13 Dr Harmer, the Departmental Secretary, assured the Committee that:

FaHCSIA has a very good reputation for being helpful. ... We try to be as helpful as we can in answering questions. We do not play games.

... And I certainly do not recall any such conversation.⁷

1.14 Dr Harmer further commented: 'Can I just say it is very difficult. It places the department and me in a very difficult position when we are asked to deal with allegations such as that. It is not possible to defend yourself against that. To which the Chair replied: 'No, it is not. It is an alleged conversation'.⁸

Provision of answers relating to Additional Estimates 2009-10

1.15 Departments were required to answer 710 questions on notice relating to the additional estimates (some involving numerous parts to the question), which totalled 1060 pages of answers. The Committee acknowledges the Departments' huge efforts

3 *Committee Hansard*, 4.06.10, p.CA58.

4 *Committee Hansard*, 31.05.10, p.CA112.

5 *Committee Hansard*, 31.05.10, p.CA112.

6 *Committee Hansard*, 31.05.10, p.CA112.

7 *Committee Hansard*, 31.05.10, p.CA112.

8 *Committee Hansard*, 31.05.10, pp.CA112-113.

in providing answers to this very large number of questions on notice. Both DoHA and FaHCSIA provided almost half of the answers by the due date. The majority of the remaining answers were progressively provided during the following month, and the remaining few were provided just prior to or at the commencement of the budget hearings.

1.16 At the commencement of the DoHA hearings, in answer to Senator Fierravanti-Wells' questions concerning her few remaining outstanding answers in relation to GP Super Clinics, the Senator was advised that DoHA had 425 questions on notice which involved 938 parts, and over 98 per cent of the answers had been provided.⁹ The remaining outstanding answers were provided within two hours of the commencement of the hearing.

Issues

Families, Housing, Community Services and Indigenous Affairs portfolio

1.17 The Committee asked a range of questions covering corporate and cross-outcome matters which included details of staff numbers, including employment of staff with a disability, funding for advertising campaigns, hospitality spending, protocols in relation to the provision of data requested by the Parliamentary Library, and contracts for services entered into with Australian Disability Enterprises.¹⁰

1.18 Quite a number of questions were asked concerning Ms Rein's (the Prime Minister's wife) role, and her possible involvement in assisting in policy development, to bring about improvements for people with disability. The Committee was advised that Ms Rein has a particular interest in this area, such as providing people with better accessibility to buildings by improving design.¹¹ Further questions on Ms Rein's role were asked during the housing outcome questioning, including the National Dialogue on Universal Housing Design meetings and in what capacity Ms Rein attended.¹²

1.19 Senators sought information on matters relating to seniors that included cost of living pressures, pension rates, indexation, superannuation and retirement income policy, allowances, the pension bonus scheme, work bonus, concessions and services.¹³

1.20 Discussions covering a wide range of housing matters occupied a large amount of the hearing time. The majority of Senators' questions related to the stimulus package; the National Affordable Housing Agreement (NAHA); implementation of

9 *Committee Hansard*, 2.06.10, pp.CA7-8.

10 *Committee Hansard*, 31.05.10, pp.CA4-9. 19-28.

11 *Committee Hansard*, 31.05.10, pp.CA10-16.

12 *Committee Hansard*, 31.05.10, pp.CA129-134.

13 *Committee Hansard*, 31.05.10, pp.CA31-66.

housing programs and projects; progress with social housing initiatives, including sustainability benchmarks; the National Rental Affordability Scheme (NRAS), and homelessness prevention strategies. Some questions were also asked concerning the implementation of the national partnership agreement in the Northern Territory, including the Strategic Indigenous Housing Infrastructure Program (SIHIP). The National Housing Supply Council was also discussed.¹⁴

1.21 Questions relating to family support matters mainly covered early intervention services, including specialised services for particular needs. A number of questions were asked with regard to family relationship services and centres. Family Tax Benefit payments were also included in discussions. Senators also sought detailed information on a wide range of paid parental leave matters.¹⁵

1.22 Information was sought on a number of issues relating to women. The Office for Women informed the Committee of their staffing numbers, funding, including the Respectful Relationships campaign funding and progress with current projects. Support and assistance for victims of people trafficking were discussed, as well as telephone counselling contracts, the interdepartmental committee on women, and national women's alliances.¹⁶

1.23 The Equal Opportunity for Women in the Workplace Agency (EOWA) informed the Committee that recommendations are being developed following the review of the EOWA Act. Funding and staffing were discussed, as well as the number of non-compliant organisations and details of measures being taken and support provided to assist with compliancy. The gender pay gap and difficulties in improving this were also discussed.¹⁷

1.24 Senators asked a number of questions in relation to disability and carer matters, which included grants in support of disabilities and disability program funding. Australian Disability Enterprises projects, contracts and services; the National Disability Strategy; strategies for raising awareness to increase employment of people with disability; and difficulties faced by people with disability were discussed in some detail. Further matters included in discussions were special disability trusts, the assessment process for eligibility for the disability support pension. The Committee advised FaHCSIA that it had received strong feedback that the Personal Helpers and Mentors Program (PHaMs) had been strongly supported and well liked by the community. With regard to questions relating to funding for PHaMs FaHCSIA advised that round 4 had been finalised and the full rollout of the program

14 *Committee Hansard*, 31.05.10, pp.CA67-128.

15 *Committee Hansard*, 1.06.10, pp.CA3-32.

16 *Committee Hansard*, 1.06.10, pp.CA33-51.

17 *Committee Hansard*, 1.06.10, pp.CA52-56.

would be completed in 2010-11. In remote regions funding had already been provided for communities in the APY Lands, Yuendumu and the Kimberley.¹⁸

1.25 Matters relating to community capability and the vulnerable included questions on adventure playgrounds, the national compact, volunteering strategy, the Victorian bushfires recovery strategy, income management, and money management and financial counselling services.¹⁹

Health and Ageing portfolio

1.26 The Committee sought information relating to a number of corporate issues and matters which cross outcomes. Health and hospital reform measures were the major topics on which Senators sought detailed information, including the consultation and COAG process, national partnership agreements, and intended outcomes.²⁰

1.27 Senators asked questions of the Australian Institute of Health and Welfare (AIHW) relating to data collection for alcohol and drug treatment services, national minimum data sets, and collection of health data for Indigenous Australians. AIHW advised the Committee that progress had been made in improving data collection.²¹

1.28 Acute care matters included details of costings for acute hospital beds, the advertising campaign to inform the public with regard to the Government's health reform plan, and cost shifting.²² Matters discussed with the National Blood Authority included the impact of climate change on blood supply, and possible impact of viruses on blood supply.²³

1.29 Senators asked questions of the Australian Organ and Tissue Donation and Transplantation Authority with regard to staffing matters, audits, organ donation rates and measures to increase donations, the DonorTrac system., and the public awareness program DonateLife Family.²⁴

1.30 A wide range of aged care matters were discussed at length and in considerable detail, including complaints involving aged care facilities; reviews undertaken; inconsistency of the ACAT assessment; aged care workforce; community visitors scheme; indexation of accommodation charges; community care and HACC services; transition care program; aged care approvals round; and unallocated bed

18 *Committee Hansard*, 1.06.10, pp.CA57-86.

19 *Committee Hansard*, 1.06.10, pp.CA87-117.

20 *Committee Hansard*, 2.06.10, pp.CA7-27.

21 *Committee Hansard*, 2.06.10, pp.CA28-30.

22 *Committee Hansard*, 2.06.10, pp.CA31-39.

23 *Committee Hansard*, 2.06.10, pp.CA31-39.

24 *Committee Hansard*, 2.06.10, pp.CA31-47.

licences. The Committee was pleased to hear that the number of young people in permanent residential care had decreased by 32.4 per cent. The Aged Care Standards and Accreditation Agency informed Senators with regard to accreditation standards, unannounced visits to aged care facilities, and accreditation reviews.²⁵

1.31 Senators questioned DoHA on a number of matters relating to GP Super Clinics, including locations, roll-out, service delivery, and timeframes for particular clinics to become fully operational. Medicare Locals were also discussed and the General Practice Education and Training agency informed the Committee about workforce planning and expected outcomes.²⁶

1.32 With regard to private health insurance the main topic for discussion related to private health insurance rebates. The Private Health Insurance Administration Council and Private Health Insurance Ombudsman also answered Senators questions concerning private health insurance, particularly with regard to membership and complaints.²⁷

1.33 Senators sought information relating to the Pharmaceutical Benefits Scheme including the market share of Medicines Australia and the Generic Medicines Industry Association, off-patent medicines, generic and non-generic prescribing, savings measures, price disclosure, home medication reviews under community pharmacy, the fifth community pharmacy agreement, and the life saving drugs program.²⁸

1.34 Questions relating to hearing services included long waiting times involved in obtaining vouchers, telephone delays in contacting hearing services, minimum hearing loss thresholds, and funding availability for early intervention, particularly for children.²⁹

1.35 In response to Senators' wide-ranging questions relating to vaccines, particularly seasonal and swine flu vaccines and pandemic preparedness; the impact of Hendra and other viruses, the Chief Medical Officer, Professor Bishop, and DoHA officers provided very informative and detailed answers.³⁰

1.36 Matters were discussed in some detail relating to access to medical services which included professional indemnity insurance for midwives, the teen dental program, chronic disease dental scheme, issuing of magnetic resonance imaging

25 *Committee Hansard*, 2.06.10, pp.CA48-75.

26 *Committee Hansard*, 2.06.10, pp.CA48-75.

27 *Committee Hansard*, 2.06.10, pp.CA96-104.

28 *Committee Hansard*, 2.06.10, pp.CA105-126.

29 *Committee Hansard*, 2.06.10, pp.CA127-130.

30 *Committee Hansard*, 3.06.10, pp.CA5-22.

(MRI) licences, positron emission tomography (PET), uncapping of pathology collection centres and pathology services.³¹

1.37 The Professional Services Review agency informed the Committee with regard to their role in reviewing medical practitioners referred to them by Medicare for possible inappropriate claiming of Medicare items.³²

1.38 Mental health matters were discussed at some length, particularly with regard to funding allocations under COAG, funding for specific programs and new programs and services, changes to existing programs and the concerns of some allied health professionals, evaluation of existing programs, and provision of mental health services in rural areas.³³

1.39 Senators sought information relating to e-health records and the operation and control of a personally controlled electronic health record system, and issue and security of health care identifier numbers.³⁴

1.40 Cancer Australia agency updated the Committee on their expansion of partnerships and collaborative arrangements with organisations, and the increase in consumer participation to improve cancer outcomes.³⁵ The National Breast and Ovarian Cancer Centre also informed Senators, particularly with regard to support provided to women in rural areas diagnosed with breast cancer, measures to increase the knowledge of Indigenous women with breast cancer, and the Breast Cancer Network Australia partnership. The Committee was also updated on the Centre's activities relating to ovarian cancer.³⁶

1.41 Questions put to the National Health and Medical Research Council (NHMRC) included advice sought from other government departments and key stakeholders when preparing their publication titled 'A new food guidance system for Australia'. Details of medical research projects and funding for cancer centres were also provided.³⁷

1.42 Food Standards Australia New Zealand answered questions relating to Bisphenol-A (BPA) Australian standards, and food standards in vulnerable population groups such as nursing homes.³⁸ Questions to the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) included report recommendations relating to an

31 *Committee Hansard*, 3.06.10, pp.CA23-33.

32 *Committee Hansard*, 3.06.10, pp.CA34-37.

33 *Committee Hansard*, 3.06.10, pp.CA37-56.

34 *Committee Hansard*, 3.06.10, pp.CA61-68.

35 *Committee Hansard*, 3.06.10, pp.CA69-70.

36 *Committee Hansard*, 3.06.10, pp.CA70-72.

37 *Committee Hansard*, 3.06.10, pp.CA72-77.

38 *Committee Hansard*, 3.06.10, pp.CA77-80.

incident that occurred at the radioisotope production facility at Lucas Heights, inspection programs, and airport body scanners.³⁹

1.43 Matters discussed with the Therapeutic Goods Administration included problems with orthopaedic prostheses and breast implants, re-use of single-use heart catheters, and thermal breast scanners used by some complementary medicine providers.⁴⁰ Other population health questions included the diabetes initiative, national health survey, bowel cancer screening program, Stephanie Alexander Kitchen Garden Foundation program, monitoring of notification of infectious diseases such as HIV-AIDS and evaluation, and the illicit drugs campaign.⁴¹

1.44 Health workforce matters included details of programs to encourage an increase in nurse numbers, the General Practice rural incentives program, retention and relocation incentives, GP rural locum program, dental training – expanding rural placements program, international recruitment strategy, rural Australia medical undergraduate scholarship scheme, the number of GPs and specialists trained by health workforce initiatives.⁴² Health Workforce Australia further informed the Committee on the role of the agency to provide for an integrated national approach to the health workforce, including funding, grant programs to enhance training opportunities for undergraduates, staff positions and recruitment.⁴³

1.45 Senators' questions with regard to rural health included funding for the following programs: Royal Flying Doctor Service; rural primary health services program; medical outreach assistance program; and national rural and the remote health infrastructure program. DoHA also explained how these programs would integrate with the Medicare Local and local hospital networks. The patient assisted travel scheme was also discussed.⁴⁴

1.46 Matters relating to sport included security arrangements in relation to the Commonwealth Games in New Delhi, active after-school communities program, FIFA World Cup bid. Questions to the Australian Sports Commission included talent identification and support for the next generation of Australian Olympic champions, advancement of women in sport, support for greater participation in sport with the assistance of scholarships and grants.⁴⁵

39 *Committee Hansard*, 3.06.10, pp.CA81-85.

40 *Committee Hansard*, 3.06.10, pp.CA85-90.

41 *Committee Hansard*, 3.06.10, pp.CA90-96.

42 *Committee Hansard*, 3.06.10, pp.CA97-105.

43 *Committee Hansard*, 3.06.10, pp.CA106-112.

44 *Committee Hansard*, 3.06.10, pp.CA113-115.

45 *Committee Hansard*, 3.06.10, pp.CA116-127.

Cross portfolio Indigenous matters

1.47 Senators sought answers to Indigenous issues questions from various portfolio Departments and agencies under the thematic headings detailed on the hearing program. The majority of questions were on a wide range of issues relating to the Closing the Gap initiative and the Northern Territory Emergency Response.

1.48 A range of questions were asked relating to FaHCSIA's response to the paper by researchers from the Menzies School of Medical Research titled *Impact of income management on stores sales in the Northern Territory*. Also included in discussions were income management, Outback Stores, the provision of fresh food to improve diets and Indigenous health outcomes.⁴⁶

1.49 The Coordinator General for Remote Indigenous Services, Mr Gleeson, informed the Committee with regard to progress on the implementation of the COAG remote service delivery partnership, which encompasses 29 communities across the Northern Territory, Western Australia, Queensland, South Australia and New South Wales.⁴⁷

1.50 Questions to Centrelink included the Indigenous Community Volunteers program, the Basics Card, expansion of income quarantining to the remainder of the Northern Territory, and merchant take-up of the new Basics Card.⁴⁸

1.51 A wide range of questions were asked by Senators relating to progress under the National Partnership Agreement on Remote Indigenous Housing for new and refurbished houses across jurisdictions. Contract management and Indigenous employment opportunities were also discussed, as well as Indigenous home ownership and tenancy agreements.⁴⁹

1.52 Indigenous health matters included funding for provision and further roll-out of Opal fuel and the difficulties encountered with retailers, and petrol sniffing diversionary programs. Questions were also asked relating to funding for GP clinics and services; optometry services; child health and dental checks and services; the rollout of the trachoma eradication program, and dialysis services. The foetal alcohol spectrum disorder was discussed including prevention strategies and development of a diagnostic screening tool.⁵⁰

46 *Committee Hansard*, 4.06.10, pp.CA40-41.

47 *Committee Hansard*, 4.06.10, pp.CA16-19.

48 *Committee Hansard*, 4.06.10, pp.CA19-23.

49 *Committee Hansard*, 4.06.10, pp.CA23-42.

50 *Committee Hansard*, 4.06.10, pp.CA43-54.

1.53 Indigenous Business Australia informed the Committee of the assets under management; lending, assessment and risk management strategies.⁵¹

1.54 A range of Indigenous employment matters were discussed with DEEWR including Indigenous unemployment rates, and the impact on communities resulting from changes to Community Development Employment Projects (CDEP). The Committee was advised that 'the way in which CDEP has changed is that there is a greater focus on work readiness and community development'. The Indigenous Economic Development Strategy was also discussed.⁵²

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

Senator Claire Moore
Chair

June 2010

51 Committee *Hansard*, 4.06.10, pp.CA55-58.

52 Committee *Hansard*, 4.06.10, pp.CA58-62.