

The Senate

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Community Affairs  
Legislation Committee

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Additional estimates 2005-06

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## Membership of the Committee

Senator Gary Humphries, Chairman	LP, Australian Capital Territory
Senator Claire Moore, Deputy Chair	ALP, Queensland
Senator Judith Adams	LP, Western Australia
Senator Guy Barnett	LP, Tasmania
Senator Steve Fielding	FFP, Victoria
Senator Helen Polley	ALP, Tasmania



# Senate Community Affairs Legislation Committee

## Report on Additional Estimates 2005-2006

1.1 On 8 February 2006 the Senate referred the following documents to the Committee for examination and report in relation to the portfolios of Families, Community Services and Indigenous Affairs and Health and Ageing:

- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2006
- Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2006
- Statement of savings expected in annual appropriations
- Final Budget Outcome 2004-05
- Issues from the Advance to the Finance Minister as a final charge for the year ended on 30 June 2005.

1.2 The Committee has considered the additional expenditure of the portfolios set out in their respective Portfolio Additional Estimates Statements 2005-2006 (PAES) and related budgetary documents. Explanations relating to the estimates were received from Senator the Hon Chris Ellison, representing the Minister for Families, Community Services and Indigenous Affairs and Senator the Hon Santo Santoro, Minister for Ageing and Minister representing the Minister for Health, and officers from the portfolio Departments at hearings held on 15 and 16 February 2006. The Committee expresses its appreciation for the assistance of the Ministers; Dr Jeff Harmer, Secretary, Department of Families, Community Services and Indigenous Affairs (FaCSIA), and Ms Jane Halton, Secretary, Department of Health and Ageing (DoHA); and the officers who appeared before it.

1.3 In accordance with Standing Order 26, the Committee has agreed that the date for submission to the Committee of written answers or additional information relating to the expenditure is 31 March 2006.

1.4 The Committee discussed many of the expenditure revisions and information contained in the Portfolio Additional Estimates Statements. These discussions are detailed in the Committee's *Hansard* transcripts of 15 and 16 February 2006, 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](http://www.aph.gov.au/senate_ca). Volumes of Additional Information received by the Committee containing answers to questions taken on notice and tabled documents relating to the Committee's hearings will also be tabled separately in the Senate and may also be accessed from the Committee's website.

## **Procedural matters**

### **Conduct of the hearings**

1.5 At the conclusion of the DoHA hearing the Minister for Ageing, Senator Santoro, expressed his thanks to the Departmental Secretary and officers as well as to the Senators for the courtesy they had displayed to the officers. The Minister further commented:

It is great to be able to conduct hearings such as this with goodwill and I have been very impressed with some of the exchanges that occurred between the officers and the senators opposite. It really is nice to see that good things can come out of events and undertakings where goodwill exists. Thank you to all of you for making my first estimates a pleasant experience.<sup>1</sup>

1.6 On behalf of the Opposition Senators, Senator McLucas responded by advising the Minister that hearings had been conducted in this manner for a number of years.<sup>2</sup>

1.7 Similarly, during the FaCSIA hearing the Committee received from the Minister, Senator Ellison, the Secretary and Departmental officers the usual courtesy and assistance in providing answers to questions as fully as possible. At the conclusion of the hearing the Chair stated that the Committee was very grateful for the information that had been provided.<sup>3</sup>

1.8 The Committee is pleased to report that the Ministers (both of whom were appearing for the first time as Ministers before this Committee) and Departmental Officers responded openly and directly to questions covering a broad range of issues within the portfolios. As Senator McLucas noted this has been the practice of the Community Affairs Committee during estimates hearings for many years. The Committee hopes that this cooperative and responsive manner of conducting estimates hearings with goodwill from both the Senators in asking questions and the Ministers and Officers in providing responses will continue with future hearings.

### **Impact of changes to Administrative Arrangements Orders for Families, Community Services and Indigenous Affairs portfolio**

1.9 The Administrative Arrangements Orders (AAO) issued on 27 January 2006 transferred the Office for Indigenous Policy Coordination (OIPC) from the former Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) to the now Department of Families, Community Services and Indigenous Affairs (FaCSIA).

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1 *Committee Hansard*, 16.02.06, p.CA127.

2 *Committee Hansard*, 16.02.06, p.CA127.

3 *Committee Hansard*, 15.02.06, p.CA133.

1.10 In addition to its existing role of providing policy advice, income support and assistance to families and their children, senior citizens, people with disabilities, women and community groups, FaCSIA's new role now includes providing policy advice on Indigenous issues and coordinating whole-of-government policy development and service delivery in Indigenous affairs. The FaCSIA outcome structure now includes Outcome 6 – Innovative whole-of-government policy on Indigenous Affairs.<sup>4</sup>

### **Health and Ageing portfolio revised outcome and operational structure**

1.11 A change to the Health and Ageing portfolio's outcome and operational structure occurred in December 2005 when the Government announced the establishment of the Office of Health Protection as a new division within DoHA. The Office operates from appropriation under a new Outcome 12 – Biosecurity and emergency response – and will work to ensure Australia's health system has coordinated arrangements to respond effectively to national health emergencies, including infection disease outbreaks, terrorism and natural disasters.<sup>5</sup>

### **Provision of answers relating to supplementary Budget Estimates 2005-06**

1.12 The Committee again commends FaCSIA on its excellent record of achievement in providing answers to questions on notice by the due date. With the exception of a few answers which were provided to the Committee shortly after the due date, FaCSIA provided answers to all 149 questions on notice by the due date. At the conclusion of the hearing the Chair commented that the Committee would be grateful for a continuance of the usual prompt record of the Department in providing the information that was taken on notice.<sup>6</sup>

1.13 DoHA provided 13 answers to questions on notice by the due date, with a further 97 answers being provided within a month of the due date. The remaining 236 answers were provided progressively up to the day before the estimates hearing. The Committee acknowledges that 346 questions were a large number of questions on notice, but also reminds the Department that the late provision of answers is very unsatisfactory to the Committee.

1.14 The Secretary explained that the process for providing answers to questions was constantly monitored; however a number of questions were quite complex and the Christmas leave period had also contributed to the delay in the preparation of answers which had made the process of clearance difficult to achieve.<sup>7</sup>

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4 FaCSIA PAES, p.15.

5 DoHA PAES, p.5.

6 *Committee Hansard*, 15.02.06, p.CA133.

7 *Committee Hansard*, 16.02.06, p.CA5.

1.15 A particular concern for the Committee was why answers to questions on notice relating to Medicare safety net registration levels had only been provided the day before the estimates hearing, as was the case with the previous estimates hearing for the same topic. DoHA advised that the delays occurred because clarification needed to be sought with Medicare regarding the accuracy and quality of the data. It was necessary for Medicare to further cleanse the data so as to provide data which were consistent, thus causing the delay in the provision of the answers.<sup>8</sup>

## Issues

### *Families, Community Services and Indigenous Affairs portfolio*

1.16 A range of questions were asked by the Committee concerning Indigenous matters. The Indigenous Land Corporation (ILC) and the land fund were discussed following answers to questions that were provided to Senators during the Department of Finance and Administration's estimates hearing. The Departmental Secretary explained that although responsibility for the ILC had been transferred to FaCSIA as a result of the recent AAO changes the program was still being run by the Department of Multicultural Affairs (DIMA). The Secretary obtained further telephone advice relating to the information sought by Senator Evans, however the Senator considered that this information may not have been accurate. The Secretary undertook to clarify the matter further and provide a written answer.<sup>9</sup>

1.17 The whole of government coordination approach to Indigenous matters was discussed with the OIPC. A range of other Indigenous issues were discussed at some length including petrol sniffing and the abuse of other legal and illegal substances and the action taken to counter these problems; COAG trials; and Shared Responsibility Agreements (SRAs).<sup>10</sup>

1.18 The Committee questioned FaCSIA on a number of housing matters, particularly the National Homelessness Strategy, SAAP services, public housing and rent assistance.<sup>11</sup>

1.19 The indexation of the age pension, pension bonus scheme and the seniors concession allowance were amongst questions relating to support for the aged. Disability services matters which were discussed included funding for young people with disabilities to move out of nursing homes into supported accommodation; the Disability Support Pension (DSP); and supported employment business services.

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8 *Committee Hansard*, 16.02.06, pp.CA5, 26-27.

9 *Committee Hansard*, 15.02.06, pp.CA5-6, 41-42.

10 *Committee Hansard*, 15.02.06, pp.CA7-35.

11 *Committee Hansard*, 15.02.06, pp.CA37-54.

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FaCSIA also answered questions relating to carers support, carer payments and support for women.<sup>12</sup>

1.20 A number of questions were asked concerning Family Tax Benefit (FTB) payments and child support matters. Child care matters were also discussed at some length.<sup>13</sup>

### ***Health and Ageing portfolio***

1.21 DoHA provided information to the Committee on a wide range of topics during the hearing, including expenditure on advertising and market research projects, especially the national drugs campaign and the nutrition campaign.<sup>14</sup>

1.22 A range of questions were asked which particularly focussed on health-related issues impacting on rural and regional areas. National health priorities and chronic disease issues were discussed and information was provided relating to the medical workforce, eHealth and HealthConnect.<sup>15</sup>

1.23 The Committee sought information relating to medicines and medical services, including the Pharmaceutical Benefits Scheme (PBS); script volumes; vaccines; and immunisation programs. Issues relating to the Medicare safety net were also discussed.<sup>16</sup>

1.24 Aged care matters were subject to extensive questioning including aged care accreditation issues, facilities' compliance with fire safety and other standards.<sup>17</sup> The Minister advised the Committee with regard to residential aged care bed place numbers and DoHA responded to questions relating to indexation of Commonwealth own-purpose outlays on residential aged care subsidies, as well as information on other aged care-related issues.<sup>18</sup>

1.25 The Aged Care Standards and Accreditation Agency provided information to the Committee about nursing home audits and the action taken on complaints relating to particular aged care facilities.<sup>19</sup>

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12 *Committee Hansard*, 15.02.06, pp.CA60-90.

13 *Committee Hansard*, 15.02.06, pp.CA91-125.

14 *Committee Hansard*, 16.02.06, pp.CA6-8.

15 *Committee Hansard*, 16.02.06, pp.CA14-33, 77-79.

16 *Committee Hansard*, 16.02.06, pp.CA34-50.

17 *Committee Hansard*, 16.02.06, pp.CA51-59.

18 *Committee Hansard*, 16.02.06, pp.CA59-67.

19 *Committee Hansard*, 16.02.06, pp.CA69-71.

1.26 Information on progress with the implementation of recommendations following the Government response to the review of the Divisions of General Practice was also provided.<sup>20</sup>

1.27 A number of questions were asked relating to Indigenous health issues, including details of expenditure and progress made with a range of programs; implementation of the eye health review recommendations; asthma spacer devices; hearing services; and the screening and treatment of trachoma.<sup>21</sup>

1.28 Senators sought information relating to the private health insurance rebate and participation rates. DoHA advised that the private health insurance participation rate remained stable at 43.1 per cent. The changes relating to health funds' cover for prosthetic devices were also discussed.<sup>22</sup> Medibank Private provided information to the Committee relating to their hospital purchasing strategy and the possible sale of Medibank Private.<sup>23</sup>

1.29 The Therapeutic Goods Administration (TGA) explained its powers and role with regard to the drug RU486. The reporting requirement for adverse reactions to drugs was also explained.<sup>24</sup>

1.30 Amongst other health issues to be discussed were the campaign to increase organ donations; radiotherapy workforce increases; access to Magnetic Resonance Imaging (MRI) by people who have a health care card; programs to improve obesity levels; the national bowel cancer screening program; numbers of people infected with hepatitis B and C and the treatment programs; and pregnancy counselling and support. The availability of diphtheria-tetanus, Q-fever and HPV vaccines was also discussed.<sup>25</sup>

1.31 The Committee was informed of the role and administrative arrangements for the Office of Health Protection which had recently been established. Details of the national medicines stockpile were also advised.<sup>26</sup>

1.32 In addition to the above issues a number of administrative and process issues involving both portfolios were raised during the estimates discussions and are detailed in the *Hansard* transcripts of evidence.

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20 *Committee Hansard*, 16.02.06, pp.CA73-74.

21 *Committee Hansard*, 16.02.06, pp.CA80-92.

22 *Committee Hansard*, 16.02.06, pp.CA94-97.

23 *Committee Hansard*, 16.02.06, pp.CA9-13.

24 *Committee Hansard*, 16.02.06, pp.CA113-115.

25 *Committee Hansard*, 16.02.06, pp.CA100-112, 115-117.

26 *Committee Hansard*, 16.02.06, pp.CA118-122.

Senator Gary Humphries  
Chairman  
March 2006