

Senate Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Human Services Portfolio

Department of Human Services

Budget Estimates 2007-08 - May 2007

Question: HS70

Outcome 1, Output 1

Topic: Department of Human Services – Access Card: Budget/Costs/Staff

Hansard Page/Written Question on Notice: Written

SENATOR STOTT DESPOJA asked on 24/05/2007:

1. Rather than recruit consultants (See Financial Review article April 2007) when might the Office of Access Card begin recruiting civil servants to deliver the project? Essentially, how many permanent staff do you have compared to consultants? Is there not the risk that you will be forced to go back to these consultants to finish portions of the Access Card Project?
2. Are there any plans to build new Medicare/Centrelink offices around the states to cope with in-person registrations?
3. Are there any estimates about the costs to business and state Governments related to the Access Card Project? If so, what are the total costs for small business, the banking sector, pharmacists, doctors and state government departments?
4. How much of the budget is attributed to authentication by interview?
5. What is the estimate of travel costs and time for Australians to go to Medicare/post offices to get registered? What estimate is within 1 hour travel time?
6. What is the total cost of the Fels Taskforce?
7. Will State Governments receive additional funding to cope with requests for proof of identity documents?
8. Will background checks of employees of facilities that manufacture and produce new cards be conducted?
9. Following briefings with industry and the specification of tender materials, by how much has the cost estimate risen for the Access Card Project?
10. Has The Treasury been asked to do any alternative costings? If so, have there been alternative costings of a smartcard without a photograph? Has there been an alternative costing of increasing the number of card readers beyond the 50,000 budgeted? What are the results of any alternative costings done by Treasury in relation to the Access Card Project?

Answer:

The Government has decided not to proceed with the Access Card Program. Details of funding to be returned to the Budget will be provided as part of the forthcoming Budgetary processes. With respect to the specific questions asked by the Senator, the answers are as follows:

- (1) The Office of Access Card (OAC), wherever possible, recruited public servants to undertake the activities within the Program. However, where specific skills sets were unable to be sourced, the OAC sought to supplement its staff with contractors and consultants.

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- (2) No. Access card registration undertaken in Medicare and Centrelink offices was to use existing service outlets or, if necessary, additional rental accommodation to manage demand.
- (3) As at 24 May 2007, the Government had agreed that appropriate infrastructure would be provided to those authorised under access card legislation, such as medical practitioners and pharmacists. Small business, the banking sector and state governments were not involved in the direct implementation of the access card.
- (4) As at 24 May 2007, an evaluation process was underway in relation to the pricing and apportionment of our services between Centrelink, Medicare Australia and Australia Post. This was a competitive process and the release of budget information would have jeopardised the Department's negotiating position.
- (5) Numbers and locations of registration sites had not been finalised.
- (6) The cost of the Fels Consumer and Privacy Taskforce was \$687,620 to 30 November 2007.
- (7) It was not intended to provide funding to States for requests for copies of proof of identity documentation. State identification documents included a driver's licence or a birth certificate. These documents are available in the community as they have been required for many years for other identification purposes.
- (8) The draft contract underpinning the card's Request for Tender(RFT) included the requirement for the contractor to undertake background and police checks, and any other vetting or security processes deemed necessary by the Department, for all contractor personnel involved in the provision of the access card solution or services.
- (9) Procurement was not finalised. As at 24 May 2007, no new cost estimate had been prepared.
- (10) This question was referred to The Treasury.