COMMONWEALTH OF AUSTRALIA

Proof Committee Hansard

SENATE

COMMUNITY AFFAIRS LEGISLATION COMMITTEE

Estimates

(Public)

WEDNESDAY, 10 APRIL 2019

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SENATE

COMMUNITY AFFAIRS LEGISLATION COMMITTEE

Wednesday, 10 April 2019

Members in attendance: Senators Askew, Carol Brown, Farrell, Lines, Martin, O'Neill, Polley, Siewert, Singh, Dean Smith, Urquhart, Watt.

HEALTH PORTFOLIO

In Attendance

Senator Scullion, Minister for Indigenous Affairs

Department of Health

Whole of Portfolio

Ms Glenys Beauchamp PSM, Secretary

Professor Brendan Murphy, Chief Medical Officer

Mr Matt Yannopoulos PSM, Deputy Secretary, Corporate Operations Group

Ms Caroline Edwards, Deputy Secretary, Health Systems Policy and Primary Care Group

Ms Penny Shakespeare, Deputy Secretary, Health Financing Group

Dr Lisa Studdert, Deputy Secretary, Ageing and Aged Care Group

Mr Matthew Boyley, Acting Deputy Secretary, Population Health and Sport Group

Adjunct Professor John Skerritt, Deputy Secretary, Health Products Regulation Group

Mr Charles Wann, First Assistant Secretary, Financial Management Division

Mr Paul McCormack, Chief Budget Officer, Financial Management Division

Ms Stefanie Janiec, Acting First Assistant Secretary, People, Communication and Parliamentary Division

Ms Jodie Grieve, Assistant Secretary, Communication and Change Branch, Communication and Parliamentary Division

Outcome 1

Mr Paul McBride, First Assistant Secretary, Health Economics and Research Division

Ms Adriana Platona, First Assistant Secretary, Technology Assessment and Access Division

Mr Brian Kelleher, Assistant Secretary, Portfolio Service and Design Branch, Portfolio Strategies Division

Outcome 2

Mr Paul McBride, First Assistant Secretary, Health Economics and Research Division

Adjunct Professor Debra Thoms, Chief Nursing and Midwifery Officer

Mr David Hallinan, First Assistant Secretary, Health Workforce Division

Mr David Laffan, Assistant Secretary, Alcohol Tobacco and Other Drugs Branch, Population Health and Sport Division

Outcome 3

Mr Matthew Boyley, Acting Deputy Secretary, Population Health and Sport Group

Ms Lara Musgrave, Acting First Assistant Secretary, Population Health and Sport Division

Outcome 4

Ms Adriana Platona, First Assistant Secretary, Technology Assessment and Access Division

Mr David Weiss, First Assistant Secretary, Medical Benefits Division

Ms Celia Street, Assistant Secretary, Diagnostic Imaging and Pathology Branch, Medical Benefits Division

Mr Nick Henderson, Assistant Secretary, Private Health Insurance Branch, Medical Benefits Division

Outcome 5

Professor Brendan Murphy, Chief Medical Officer

Ms Sharon Appleyard, First Assistant Secretary, Office of Health Protection

Adjunct Professor John Skerritt, Deputy Secretary, Health Products Regulation Group

Professor Paul Kelly, Chief Medical Adviser, Health Products Regulation Group

Dr Jane Cook, First Assistant Secretary, Medicines Regulation Division, Health Products Regulation Group

Ms Tracey Duffy, First Assistant Secretary, Medical Devices and Product Quality Division, Health Products Regulation Group

Ms Gillian Mitchell, First Assistant Secretary, Regulatory Practice and Support Division, Health Products Regulation Group

Ms Jenny Francis, Principal Legal and Policy Adviser, Health Products Regulation Group

Outcome 6

Ms Maria Jolly, First Assistant Secretary, Aged Care Reform and Compliance Division

Mr Jaye Smith, First Assistant Secretary, Residential and Flexible Aged Care Division

Mr Nigel Murray, Assistant Secretary, Funding Policy and Prudential Branch, Residential and Flexible Aged Care Division

Ms Fiona Buffinton, First Assistant Secretary, In-Home Aged Care Division

Committee met at 09:03

ACTING CHAIR (Senator Dean Smith): I declare open this meeting of the Senate Community Affairs Legislation Committee. This committee is in continuation from Friday, 5 April 2019. Today the committee will continue its examination of the health portfolio, commencing with whole-of-portfolio and corporate matters and then considering portfolio outcomes as outlined in the committee's program. Tomorrow the committee will continue its examination of the social services portfolio, including the Department of Human Services.

I reiterate for the committee and officers the chair's previous statement that an officer of a department of the Commonwealth shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to a superior officer or to a minister. I also remind witnesses of an order of the Senate of 13 May 2009 specifying the process by which a claim of public interest immunity should be raised, which will be incorporated by *Hansard*:

The extract read as follows—

Public interest immunity claims

That the Senate—

(a) notes that ministers and officers have continued to refuse to provide information to Senate committees without properly raising claims of public interest immunity as required by past resolutions of the Senate;

(b) reaffirms the principles of past resolutions of the Senate by this order, to provide ministers and officers with guidance as to the proper process for raising public interest immunity claims and to consolidate those past resolutions of the Senate;

(c) orders that the following operate as an order of continuing effect:

(1) If:

(a) a Senate committee, or a senator in the course of proceedings of a committee, requests information or a document from a Commonwealth department or agency; and

(b) an officer of the department or agency to whom the request is directed believes that it may not be in the public interest to disclose the information or document to the committee, the officer shall state to the committee the ground on which the officer believes that it may not be in the public interest to disclose the information or document to the committee, and specify the harm to the public interest that could result from the disclosure of the information or document.

(2) If, after receiving the officer's statement under paragraph (1), the committee or the senator requests the officer to refer the question of the disclosure of the information or document to a responsible minister, the officer shall refer that question to the minister.

(3) If a minister, on a reference by an officer under paragraph (2), concludes that it would not be in the public interest to disclose the information or document to the committee, the minister shall provide to the committee a statement of the ground for that conclusion, specifying the harm to the public interest that could result from the disclosure of the information or document.

(4) A minister, in a statement under paragraph (3), shall indicate whether the harm to the public interest that could result from the disclosure of the information or document to the committee could result only from the publication of the information or document by the committee, or could result, equally or in part, from the disclosure of the information or document to the committee as in camera evidence.

(5) If, after considering a statement by a minister provided under paragraph (3), the committee concludes that the statement does not sufficiently justify the withholding of the information or document from the committee, the committee shall report the matter to the Senate.

(6) A decision by a committee not to report a matter to the Senate under paragraph (5) does not prevent a senator from raising the matter in the Senate in accordance with other procedures of the Senate.

(7) A statement that information or a document is not published, or is confidential, or consists of advice to, or internal deliberations of, government, in the absence of specification of the harm to the public interest that could result from the disclosure of the information or document, is not a statement that meets the requirements of paragraph (1) or (4).

(8) If a minister concludes that a statement under paragraph (3) should more appropriately be made by the head of an agency, by reason of the independence of that agency from ministerial direction or control, the minister shall inform the

committee of that conclusion and the reason for that conclusion, and shall refer the matter to the head of the agency, who shall then be required to provide a statement in accordance with paragraph (3).

(d) requires the Procedure Committee to review the operation of this order and report to the Senate by 20 August 2009.

(13 May 2009 J.1941)

(Extract, Senate Standing Orders)

Department of Health

[09:04]

ACTING CHAIR: I welcome back to the table Senator the Hon. Nigel Scullion, representing the ministers of the Health portfolio, and officers of the Department of Health. Minister, do you care to make an opening statement?

Senator Scullion: No, Chair, apart from congratulating you on your elevation for this set of processes, and what a delight it is to see you all again.

ACTING CHAIR: I call it my glacial pace of promotion. Thank you, Minister. Secretary, do you have an opening statement to make?

Ms Beauchamp: No, thank you, Chair.

ACTING CHAIR: We'll proceed to questions. Who'd like to start?

Senator WATT: I'm happy to kick off. We don't have too much in cross-portfolio, but I just want to ask some questions to follow up on questions I had last week about government advertising and information campaigns. You've now tabled, and I can't remember whether it was at the hearing or afterwards, some more detailed information about the advertising and information campaigns the department is funding. Do you have that material to hand?

Ms Beauchamp: I'm not too sure actually what piece of paper you're referring to.

Senator WATT: It's a four-page document headed 'advertising and information campaigns'.

Ms Beauchamp: Does it say attachment 8 on the right-hand side up the top?

Senator WATT: My copy doesn't have it.

Senator Scullion: If you could turn it so we could see—I think that's the same one.

Senator WATT: The opening lines are: 'The department's total expenditure on advertising and information campaigns is $2,144,345.' Is that the one you have?

Senator Scullion: We think that's the same one.

Senator WATT: And then it has a table setting them out. Page 2 has a table and then a bit more detail about each of the campaigns.

Ms Beauchamp: Yes.

Mr Yannopoulos: Yes, we've got it in front of us.

Senator WATT: Great. Actually, I think you tabled this last Friday after the hearing. That document, for those who don't have it in front of them, states that the Department of Health's total expenditure on advertising and information campaigns in the current financial year is $2,144,345 excluding GST. Do you know what date that figure was as at?

Mr Yannopoulos: That was as at 28 February this year.

Senator WATT: 28 February 2019.

Mr Yannopoulos: That's right.

Senator WATT: You've itemised the cost in that table. Below it, you have itemised the cost of each of the information campaigns. There's a total of 10 campaigns that have been run or funded in this financial year, and I notice that seven of those 10 cost over $250,000, and my understanding is that, having reached that cost threshold, they have to be approved by the Independent Communications Committee. Is that correct?

Mr Yannopoulos: That's correct.

Senator WATT: We've checked the Independent Communications Committee website and it looks like all of those seven campaigns have been approved since December. Is that correct? I can step through them with you if you like. The Head to Health campaign, $450,000, was approved December 2018. Childhood immunisation, which I think you describe as maternal vaccination, is $420,000. That was approved in January 2019. HPV,

$450,000, was approved January 2019. Health Star Rating, $4.04 million, was approved February 2019. Just before I go any further, these are budgeted figures rather than expenditure?

Mr Yannopoulos: That's right.

Senator WATT: I was obviously going to ask: how does it then mean you've only spent $2.144 million? But I understand that.

Mr Yannopoulos: Ms Grieve has just reminded me that the ICC publishes when the campaign launches, not when—

Senator WATT: They're approved.

Mr Yannopoulos: it was considered by ICC.

Senator WATT: When you say 'launches', you mean when the material starts going out, ads start running—that kind of thing.

Mr Yannopoulos: That's right.

Senator WATT: The health star rating campaign, with a budget of $4.04 million, started being run in February 2019. The private health insurance reforms campaign, with a budget of $4.51 million, started being run in February 2019. The Pharmaceutical Benefits Scheme campaign, with a budget of $5.6 million, started being run in March 2019. The maternal vaccinations campaign, with is $420,000, started in April 2019. Earlier on, I referred to a childhood immunisation campaign, which I think is probably the Get the Facts about Immunisation campaign.

Mr Yannopoulos: That's correct.

Senator WATT: That actually has a $3.5 million budget, and that was the one that started running in January 2019. That's seven of those 10 campaigns with a budget of over $250,000, and each of them started running from December 2018. That's correct?

Mr Yannopoulos: Yes, that's correct.

Senator WATT: Because the amounts budgeted for those campaigns are, in some cases, significant amounts—such as $4 million, $4.5 million or $5 million—would it be reasonable to expect the amount that has been spent by now has increased substantially since the 28 February?

Mr Yannopoulos: Yes, because they're in market now. They're running. It's probably worth adding that we can't get a more up-to-date expenditure figure. Dr Helgeby from Finance gave some evidence yesterday. Because it is done through the media buy company, Universal McCann, we don't yet have—if you like—the invoices for advertising in the last month. I think the evidence was that it takes 45 days.

Senator WATT: I missed the evidence in Finance yesterday. They didn't give anything specifically about your department's advertising, did they?

Mr Yannopoulos: Only in a budgeted sense, consistent with what we tabled last week.

Senator WATT: What we know then is that, as at 28 February 2019, the department had spent $2.144 million on advertising and information campaigns. But we know that seven of the 10, if you like, major advertising campaigns—above $250,000—were only launched from December onwards. In fact, four of them were launched from February onwards. That includes all of the most expensive campaigns, such as the health star rating campaign for $4 million, the private health insurance campaign for $4.5 million and the Pharmaceutical Benefits Scheme campaign for $5.6 million. You're saying that it's reasonable to expect that the amount that has been spent by now is substantially higher than the $2.144 million figure?

Mr Yannopoulos: Yes.

Senator WATT: There were no major advertising or information campaigns launched in the first five months of the financial year?

Mr Yannopoulos: That's correct.

Senator WATT: There were 10 advertising campaigns in total. Seven of them were major. All of those seven were launched from December onwards. None were launched in the first five months of the financial year. Is there any reason why none were launched in effectively the first half of the year?

Mr Yannopoulos: There was no particular strategy to do it later in the financial year, if that's what you're asking.

Senator WATT: It's just curious that the department has a budget where, if you add all of that up, you're probably talking close to $20 million over an entire financial year.

Mr Yannopoulos: Yes.

Senator WATT: It's not as if work on these advertising campaigns only starts at one point of the year. Work would be carried over from financial year to financial year. I'm just curious as to why none of the major advertising campaigns for the department started in the second half of last year and they have all effectively been held back until the first half of this year in the run-up to an election.

Ms Beauchamp: These haven't been held back, as such. When you look at the annual reports from the Department of Finance, in terms of advertising campaigns, you'll see that some of these actually follow-on from previous campaigns too, like the health star rating system and immunisation campaign. They are ongoing campaigns. It is a very busy portfolio, and there are campaigns running throughout the year. If you look at those reports over the past couple of years, I don't think there's any indication of holding back.

Senator WATT: What are the respective roles of the department and the minister's office in determining the timing of these campaigns? Who decides?

Senator Scullion: They're normally processes that the department deals with. No doubt, the minister would be informed from time to time. On this notion of December and an upcoming election, I do understand there's some speculation that there may be an election shortly; but I'm not so sure that that speculation was as live in December as it is at the moment.

Senator WATT: I think everyone in Australia knew that the election had to be held by May. You don't think it's at all curious that pretty much the department's entire advertising budget has been spent in the three or four months leading up to May?

Senator Scullion: Not at all, and certainly not in the context of an election. I'm absolutely sure that the department would not bring that into their thinking.

Senator WATT: Thanks for what you think the department might think. I will ask the department about the decision to launch each of these campaigns. Let's start with the PBS campaign. At $5.6 million, that's the largest one you have. From memory, that's spruiking how great the government's actions are around pharmaceuticals. That launched in March this year, around last week. What date did it launch?

Ms Beauchamp: I'm not sure of the exact date. While Mr Yannopoulos is looking at that, I will say that, when you look at these campaigns, many of them reflect significant changes in policy where we do need to get information out.

Senator WATT: I don't dispute that. Why did it have to wait until—the information you provided said that it launched on Thursday 28 March.

Mr Yannopoulos: That's correct.

Senator WATT: That was about two weeks ago or, at most, two months before what will turn out to be the election date. If that was important information that the public needed, why couldn't it have been run in September of last year or August of last year? Why did it have to wait until a few weeks before an election?

Ms Beauchamp: Some of these, as I was saying, reflect changes in policy, which primarily come through the Mid-Year Economic and Fiscal Outlook and the budget process. As proposals are being developed up, we work with the relevant ministers in terms of making sure that we get relevant information out there to the consumers and the sectors involved in these. Of course, as a department, we don't look at whether it's leading into an election or not. It's whether we can get relevant information out there reflecting particularly changes in government policy.

Senator Scullion: For example, you can remember that we started, and there was some commentary around, a private health insurance campaign. We started that in December. That wasn't on the—

Senator WATT: It was four months before an election campaign.

Senator Scullion: It wasn't in the run-up into the election campaign. In fact, it coincided with changes to the private health insurance premiums, which actually happened on 1 April. It coincided with a very practical—that's when we all legislated changes to the—well, there were changes to the private health insurance premiums. They started on 1 April, and it was quite reasonable to therefore start advertising in late 2018 to ensure that people understood those processes.

Senator WATT: Actually, the private health insurance campaign, according to the information the department tabled, was not launched until 18 February. Again, it was a few weeks before the election.

Senator Scullion: The actual, physical changes to the private health insurance premiums happened on 1 April. We were doing it before 1 April so that everybody understood that those private health insurance premiums changed on 1 April. I hope that no-one is making an allegation that we actually changed the private health

insurance processes and premiums, which took effect on 1 April, as a consequence of some political machinations. That certainly can't be the case. What I'm saying is that it was approved in December and it actually started in February. That is because it was a lead-up to the particular and practical changes that were happening around private health insurance that people needed to know about. That's just by way of an example.

Senator WATT: Okay. Can we just go back to the point. Was it the department, the minister or the minister's office who decided, 'Let's go with the private health insurance campaign,' and that that should start in February?

Ms Beauchamp: With policy changes and significant policy changes—like the gold, silver, bronze and basic private health insurance reforms—the proposals that go to government include how we're going to get information out there to consumers, the industry, the sector and the like. It happens on a case-by-case basis. I think communication, education and awareness are significant elements of policy changes that are being made.

Senator WATT: I understand all that, Ms Beauchamp. I'm just focusing on the timing, when these campaigns are launched, and who decides that. You can answer this either in a general sense or about each campaign: who decided when these advertising campaigns would be launched?

Ms Beauchamp: It's done on a case-by-case basis. It's not just one minister, as you would appreciate, within the portfolio. For example, we talked to Minister McKenzie about the health star rating campaign. It's something that the department works on closely with the office, in terms of the timing of these campaigns.

Senator WATT: So the department works with the relevant minister's office about the timing for a particular campaign to be launched?

Ms Beauchamp: When you can get the work done. There's a lot of work that goes into developing information and the market research for these campaigns, so there's quite a long gestation period until things are launched.

Senator WATT: For sure. I appreciate that. So, whether it be in an official sense, such as a document being signed, or in a more a verbal sense, it is ultimately a decision by the minister or the minister's office as to when a particular campaign is launched?

Ms Beauchamp: I think it's probably even broader than that. As you would appreciate, it goes through the Independent Communications Committee, is goes through a subcommittee of cabinet, and of course—

Senator WATT: Not the timing, though.

Ms Beauchamp: Well, I'm assuming that government does want to look at the sequencing of advertising campaigns across government. We try and ensure that our programs fit in with informing consumers when there are significant changes to policy.

Senator WATT: So the department does all the work of preparing an advertising campaign, no doubt looking at media buys and all sorts of things, but ultimately it's a decision of government or ministers that determines when a campaign is launched?

Ms Beauchamp: Yes, based on the work that's got to be done and what you can actually get done by that time.

Senator Scullion: In the context of the private health insurance changes, there were some strong calls from the sector for a campaign. They said, 'Come on, if we're going to change these, everybody needs to know what those changes are.' I'm not sure exactly what the advisory committee is called. Does the health minister have a private health advisory committee?

Ms Beauchamp: Yes, he does, of course.

Senator Scullion: They would have been involved in that process as well.

Ms Beauchamp: Yes.

Senator Scullion: So it's not only the department or the minister—I'm just trying to be helpful, Senator—in that there are other statutory processes that are all on the record saying 'we need the campaign', and they're consistent with it.

Ms Beauchamp: Yes.

Senator WATT: Okay. It follows from that, Ms Beauchamp, that it was a decision of government or ministers to launch the $5.6 million Pharmaceutical Benefits Scheme information campaign in March; that it was a decision of government or ministers to launch the private health insurance campaign, which cost $4.5 million, in February; and that it was a decision of ministers or government to launch the $4.04 million health star rating campaign in February, those being the three largest campaigns that your department is funding this year.

Ms Beauchamp: And that timing is dependent on when we can actually get the work done and go through the proper processes, including the independent processes of government.

Senator WATT: Yes, but ultimately the decision around the timing of each of those campaigns was a case-by-case decision of government?

Mr Yannopoulos: Yes, that's right.

Ms Beauchamp: Yes.

Senator WATT: Okay, thank you. Did the department take any steps to manage what seems to be an obvious risk, the perception of politicisation of these campaigns, in running them so close to an election?

Ms Beauchamp: I did refer to the annual report that's put out by the Department of Finance for advertising campaigns over a number of years. As you would appreciate, it's a very busy portfolio. Some of these campaigns build on campaigns that have been run in the past, and I don't think this is exceptional in terms of that expenditure from previous years.

Senator WATT: The expenditure may not be, but the timing is the issue.

Ms Beauchamp: There's been a budget that's been brought forward, there's been a MYEFO statement last year and there have been significant policy announcements and policy changes over the last 12 months which have required us to put together communications, information and awareness materials for consumers so we can keep consumers, in particular, informed of some of those major policy changes.

Senator WATT: I'm not debating whether it's necessary to run a particular campaign. I'm just debating the timing. You've had money in the budget, presumably, since last the budget, 2018-19—that's nearly a year—to run some of these campaigns, yet the three biggest ones that cumulatively add up to close to $15 million are all launched in the weeks leading up to an election campaign.

Ms Beauchamp: I can't comment about the weeks leading into an election campaign of course. We're looking at making sure we can line up the information and communication campaigns with the changes that are happening at the policy level. The minister's mentioned the significant reforms to the private health insurance that were introduced on 1 April. We needed to make sure that there was a campaign—with the government making the final decision on timing—so that consumers were aware of those changes leading into 1 April.

Senator WATT: All right. Mr Yannopoulos, all up, the advertising budget for the year is about $19.5 million, I think.

Mr Yannopoulos: That's right.

Senator WATT: You said that, as at 28 February, the department had spent $2.144 million and you said that figure is likely to have substantially increased since the end of February because of the number of large campaigns that have been launched since then.

Mr Yannopoulos: That's correct. There would've been expenditure in March, for instance.

Senator WATT: For the campaigns that were launched in February.

Mr Yannopoulos: Yes.

Senator WATT: And you don't have any way of calculating a more up-to-date figure.

Mr Yannopoulos: We could do some sort of estimation but we don't, because it's really up to the media buy company what slots they can buy in a given period. I don't know that we keep records of how many impressions or how often the advertising ran in an at-month periods to be able to reliably estimate.

Senator WATT: Could you do your best to estimate that?

Ms Beauchamp: My understanding is the reconciliation process in terms of actual expenditure takes about 45 days. That's advice from the Department of Finance.

Senator WATT: From when it's launched?

Ms Beauchamp: Yes. In terms of the actual spend—and the media buys are a significant component of some of these campaigns—we won't have that information until it's gone through the Department of Finance.

Senator WATT: Is that information available after 45 days?

Ms Beauchamp: I understand it is available after 45 days.

Senator WATT: So, depending on the exact date in February, it might be possible to get more up-to-date figures for the campaigns that were launched in February, being the Health Star Rating, the private health insurance and the earlier campaigns. Could you make an attempt to estimate a more up-to-date figure?

Ms Beauchamp: Yes, noting that it's still in the field as well.

Senator WATT: Yes, which means it will continue increasing as more ads are run—right?

Ms Beauchamp: Yes.

Senator WATT: On Friday when we met, I can't remember who but one of the health officials said the department had booked advertising for the rest of the year. Again, is it possible to estimate what the spending will be by this Sunday? Maybe in calculating those figures you could do your best to estimate it up to Sunday, factoring in buys that have occurred?

Ms Beauchamp: We'll take it on notice and see what we can provide.

Senator WATT: Then, if you could also ask—

ACTING CHAIR: It may be necessary to qualify the reliability of what you're providing as well.

Ms Beauchamp: As I mentioned, there is a reconciliation process through another portfolio, so we'd have to look at how that works.

Senator WATT: Could I also ask that you calculate, as best you can, what the spend will be by next Sunday, the 21st, if caretaker hasn't commenced.

Ms Beauchamp: Spending until Sunday?

Senator WATT: Sunday, 21 April.

Ms Beauchamp: Okay. Noting that we—

Senator WATT: or the reliability issues.

Ms Beauchamp: still won't have those actual expenditure figures until 45 days after.

Senator WATT: I understand. Is there anyone in the department who's here who knows anything about—I've forgotten the technical term, but—the frequency with which ads are placed or bought? For each of these campaigns, is there an even spread every single week or do they ramp up? Do they ramp down?

Ms Grieve: The media plan is designed to meet the objectives for each individual campaign, so they will differ according to the target audience, the budget, the channels that are being used and the length of time that it will be in market. But certainly the master media-buying agency is looking to see how they can provide the most efficient use of the media-buy money and reach the target audiences as frequently as possible.

Senator WATT: For any of the campaigns that we've been talking about, have any of the numbers of placements increased, say, over the last fortnight? So, for the ones that started in February, did they start at a relatively low number of placements and increase as time has gone on?

Ms Grieve: I'd have to look at them individually, but that's generally not how we would approach a campaign. You usually start at a reasonable level of intensity to try and build awareness at the beginning of a campaign, and then keep that going for a period of time.

Senator WATT: To make life easier why don't we just focus on the four biggest campaigns, which are the PBS, private health insurance, Health Star Rating and Get the Facts on immunisation. They're all the ones that are over $3 million. Would you mind having a look at those—and answer this in whatever terminology is best—but I'm looking at: did they start big and then decrease, or has there been an increase in the number of placements as time has gone on?

Ms Grieve: We can have a look at that.

Senator WATT: Thanks. Just remind me, what do the caretaker provisions have to say about whether these ads can keep running after an election is called?

Ms Beauchamp: The Department of Finance will make that decision when the Prime Minister calls the election.

Senator WATT: That's right. Again, on a case-by-case basis?

Ms Beauchamp: Yes.

Senator WATT: I have a few questions on the PBS campaign. You've told us the budget for this campaign is $5.6 million—it's the most expensive campaign. I don't know if you've seen this, but the journal Pharma in Focus has reported that the campaign is running from 28 March to 20 April—is that correct? That looks like that's similar to the information that you tabled last week.

Mr Yannopoulos: My information says it's running until 13 April.

Senator WATT: Which is what? What day of the week is that? A Saturday?

Ms Beauchamp: Saturday.

Senator Scullion: This coming Saturday.

Senator WATT: Should an election be called on Sunday, as seems to be widely speculated, this ad would run up until the day before the election's called.

Senator Scullion: If those hypotheticals are correct. There's some speculation it'll be today. There was much speculation it was last Sunday, and that would put the hypothesis that this is somehow being scheduled around an election—it really scotches that idea.

Senator WATT: We've already gone over the fact that pretty much all of the big advertising campaigns started in February, in the weeks leading up to a campaign.

Senator Scullion: They started in February, in the weeks leading up to the start of a calendar year as well. I know you've been trying to make the case that somehow this is all to do with an election campaign and particularly in areas where we had the private health insurance premiums. When we started it, we talked about the private health ministerial advisory council and we talked about the submissions from the wider community about sexual interest groups calling for people to have a better understanding of this process. All I'm indicating is the speculation that the election will be called and this somehow finishes the day before—well, the speculation has already got it wrong on two occasions. I just can't see that the connection is there. We're simply not that well-organised in government to be able to specify it on any day—nor do I suspect is any government.

Senator WATT: That's the most honest thing I've ever heard said by a minister from this government at estimates!

Senator Scullion: Well, stick around!

Senator WATT: Your honesty is growing as your tenure is decreasing—

Senator Scullion: No, it's been consistent, I assure you.

Senator WATT: and your leaving parliament approaches. Are there any other moments of honesty you want to share with us?

Senator Scullion: It is an observation, and this observation is that we've made the case that whether it's private health or any of these other matters—and I know you'd like to try to make the case from the department that these are somehow connected with this conspiracy. These are dates that are well beyond my pay grade that will be set eventually. That we are going to an election on a particular date—as I've indicated, there has been quite a lot of speculation, which I had no idea about, over a number of days. That hasn't happened. I'm not sure whether any further speculation—I suppose the form narrows a bit as you march on in the year. I don't think that case can be made.

Senator WATT: So are you saying that the government would like to put its ads around the timing of the election but it's will not organised enough to be able to do that?

Senator Scullion: Not at all. I was just trying to squash the idea that you're trying to put forward that this is all a conspiracy around releasing it exactly the day before the election. If we go to an election on Saturday, then this election campaign stops exactly the day before. Obviously the government has got this right. I just don't think government can work around a series of speculated dates. We've had three dates. We've got it wrong on two occasions. I think it's preposterous to indicate that the department is also part of some sort of campaign. I won't go to any of those sorts of more excessive words. I'll just leave it at: I do think is plausible that the department is involved in this as well. It's just not something that is even vaguely plausible.

Senator WATT: Yes, we've already heard that it's actually a decision of ministers to decide the timing of these campaigns. I'm not accusing the department—

Senator Scullion: And that is in concert with the departments and with the sector and with advisory bodies, as is the usual case.

Ms Beauchamp: Sorry, can I just confirm that, with the reports the Department of Finance puts out annually and the campaigns that have been running within this portfolio, the profile of expenditure has generally been in the first half of the year for significant campaigns, whether they be tobacco, health star rating, immunisation or the like. So I don't think there's anything exceptional in terms of the expenditure and time frame this year compared to previous years.

Senator WATT: Okay. So this $5.6 million PBS campaign is running from 28 March until I think you said 13 April.

Mr Yannopoulos: That's correct.

Senator WATT: Is there any reason that such a large campaign is being run over such a short period of time? That's the largest campaign the department is funding this financial year, and all of the advertising or whatever else is happening is effectively happening over two weeks.

Ms Grieve: It's over three weeks and it does include a range of channels, including newspapers and television. Spreading that expenditure over three weeks provides a reasonable level of reach.

Senator WATT: It's 16 days, not three weeks, isn't it? It's 28 March till 13 April. The largest advertising campaign for the department involves spending $5.6 million over 13 days in the two weeks leading up to an election being called. That doesn't ring any alarm bells for anyone?

Ms Beauchamp: As I've mentioned, we don't look at putting together campaigns that go through a number of independent committees and a subcommittee of cabinet on the basis of whether there's going to be an election or not. It's on the merits of the case, and, in this particular case, it had been through the independent communications committee and the subcommittee of cabinet. We do try and work within the funding envelopes that we're given and look at the best way of getting the messages out there, based on market research.

Senator WATT: I've just done some quick calculations: $5.6 million for a 16-day advertising campaign is $350,000 a day in the two weeks leading up to when an election is likely to be called.

Mr Yannopoulos: The media-buy portion of this campaign is $3.8 million.

Senator WATT: Sure, but the campaign as a whole is $5.6 million. But let's accept what you're saying for a moment. So it's $237,500 in ads a day in the two weeks leading up to the likely calling of an election. Again, that doesn't ring any alarm bells for anyone? That's an awful lot of money to be spending every single day.

Ms Beauchamp: It has been through a number of processes. We do not look at running campaigns if it's before an election or not. It's the merits of the campaign, based around policy changes, information in relation to the budget and the like.

Senator Scullion: I bemoan as well, Senator, the actual costs of communicating with Australians. It is a national media campaign to assist people in understanding what's happening with the changes around the provision of services. It's unsurprising that that would cost $300,000 a day, particularly television, radio and news buys—they don't come cheaply, I can assure you.

Senator WATT: I know they don't come cheap. I'm just questioning why the government thinks it's appropriate to be spending $350,000 a day on one campaign to pump up its own tyres for the two weeks leading up to an election being called.

ACTING CHAIR: For the sake of those who are listening at home, can we just better understand what exactly the program is? My understanding is that it's about pharmacists providing better information to consumers about appropriate use of medicines.

Senator Scullion: That's right.

ACTING CHAIR: Have I understood that correctly?

Senator Scullion: I don't think there are any tyres involved at all, Senator.

Senator LINES: There was talk earlier of a media plan. Are you able to table that?

Mr Yannopoulos: We might have to take that on notice.

Senator LINES: I'm asking if you can table it, not take it on notice.

Ms Beauchamp: Normally we provide information around media plans and market research once the campaign is completed. I'd like to take that on notice and see what we can provide to you around the media plan.

Senator LINES: I was hoping that you could make a decision and table something today.

ACTING CHAIR: The secretary said she'll take it on notice.

Ms Beauchamp: I'll have a look and see what we can table today but I think, in terms of the chair's comments, it's probably worth noting the intent for consumers around this campaign that's being run.

Mr Yannopoulos: The campaign is focusing on raising awareness of the role of the PBS and the importance of providing low-cost disease-preventing and life-saving medicines to consumers, the importance of using medicines as prescribed by healthcare providers to maximise benefits and that the misuse of medicines can cause harm. It's encouraging consumers to find out more information by speaking to a health professional or visiting our website, health.gov.au/pbs. In terms of timing, we began the research phase for this in mid-December last year, and it is through some of the things that are going on—the rise in opioid use, the misuse of prescription medicines—that framed the research phase for the campaign that is now in the market.

Senator LINES: Can I just revisit the media plan? The media plan was mentioned when Senator Watt asked about ramping up and ramping down and the reference was to the media plan. Now, you've just told us that the media plan's in a better state when it's completed. So what's in the media plan?

Ms Grieve: The media plan outlines the channels in which the advertising will be run, the weeks in which it will run in each channel and how the expenditure will be split between those channels.

Senator LINES: So that's what I'm asking to be tabled.

Ms Beauchamp: I don't think that's as complex, and we'll have a look and see what we can table today.

Senator LINES: And we'd like it tabled today, thanks.

Senator WATT: So, what exactly is this campaign that runs for 16 days at a cost, once you average out all the costs of the campaign, of about $350,000 a day buying?

Mr Yannopoulos: So, it's buying $1.14 million of television, $1.1 million of newspapers, $778,000 of radio, $421,000 of digital—that is, online videos, digital display, social media and research—and out of home, so that's in GP clinics or inside pharmacists, $154,000. We also translate to culturally and linguistically diverse audiences across those channels at a cost of $156,000 and we also target our Indigenous Australians with $63,000 of translation.

Senator WATT: And what's the problem that this campaign is trying to solve? A vaccination campaign, for example, is designed to drive up immunisation rates. What's the purpose of this campaign? What's it trying to solve?

Mr Yannopoulos: Safe and effective use of medicines that are prescribed by your health professional.

Senator WATT: If that's the objective, is it necessary then for these ads to talk about the PBS helping keep medicines affordable or that it reduces the cost of medicines by 89 per cent? That's not about encouraging people to use medicines safely, is it?

Ms Shakespeare: There are a range of messages in this campaign. We are aware and have been for a number of years that there are low levels of awareness in the community about the PBS. We undertook market research as part of the biosimilars awareness campaign in 2016 where we were trying to raise awareness of the appropriate use of medicines like biosimilars, except many of our campaign messages were complicated by the fact that people really didn't have a baseline understanding of the PBS itself. So, this campaign assists with explaining how the PBS works to the community. It also helps us with key messages around other reforms and pieces of work that we're undertaking at the moment, trying to improve people's understanding of how to take the medicines and how important it is for people to use their medicines as directed by their prescribers and also in consultation with their dispensers. There were changes announced in this budget to expand community pharmacy programs to help consumers to ensure that they're taking their medications appropriately, so it links in with recent changes announced by the government.

Senator WATT: I've just pulled up one of the newspaper ads for this PBS campaign—I actually haven't seen it; I'm obviously not reading the right newspapers. It's got a sort of a medicine canister or whatever and PBS down the bottom. It's got a massive headline: PBS on average reduces the cost of medicines by 89%. Then there's a handful of words about:

… always use medicines as directed and don't share or stockpile.

But 90 per cent of this ad is about the PBS reducing the cost of medicines. So it sort of goes against the argument that the purpose of the campaign is about safe and effective use of medicines, doesn't it, if it is all about how it's reducing cost?

ACTING CHAIR: Senator Watt's promotion of the public health campaign is not included in your costs, is it?

Mr Yannopoulos: No.

Senator WATT: We often talk about the benefits of the PBS—which I think you'll probably find is a Labor government initiative, much like Medicare itself—but I don't charge taxpayers millions of dollars for the privilege.

ACTING CHAIR: The use of the PBS is not a Labor policy.

Senator WATT: I'm just having a quick look at these materials. Every advertisement I'm looking at talks about the Australian government keeping the cost of medicines low, but we're paying $350,000 a day for the two weeks or 16 days leading up to the likely calling of an election to tell people that the Australian government is reducing the cost of medicines.

ACTING CHAIR: But if Senator Watt were to go to the website, he would see a big sign with 'Safer Use of Medicines' emblazoned in big words, fact sheets and a whole range of things.

Senator WATT: I am looking at the website. That's where I pulled the campaign resources from.

ACTING CHAIR: Well, then you might want to put on some other glasses, because 'Safer use of medicines' and 'Managing your medicines' are key parts of the campaign.

Senator WATT: I'm looking at the campaign materials—which I assume is what the bulk of this money has been spent on—rather than fact sheets which get put on a website. We just heard about a million dollars for TV, a million for newspapers and $778,000 for radio. That's where the bulk has gone to, rather than putting a few fact sheets on a website.

Ms Shakespeare: The campaign materials do refer people to information contained on our website, which includes information about how you return unused and unwanted medicines. It contains information about the pharmacy programs that people can access at their local pharmacy, dose administration aids, meds checks and diabetes meds checks. They are the key campaign messages on providing information to people about those programs.

Senator WATT: Am I right that one of the TV ads is set in a pharmacy?

Ms Grieve: Yes.

Senator WATT: Presumably, that ad was filmed in one of the thousands often community pharmacies that exist around Australia?

Ms Grieve: Yes, it was.

Senator WATT: Do you know the location? I don't want to give up the individual pharmacist.

Ms Grieve: I don't know the exact location but it was Melbourne based.

Senator WATT: So it was filmed in a community pharmacy?

Ms Grieve: I would just add that the pharmacy was dressed appropriately for filming an ad. Very significant care was taken to make sure that we wouldn't be able to identify particular medications et cetera. We were able to substitute generic brand medicines on cabinets et cetera to make sure that we complied.

Senator WATT: There have been some reports that it actually involved the building of a set for filming this ad on. Is that not correct?

Ms Grieve: Only so far as we had to do some work within the pharmacy to make sure that we would not be able to identify particular brands of medicines.

Senator WATT: Do you happen to know the cost of that?

Ms Grieve: No, I don't. I'd have to take that on notice.

Senator WATT: But it was pretty minimal work, was it? It wasn't a major restructure of the pharmacy?

Ms Grieve: No. As a film shoot goes, it was very straightforward.

Senator WATT: I reckon that's probably it for us for cross portfolio.

ACTING CHAIR: If there are no more questions for whole-of-portfolio corporate matters, we'll move on to outcome 6: Ageing and aged care. Senator Watt has the call.

[09:54]

Senator WATT: Thanks again for joining us. The first thing I want to go to picks up on some questions that my colleague Senator Polley was asking last week. We've obviously raised lot of questions about the home care packages and the waiting list. There are 128,000 people who are still waiting for home care packages. Last week, we asked the department whether it had prepared any briefings or provided any advice to the minister's office about including more home care packages beyond the 40,000 packages that had already been announced. Do you recall that discussion last week? Could you remind us of your answer? Did the department prepare any briefings or provide advice to the minister's office about including more home care packages in this year's budget?

Ms Beauchamp: As part of the process—and I think I mentioned it last week—we do provide information and advice on what some of the options might be for budget-in-confidence discussions. Yes, we do provide advice on an ongoing basis in terms of the options government might like to consider in terms of the rollout of aged-care services.

Senator WATT: So the department did, then, in the process of leading up to the budget, provide advice to government around the provision of additional home care packages beyond those that have already been announced?

Ms Beauchamp: I won't go into the detail, because it's obviously budget-in-confidence, but since last year's budget, not this year's budget, government has considered the option of providing additional home care packages.

Senator WATT: Did any early versions of budget documents for your department provide for additional home care packages?

Ms Beauchamp: I don't think I understand your question, Senator.

Senator WATT: In the weeks leading up to the budget, as draft budget documents are being prepared, were any earlier drafts of those budget documents predicated on additional home care packages being provided?

Ms Beauchamp: I can't go into the details of what's provided in a draft budget context.

Senator WATT: You probably saw a report in the *Financial Review* on 6 April—that is, last Saturday, a few days after the budget and I think one day after estimates—a report from Phil Coorey, which states:

The federal government made a late decision to ...

ACTING CHAIR: Have you got a copy of the article?

Senator WATT: I do.

ACTING CHAIR: Could you table it for the sake of completeness?

Senator WATT: Sure. I have a few copies here. I presume you've seen this report?

Ms Beauchamp: I have seen it, but it would be good to have it in front of me.

Senator WATT: Sure. It's even double-sided! You'll see there that the opening paragraph states:

The federal government made a late decision to withdraw 10,000 extra home care places from Tuesday's ... budget, prompting warnings from the aged care sector that this would only increase costs for the taxpayer.

Is that report correct?

Ms Beauchamp: I can't comment on any reports that may be through the media and I won't comment on any decisions taken by government in the budget context.

Senator WATT: Ms Beauchamp, when did you find out that this budget would not include any additional home care packages on top of those that were announced in February this year?

Ms Beauchamp: I'm not going to comment on any decisions or even draft decisions that were considered in the budget context.

Senator WATT: I'm deliberately not asking you what recommendations you provided and what policy advice was provided, but it is appropriate in estimates to ask questions about when briefings were provided, when decisions were made and when you were advised of decisions. I'm trying to confine my questions to that.

Ms Beauchamp: Sorry, it just sounds like a hypothetical to me. That's why I could not comment on—

Senator WATT: It's only a hypothetical if it didn't happen. Are you saying that there was never—

Senator Scullion: That's not true.

Senator WATT: If it actually happened, it's not hypothetical.

Senator Scullion: You're asking the officers: 'When did you know that the 10,000 places that were not provided, according to a newspaper article?' All of it is subject to budget confidence. Obviously any answer to that question would give an insight to budget deliberations. I'm just trying to be reasonable, but that isn't a reasonable question to ask an officer. You can ask it of me, if you like, and I would tell you that page 2 of the article states that the minister's office—and I'm here on behalf of the minister—indicated that they disputed the claim. Whilst notwithstanding the great credibility that Mr Coorey brings with him, this is just again anonymous sources. This is estimates. We'd much rather answer some questions on the basis of facts.

Senator WATT: I'm sure you would much rather not answer questions about this, Minister. I'm sorry, you don't get a chance to decide that.

Senator Scullion: It's not actually a thing we're answering on. It is some sort of hypothetical, 'If this happened, did this or did this not happen?' I have indicated that the officers at the table are unable to do so and that, in fact, in that same process, the minister's office has disputed the claim. That's a fact. They disputed the claim that that happened. The minister as a matter of fact has disputed it.

Senator WATT: You read out half of that sentence.

Senator Scullion: I read the entire paragraph.

Senator WATT: No, you read out half of it.

Senator Scullion: Sorry, 'extra places'—

Senator WATT: It says:

… which was verified by separate sources, that extra places were culled in the final days when the budget was prepared.

I'm sorry that I don't believe every word that comes out of the office of Minister Hunt.

Senator Scullion: The minister has said, 'No, that did not happen.' The minister had all of the information available to the minister's office and he said, 'No, it didn't happen.' What the journalist has done, just in case people took that for granted, is say that it was verified by different sources et cetera. That's to try to diminish what the minister's office said. That's clearly what the journalist was trying to do here. That's not uncommon.

Senator WATT: We shouldn't believe the separate sources? We should believe the office of Minister Hunt?

Senator Scullion: Dead right.

Senator WATT: Why would anyone believe the office of Minister Hunt?

Senator Scullion: Because Minister Hunt is actually a person who has been identified. His role in this has been identified. He is the minister. It's a very significant post. The minister has indicated that that claim is untrue. The article points to people unknown and alludes that those people unknown know more than the minister. Often we find people putting those things in the paper. I would certainly take Mr Hunt's view, given his intimate knowledge of these matters, over some vague people unknown.

Senator WATT: So you reckon the separate sources don't have any intimate knowledge of what occurred?

Senator Scullion: All it is is an article. We just have the words 'separate sources'. We have 'Health Minister Greg Hunt' and 'separate sources'. I think any reasonable person would say: 'I'll go for Minister Hunt. He's an actual person who put his hand up for it. "Separate sources"? I don't know if that's a person or documents.' We are trying to keep it so that we're not selectively taking something out of an article.

Senator WATT: The reason I am asking these questions of departmental officials is that, given what Minister Hunt has said here—and I wouldn't expect you to depart from that—I'm interested in the involvement and knowledge of departmental officials.

Senator Scullion: By all means continue. I'm not trying to interfere with the questioning. I'm just saying that there's a point at which they are not able to answer on processes that are subject to cabinet confidence. The fact that they don't answer means nothing more than that they're just following standing orders.

Senator WATT: Well, we also asked a number of questions last week about the shambles of the government making—I think 'not that well-organised', was the way you put the government's behaviour earlier.

Senator Scullion: Well, I think you overrate all governments, Mate, by knowing that they can land a proposition on a single day, within a six-hour window. I think you're giving all governments a bit much credit.

Senator WATT: Okay, then I'll use your language rather than 'shambles'. We asked questions and received answers last week about the 'not that well-organised' government's decision to extend the energy supplement to Newstart recipients—a different portfolio, but in Community Affairs; it was in the Department of Social Services. And we did receive answers from officials there about the timing of decisions made to include things and to exclude things. So, I don't see why we shouldn't be able to ask those questions—

ACTING CHAIR: You are free to ask the question, and the secretary is free to answer it as best as she sees fit. There's no dispute about that.

Senator WATT: So, those Social Security officials did the wrong thing by answering quite appropriate questions last week?

Senator Scullion: We don't know the context of those. I'm certainly not aware of the context of those questions.

Senator WATT: Well, it's been all over the media.

ACTING CHAIR: If you think they've done the wrong thing, you're free to pursues that elsewhere.

Ms Beauchamp: Perhaps I could just put a couple of things on the record. We don't talk to journalists. We provide advice to ministers on an ongoing basis, and of course in the aged-care sector, with the level of scrutiny from the royal commission and others, we're providing advice on an ongoing basis. This article, whilst we don't refer to media as a source of evidence for things that we do, does refer to the 40,000 places that have been added since 2017. You're referring to a $10,000 figure over the period of the forward estimates, which we commented on last week. There are going to be an extra 33,000 home care packages over the forward estimates period. I just wanted to put the facts on the table, and I think we don't use media as a source of advice in terms of our work with government.

Senator WATT: Let me ask again. Did the department ever prepare documents, whether it be budget or otherwise, that were predicated on an additional $10,000 home care packages being announced in this year's budget?

Ms Beauchamp: We have provided information and modelling in the context of the budget—not just the last budget but MYEFO before—when there have been significant additional places added in terms of home care packages.

Senator WATT: That's what you've done in general terms.

Ms Beauchamp: Yes.

Senator WATT: Does that mean, then, that since February's announcement the department has prepared modelling based on the provision of extra home care packages?

Ms Beauchamp: We provided that last budget and continue to do so.

Senator WATT: When was the most recent time that the department provided that type of modelling to government?

Ms Beauchamp: I'd have to take that on notice.

Senator WATT: Is there anyone we have here who was a bit closer to it and might know?

Ms Beauchamp: I'm not sure, but—

Senator WATT: Well, let's narrow it down. Was any modelling of that kind, around the provision of extra home care packages, prepared for government since February this year?

Ms Beauchamp: I'm not going to comment on specifics around the provision of information for inclusion in the budget. As I've said, we have provided advice and modelling for government to consider options over the past 18 months.

Senator WATT: Okay. Let's forget about the budget for a moment. Was any modelling prepared by the department around the provision of extra home care packages since February—for any purpose, whether it be the budget or any other purpose?

Ms Beauchamp: We have provided information on home care packages and costings over the course of the last 18 months—since the 2018-19 budget.

Senator WATT: Thank you. I understand. And I'm asking specifically: since February this year.

Ms Beauchamp: I'd have to take that on notice. But, as I said, we provide information and advice on an ongoing basis to our ministers.

Senator WATT: On an ongoing basis.

Ms Beauchamp: Yes.

Senator WATT: I don't expect you, Ms Beauchamp, to be across every single piece of work that your department does—that would be impossible to ask of anyone. Is Dr Studdert the official who oversees the preparation of that type of modelling in the department?

Ms Beauchamp: Yes, in terms of aged care, but we provide modelling and information on an ongoing basis.

Senator WATT: I've heard you say that multiple times.

Ms Beauchamp: I'm not going to go into the details of what we've specifically provided.

Senator WATT: It is entirely—

Ms Beauchamp: Whether it has been included in the budget or not is another—

Senator WATT: I'm not asking about the budget. So, Dr Studdert, if you're the official who oversaw the preparation of this modelling on ongoing basis, my question is whether the department prepared any modelling—presumably, as to the cost or other consequences—around the provision of additional home care packages. Did any modelling of that kind get prepared by the department since the February announcement of more home care packages?

Dr Studdert: I don't know the answer to that. I'm happy to take it on notice. But I should note that the numbers and the way you do the calculations around additional packages don't change significantly month-to-month, and it's a piece of work that is refreshed from time to time. But the minister's officers themselves are very familiar with how to do that work as well, so I don't think it's something, necessarily, our officials would have to do or provide if that was what government was contemplating.

Senator WATT: So who is the official below you who is in charge of this type of modelling or prepares that work for you?

Dr Studdert: There' a whole team that does that, and—

Senator WATT: Is the head of that team here?

Dr Studdert: No.

Senator WATT: Is there no-one here who was involved in the refreshing of this information?

Dr Studdert: But I'm not sure to what end, Senator, because, as the secretary has said, that work is done on an ongoing basis—

Senator WATT: I know, but I can't get an answer. I've got a really precise question. I know it's been done on ongoing basis. I know it's been done for 18 months. I know it's been done at the last budget. I'm asking: since the announcement was made in February around more home care packages, was any new modelling or refreshing—however you want to put it—around the provision of extra home care packages undertaken by the department? That's a pretty reasonable question to ask.

Dr Studdert: I think it's highly unlikely it was done outside of the budget context, because that is the basis on which we engage with the minister's office on this particular issue.

Senator Scullion: But, if there was anything outside of the budget context, perhaps we can take that on notice?

Dr Studdert: I'm happy to see if anything was done outside of the budget context and get back to you.

Senator WATT: But you're not prepared to comment on whether any work of that kind was undertaken in the budget context?

Ms Beauchamp: Senator, we started working on the budget the day after—I think I mentioned last week—MYEFO. So we go through a whole range of options, modelling, budget considerations and the like, as you would appreciate, in terms of providing options to government, and we would've done that from December last year.

Senator WATT: So, Dr Studdert, when did you learn that there were not going to be any more home care packages announced in this year's budget?

Senator Scullion: That would be a reflection on a budget decision.

Senator WATT: Can I just get Dr Studdert to answer the question?

Senator Scullion: I'm just helping you out—

Senator WATT: She's a dep sec. I'm thinking—

Senator Scullion: I know that.

Ms Beauchamp: I don't think we should comment on decisions taken or not taken within the budget context.

Senator WATT: I'm just asking when she learned—

Ms Beauchamp: These are decisions by the government, and of course we're privy to budget deliberations, but they're decisions made by government.

Senator WATT: I'm not asking what form of words Mr Hunt used or his office used. One of the key things we do in estimates is to ask when decisions were made, when people were advised, when briefings were provided. If we can't ask these questions, we might as well not be here.

Ms Beauchamp: I think you're asking us when decisions weren't made, and I don't think we can comment on what's not included in the budget.

Senator WATT: Well, that is an active choice.

Ms Beauchamp: But there's—

Senator Scullion: There has been no confirmation at all that the proposition that you're putting even existed, Senator.

Senator WATT: Well, I'd be happy to have confirmation.

Senator Scullion: No, no. You don't have to confirm every—

Senator WATT: This is why I keep asking. Were documents ever prepared—

Senator Scullion: The reason that we're not able to confirm or otherwise is that all of those processes are part of the budget process and subject to cabinet-in-confidence. Any questions that are outside of that are allowable—

Senator WATT: So the reason you won't confirm is because you won't confirm—not because it didn't happen.

Senator Scullion: Well, we haven't confirmed it's happening at all.

Senator WATT: No. I know.

Senator Scullion: We can neither confirm nor deny. It finished.

Senator WATT: If you're telling me this media report is wrong—

Senator Scullion: Well, it's not only that I'm telling you that it's wrong. The minister has said so. The office of the health minister, Greg Hunt, disputed the claims. So he has said it's wrong.

Senator WATT: Thank you, Minister. Ms Beauchamp, is it wrong for this journalist to be asserting that the government made a late decision to withdraw 10,000 home care packages. Is that wrong?

Senator Scullion: She's not able to answer the question in the context of the budget. I'm just helping with the standing orders—

Senator WATT: Can you let her answer the question?

Ms Beauchamp: I can only reflect a quote that's included in the article. I don't know the efficacy of the article at all, and I'm not going to draw on media reports as evidence—

Senator WATT: Which is the quote?

Ms Beauchamp: It says the office of the health minister, Greg Hunt, disputed the claim, which is—

Senator WATT: Yes, but that's not you. Are you asserting that this media report is wrong in claiming that the government made a late decision to withdraw 10,000 home care packages, or is it correct, or are you not willing to comment?

Ms Beauchamp: I'm not going to comment on anything that was included in the budget context.

Senator WATT: So you're not disputing this article? You're not saying it's wrong.

Senator Scullion: You're asking the officer for an opinion on what she thinks about an article—

Senator WATT: No, I'm not asking for an opinion—

Senator Scullion: Most importantly, the article has been refuted by someone who—

Senator WATT: By a man who goes around yelling at mayors in Katherine. I don't think I want to believe him—

Senator Scullion: is the minister—

Senator WATT: thanks very much—

Senator Scullion: I'm sorry. But I have a great deal of faith in Minister Hunt. He's a very reputable and honest man.

Senator WATT: Except when he's dealing with mayors in Katherine—

Senator Scullion: He has disputed the claim. That's all I know about it. But you can't ask an officer for an opinion about an article—

Senator WATT: I'm not asking for an opinion. I'm asking for a factual answer—

ACTING CHAIR: Let's just pause for a moment and allow Senator Watt to regroup and allow the minister to regroup. Senator Watt, do you have a question?

Senator WATT: I do. It's the same question I've been trying to get answered for probably the last half an hour.

ACTING CHAIR: Then you may find yourself getting the same answer.

Senator WATT: No. I'm not asking for an opinion. I'm not asking whether you think Phil Coorey is a good or bad bloke—

ACTING CHAIR: Ask the question, Senator Watt.

Senator WATT: The question is: is this report wrong in asserting that the government made a late decision to withdraw 10,000 extra home care packages. Ms Beauchamp, what I think you're saying is that you're not prepared to comment on whether this report is right or whether it's wrong.

Ms Beauchamp: All I can say is what was included in the budget, and it was 10,000 packages which were announced in February.

Senator WATT: That's not my question. I know that. It's in the report. We know that. My question is whether this report is accurate and you're certainly not saying it is accurate. It doesn't sound to me that you're saying it's wrong. It sounds that what you're saying is that you're not willing or not able to comment on the accuracy.

Ms Beauchamp: You would appreciate that the government makes a number of decisions through the budget process—what's included, what's not included—and I don't think it's of merit to comment on those trade-offs that government makes between options it has in front of it about budget decisions.

Senator WATT: I'm not saying that you're a bad person if you don't confirm this, but that is the case is it that you're not able to comment on the accuracy of this report?

Ms Beauchamp: I don't think it is accurate from my observations and in terms of what has been reported in here.

Senator WATT: So it's wrong to assert that government made a decision to withdraw 10,000 home care packages?

Ms Beauchamp: I can say that the government considers a number of options in coming and forming a budget—some things are included and some things aren't. I don't know why we're just looking at one element.

Senator WATT: Because there are 120,000-odd people waiting for home care packages.

Ms Beauchamp: And as I said, there are 33,000 additional places over the forward estimates. There's been 40,000 over the last 18 months, which has been a huge growth. What is in and out of the budget are decisions for the government.

Senator WATT: I think there are a lot of people on the waiting list, 120,000 people, who would be pretty happy if the government had decided to put in another 10,000 packages, which is why I'm asking about it.

Ms Beauchamp: The 10,000 that was included in the budget was announced in February.

Senator WATT: I understand that, and that's why we're focusing on what didn't end up happening in this year's budget. I think you said that you think that this report is wrong—

Ms Beauchamp: I think it's a hypothetical, because it's—

Senator WATT: It's not a hypothetical about whether the government made a decision to withdraw 10,000 packages. It either happened or it didn't.

Ms Beauchamp: From the use of the language 'withdraw' I would not agree. I would say the government is presented with options in terms of what to include and what not to include in the budget across a whole range of activities.

Senator WATT: Let's leave the word 'withdraw' aside. When did you learn that the budget was not going to include any additional home care packages beyond those that were announced in February?

Ms Beauchamp: As we said, we started working on the budget the day after MYEFO and the announcement of the 10,000 in February was included in the budget.

Senator WATT: I understand that, and I appreciate you reminding me of things that we've talked about before, but my question is: when did you learn, or the department learn, that the budget was not going to include any additional places beyond those that were announced in February?

Ms Beauchamp: We're are obviously privy to a lot of information that goes through the budget process in terms of measures that might not or might be included.

Senator WATT: And when did you learn specifically about this one?

Ms Beauchamp: I'm not going to comment on the content of those options that have been put to government.

Senator WATT: Did you know before the budget was announced?

Ms Beauchamp: I said I'm not going to comment on the content of measures that the government considered in the budget context.

Senator WATT: Did the department prepare any media releases, promotional material, letters to stakeholders— any material whatsoever—that referred to additional home care packages being provided in the budget?

Ms Beauchamp: From my recollection—I will ask Dr Studdert—I think we provided information in relation to the 10,000 packages released in February.

Senator WATT: Again, as budgets are prepared and things are possibly on the table and possibly not on the table, I know the departments also prepare media releases and letters to stakeholders around what is in the budget. And, depending on what's in the budget, things get changed and the final version is settled. I'm asking: leaving

aside the information that was provided about the February announcements, did the department prepare any media releases, letters to stakeholders or other material that referred to additional home care packages being provided in this budget?

Ms Beauchamp: I'm not aware, but we prepare a lot of different materials for lots of measures that might be included in—

Senator WATT: Dr Studdert, do you know?

Dr Studdert: I don't believe so. I was working on the budget in the aged-care space from early March, and I know we had 14 measures, including one that was the 10,000 places announced in February. That was a pretty stable set of measures and budget materials from about that time.

Senator WATT: Is it correct that the department does prepare media releases and letters to stakeholders to inform them about budget announcements?

Dr Studdert: I'm not aware of any letters. We certainly prepare fact sheets, which are shared with stakeholders on the evening of budget. Media releases—very factual first drafts—are provided, based on the detail of the measures.

Senator WATT: Is that sort of material prepared within your section, or is there a communications section of the department that does that?

Dr Studdert: It's a joined up process between our communications area, our budget area and our business areas.

Senator WATT: Do we have anyone here from the communications area who could come to the table as well?

Ms Beauchamp: We do have a person, who you spoke to earlier, from the communications area.

Senator WATT: I think it was Ms Grieve. Is she still around?

Ms Beauchamp: I'm not sure.

Dr Studdert: We all have visibility of the same products and the process.

Senator WATT: Having been involved in them, they're pretty fluid and different people do different things at different times. Did you say it's a joined up process between your part of the department, the communications part and the budget team?

Dr Studdert: Yes.

Senator WATT: Do we have anyone from the budget team here who can join us?

Ms Beauchamp: We do put the communications and budget team together as we go through the development of the budget.

Senator WATT: Yes. I've never done it at a federal government level, but it's pretty similar in state government; I remember the process. Mr Yannopoulos, can I begin with you more generally. You're involved in the preparation of budget material?

Mr Yannopoulos: That's right.

Senator WATT: When did you learn that the budget was not going to include any additional home care packages, beyond those that were announced in February?

Mr Yannopoulos: I don't know whether I learnt it. I only deal with the decisions that the government has made. So, in leading that process, there wasn't a decision to not—

Senator WATT: Are you and your team involved in the preparation of the options that go to government in the lead-up to the budget?

Mr Yannopoulos: Yes.

Senator WATT: So did you or your team ever prepare options for government that included the provision of extra home-care packages in the budget?

Ms Beauchamp: I think I said I wasn't going to comment, and we should not comment as officers on the content of options put to government in a budget process.

Senator WATT: I think that's a request, Mr Yannopoulos.

ACTING CHAIR: No. Mr Yannopoulos is free to refer it to a senior officer.

Mr Yannopoulos: I would only echo what the secretary has said.

Senator WATT: I think that's a wise move, Mr Yannopoulos.

Ms Beauchamp: They are budget-in-confidence.

ACTING CHAIR: You would know that from your experience, Senator Watt.

Senator WATT: The preparation of fact sheets and other material to inform stakeholders and the public about budget announcements, is that a joint effort across your three teams?

Mr Yannopoulos: That's right. We integrate the teams as the decisions are being made. The communications team joins my budget team with the policy area, in this case, Dr Studdert—because the timing is tight, because decisions get made close to the end—to ensure that we can get all of that correctly framed.

Senator WATT: I'm very interested in decisions made close to the end.

Mr Yannopoulos: Sure.

Senator WATT: Maybe even on budget night.

Senator Scullion: But that entire spectrum is of course consideration, preparation of budget, and all of those matters are still covered by the cabinet-in-confidence.

ACTING CHAIR: By the big cloak.

Senator SCULLION: Indeed.

Senator WATT: So are any of you aware of whether early drafts of fact sheets or other material informing stakeholders and the public about budget announcements included any reference to additional home-care packages being provided in this year's budget beyond those announced in February?

Dr Studdert: As I said earlier, the suite of measures for the budget, which was 14 measures, $6.5 billion worth, was stable from at least early March and, as Mr Yannopoulos said, we take decisions of government and work those into the materials that are prepared.

Senator WATT: That's right. From March, there were 14 central measures—

Dr Studdert: Just 14; that's it.

Senator WATT: depending on what options are included in the budget—things may be added in; things may be taken out.

Senator SCULLION: And all of that added in and taken out is part of the 'cloak' that you were describing.

Senator WATT: I'm not asking about budget decision making; I'm asking about material that was prepared by the department.

Senator Scullion: It would've been all been part of the same process of budget. It's not just a budget decision that is covered by that. If it's in or out of the budget, that a consideration of budget covered by cabinet in confidence.

Senator WATT: Are you aware of which any early drafts of that material included any reference to additional home-care packages in the budget?

Ms Beauchamp: Senator, you're still asking about the content of drafts and things that might or might not be included in the budget that finally came out.

Senator WATT: This is budget estimates.

Ms Beauchamp: I understand that.

Senator WATT: You ask questions about the budget.

Senator Scullion: That's right.

Senator WATT: Apparently not.

Senator Scullion: You can ask stuff about the budget. We are more than happy about the budget but you can't ask questions about how the budget was actually formed in consideration of those other matters, drafts of the budget or about what might have happened as part of the budget considerations..

Senator WATT: I know; I'm not. I'm asking about fact sheets prepared for stakeholders. Did any representative of the department inform the Council on the Ageing, who are quoted in this article, or any other stakeholder that the government was considering extra home-care packages in this year's budget?

Senator Scullion: I can't find the part where COTA has said that in the article.

Senator WATT: They haven't said that; I'm asking a separate question. So they're quoted in the article—

Dr Studdert: I'm fairly confident the answer to that is no because that would be a budget-in-confidence discussion, which we're not privileged to have with stakeholders.

Senator WATT: I'm just trying to understand why Mr Yates, the chief executive of the Council on the Ageing, the anticipated extra places went missing on budget night. It sounds as if he had some expectation.

Senator Scullion: I would suspect that, if Phillip Coorey had said to Ian Yates, 'Mate, how you feel about these extra places not being in the budget?' he would have said, 'Well, I'm a bit disappointed,' and Phil Coorey would have written exactly as here: Ian Yates was disappointed the anticipated extra places were very likely to be non-existent, because this entire story is hypothetical—

Senator WATT: Then they wouldn't be anticipated, would they?

Senator Scullion: That's how these things happen.

Senator WATT: The critical word there is 'anticipated'; Mr Yates appears to have had some expectation.

ACTING CHAIR: Another word for 'anticipated' could be 'guessed'.

Senator Scullion: No, Senator, that was part of the question Mr Coorey, no doubt, would have put to Mr Yates—that we have these anticipated processes. As Dr Studdert has indicated, in-cabinet considerations would not have been shared with stakeholders like COTA. So the only remaining opportunity for them to have this view that they were expected was in fact from Mr Coorey and his separate sources.

Senator WATT: When did Minister Wyatt, being the aged-care minister, learn that there were not going to be any additional places?

Senator Scullion: This is again a hypothetical—

Senator WATT: It's not hypothetical; it either happened or it didn't. You keep saying it's hypothetical.

Senator Scullion: No. The minister has said it didn't exist, full stop.

Senator WATT: I know, but Ms Beauchamp won't confirm it one way or another, which is fine—I'm not having a go.

Senator Scullion: The minister has said it didn't exist, full stop, so how can it be that Minister Wyatt might have known about something that the minister has already denied? These are all considerations of draft issues around the budget, and I can promise you that the officers aren't going to provide a commentary on it, because it's outside the standing orders of this place.

Senator WATT: It wouldn't be the first time Minister Wyatt has learnt about something that Mr Hunt's decided about when he reads about it in the paper, would it?

Senator Scullion: I'm not sure; you'll have to refresh me about that other time.

Senator WATT: Go back and have a look at the transcript of our previous estimates when we've talked about it.

Senator Scullion: I'm sorry, Senator, I'm not aware of that.

Senator WATT: If someone would just tell me whether or not this report is true, we could stop having this dance about whether it may have happened or might not have happened.

Senator Scullion: The secretary of the department has indicated she does not believe it is truth. There may be things happening—

Senator WATT: No, no. That's not what she said.

Senator Scullion: I don't know, because I don't have oversight.

Ms Beauchamp: I did say the use of the term 'withdraw' is incorrect. I did say that the government makes a number of decisions in relation to what's included and not included in the budget and that we will not go to the content of those considerations.

Senator WATT: But you, appropriately, haven't commented on whether options were prepared and considered by government to provide 10,000 extra home care packages in the budget?

Ms Beauchamp: I will not go into the detail of what options are provided.

Senator WATT: No.

Senator Scullion: And it's a good reminder that the minister has actually indicated that that is not true.

Senator WATT: Who knows what the minister's saying when he says he disputes the claim.

Senator Scullion: I'm just reiterating that the person who would have the most information on this has actually said no, that is not the case.

Senator WATT: Yes, so it's a live question, because it's not being answered, as to whether options were prepared and considered for government to announce another 10,000 home care packages. That's why I'm interested to know when Minister Wyatt learnt that the budget did not contain any extra home care packages.

Senator Scullion: That is a question that's eminently answerable. I think we'll have to take that on notice. I'll ask Minister Wyatt when he knew what the outcome of the budget was. As with all of us, even in our own capacity, there would be an announcement, 'This is the way the budget is' and there would have been a day or a time, I understand, when he would have received the budget papers and had that confirmed. We'll take that on notice.

Senator WATT: We're going to be coming back to aged care after morning tea, so if we could get an answer before we're finished on aged care, that would be much appreciated.

ACTING CHAIR: I thought the response was to take it on notice.

Senator WATT: It was.

Senator Scullion: And, if we can contact Mr Wyatt and we can find the details of when he received the budget papers—

Senator WATT: Thank you. One of the other assertions in this article is that the budget more generally, across government, contained $3.2 billion in spending cuts under the headline 'Decisions taken but not yet announced'. As I understand it, a spokesman for the government, whoever that may be, said:

> … these cuts were unannounced decisions contained in the mid-year budget update released in December but which were subsequently revoked in the lead-up to the budget.

Were any home care packages, or was the cost of any home care packages, contained in that $3.2 billion?

Senator Scullion: Can I indicate first of all, since we're referring to a spokesman or person, that we are unaware of who this might be. Normally, you would be able to say, 'Such and such, the spokesperson for government on these matters'. That's absent here. I'll just ask the secretary. We're unaware of who that spokesman might be. So it will be difficult to answer questions in regard to someone we don't know about.

Senator WATT: I accept that we don't know who that is. I wasn't going to make an issue about who it may or may not be. Forgetting about who it is, the question is simply whether the cost of any home care packages comprised part of the $3.2 billion in spending decisions made prior to MYEFO that were later revoked.

Ms Beauchamp: You would have to ask the Department of Finance what's included in that figure.

Senator WATT: But do you have no input into that whatsoever?

Ms Beauchamp: I do not know the details—whether the figure is indeed correct or what's included in that figure.

Senator WATT: I'm sure this isn't the first time this has occurred—that decisions are planned but not announced and provisions are made in budgets. If that occurs, your department has no knowledge whatsoever of whether your expenditure is included in that type of figure or not?

Ms Beauchamp: We do provide advice, and sometimes decisions are taken within the budget context and the announcements are not made. Yes, we do provide that.

Senator WATT: Mr Yannopoulos, given you're in charge of the budget section, do you know whether the cost of any additional home care packages forms part of this $3.2 billion?

Mr Yannopoulos: I don't know, because that $3.2 billion is not a number I've ever seen. So I'm unable to tell you what its components are.

Senator WATT: Do you know whether any expenditure in any part of the department was provided for in MYEFO but did not end up being announced in the budget?

Ms Beauchamp: I'd have to take that on notice, but, of course, that line item is for exactly that information in terms of decisions that have been taken and not been announced. But, in terms of whether decisions were taken and not announced in MYEFO and what resulted in the budget context, I'm sure there were some included in MYEFO.

Senator WATT: So you're sure there were some decisions made in the run-up to MYEFO and provided for in MYEFO—

Ms Beauchamp: Yes.

Senator WATT: for expenditure by your department that didn't end up occurring or didn't end up being announced in the budget?

Ms Beauchamp: I think most of them were announced in the budget, and that would have been reflected in the budget papers.

Senator WATT: Sure. So most of them were.

Ms Beauchamp: Yes.

Senator WATT: But, across the whole of government, $3.2 billion was provided for in MYEFO, and that money didn't end up being announced in the budget this year?

Ms Beauchamp: That 3.2 figure is across government.

Senator WATT: Yes, that's what I said.

Ms Beauchamp: You asked me about decisions related to this portfolio. There were some decisions taken and not announced in MYEFO, and I think most of those were reflected in the 2019-20 budget.

Senator WATT: Which were the ones that weren't reflected in the budget?

Ms Beauchamp: I'd have to take that on notice, but given the line item it would remain confidential until the government makes the announcement.

Senator WATT: Well, they're not going to make an announcement, are they, because they have been revoked?

Senator Scullion: Can I just relate that, re-reading the context, this so-called spokesperson may well be a spokesperson from Finance, for example, who was speaking about this global number. It would be a lot easier for them to answer that question.

Senator WATT: Mr Yannopoulos, regarding this $3.2 billion figure across government, decisions that were provided for in MYEFO were revoked before this year's budget, to use the language in this article. Do you know what portion of that $3.2 billion was for decisions in the Department of Health?

Mr Yannopoulos: No, I don't.

Senator WATT: Do you know of any individual provisions, if we want to put it that way, that were made in MYEFO for health expenditure that were not ultimately announced in the budget?

Mr Yannopoulos: No, there are none that I'm aware of. That decision that was taken but has not been announced is managed by the Department of Finance for the government and all of the elements of that are, I guess, covered by the fact that they remain budget in confidence and they're not up to us as officials to disclose.

Senator WATT: In its opening paragraph this report, as well as asserting that a late decision was made to withdraw 10,000 home care packages from the budget, goes on to say that that has prompted warnings from the aged care sector that this would only increase costs for the taxpayer. Ms Beauchamp, would you agree with that comment—that that is the risk?

Ms Beauchamp: I don't know what this article is based on, so it is very hard for me to give any credibility to the content of the article.

Senator Scullion: The article is premised on something that the person who knows most about this has said did not exist and did not happen.

Senator WATT: I think the person who would know most about it is Mr Coorey.

Senator Scullion: Again, I'm backing the minister, who said clearly—he hasn't just said he can't talk about it. He has said that the claim is not correct.

Senator WATT: He has disputed the claim, but who knows what that means—it might be the claim that it happened on a Thursday rather than on a Wednesday. Who would know what he means by that. And it was verified—

Senator Scullion: The health minister has disputed the claim that we are trying to ask questions about—

Senator WATT: It was verified by separate sources—more than one.

Senator Scullion: Separate sources?

Senator WATT: Separate sources—more than one.

Senator Scullion: As I said, I'll back Greg Hunt over a separate source any day.

Senator WATT: Or over Phil Coorey?

Senator Scullion: That's not what I said.

Senator WATT: We haven't got an answer after all this time and it feels like we won't get an answer on whether the government was considering announcing 10,000 extra home care packages in the budget. That didn't

end up happening. Isn't it the case, Minister, that this fake surplus that the government keeps talking about is not only built on underspending on the NDIS but is also built on underfunding home care packages and decisions to not fund extra home care packages?

Senator Scullion: First of all, the reason that we are where we are after your extensive and very comprehensive and respectful line of questioning—more information wasn't able to be provided, because it is central to the consideration of the budget and, as such, we're not able to provide that information. But the second part of your question—

Senator WATT: I know. You're not willing to be open about it.

Senator Scullion: On the second part of your question, first of all it isn't a fake surplus. This is a real surplus. I've indicated before that your side of government—the Labor Party opposition—wouldn't know a surplus if it bit you on the arse. I'll maintain that today.

Senator WATT: Is that a technical term?

Senator Scullion: To suddenly say ours is somehow a fake surplus is just not reasonable or accurate or factual. It's a real surplus, and that's so important to people, because that's how we make investments. You need to run a good economy—

Senator WATT: By ripping off the NDIS—

Senator Scullion: or we can't invest in the NDIS—

Senator WATT: and ripping off home care packages—

Senator Scullion: or we can't invest in the 40,000 additional age care packages that we most recently announced.

Senator WATT: Why didn't you spend some of that surplus on the extra 10,000 home care packages?

Senator Scullion: Well, Senator—

Senator WATT: There are 120,000 people out there who would be happy.

Senator Scullion: the fact that we made our announcement when we felt it was needed, which was in February—it was part of the budget, we just simply announced it early. We announced another 10,000 aged care packages. I think there's a total of some 40,000 aged care packages that have been announced.

Senator WATT: But the government had before it an opportunity—

Senator Scullion: We can chew gum and walk at the same time, Senator.

Senator WATT: to provide 10,000 more packages. The government had before it an opportunity to provide 10,000 more home care packages for the 120,000 people who are still waiting. It decided not to do that.

Senator Scullion: That's not true.

Senator WATT: So you've come out with a fake surplus that's built on NDIS rip-offs and home care packages rip-offs.

Senator Scullion: That's not true, Senator. You've attempted to make the case there was some consideration of this matter on the basis of a newspaper article.

Senator WATT: You won't say one way or the other.

Senator Scullion: We have. I'm not aware of it, but the minister I'm representing has made it very clear that that was not the case.

Ms Beauchamp: Can I just add, in terms of aged-care budget, there is an additional $7 billion going into aged care over the forward estimates and an additional 33,000 home care packages

Senator WATT: Sure. That was for things announced well before the budget.

Ms Beauchamp: No, it's actually part of this budget.

Senator WATT: But announced before this budget.

Ms Beauchamp: I think Dr Studdert has spoken about the 14 measures that contribute a lot to that $7 billion over the forward estimates, including an additional 33,000 home care packages.

Senator WATT: But there are 120,000-odd people still on the waiting list, and it's growing.

Senator Scullion: Over 90 per cent of which are currently receiving services. They might not be in possession of the aged-care package they wish—

Senator WATT: Not that they wish; that they need. They've been assessed as needing them. Your lack of funding to prop up some fake surplus is what's causing it.

Senator Scullion: No-one who is listening believes that, Senator. I think, without verballing you, Senator, you're specifically saying, 'What measures in aged care have you announced that you didn't pre-announce but actually announced in the budget?' There are a couple here that I know were not announced in the budget that were actually announced as part of the budget. There is $2.6 million to support the newly established Aged Care Workforce Industry Council; $1.5 million to introduce a Serious Incident Response Scheme for aged-care providers to improve the quality of care provided to senior Australians in residential aged care; $7.7 million to reduce the misuse of medicines in aged-care settings; and $38.4 million for strengthening regulation through risk based targeted information sharing. So there are some examples of the age-care packages and funding in aged care that was announced at the budget as part of the budget process.

Senator WATT: I'll leave it at that, thanks.

Senator SIEWERT: I've looked at the evidence from the *Hansard* from last week, when I was next door doing Employment estimates. I've got some follow up questions which go to some of the questions I had at the time. I want to go to the Commonwealth Home Support Program, if I could.

Senator POLLEY: Can I just clarify, through you, Chair, that we're going to be able to come back?

ACTING CHAIR: Of course, yes. The question order is Senator Siewert and then yourself, and then we're breaking at 11 am for the morning tea break and coming back at 11.15 and proceeding with this outcome if we haven't resolved it.

Senator SIEWERT: In terms of the process, it's been extended for two years. You're going through a process now to look at how you will join the two programs, the Home Care Packages Program and the Commonwealth Home Support Program. That's still the process, isn't it?

Dr Studdert: Yes.

Senator SIEWERT: In the meantime, last week you talked about reablement. Are you able to take me through how you foresee that happening in the next period of time before it moves into the home care package? Is it intended that that reablement program will go into being part of the overall home care package of measures?

Ms Buffinton: The reablement in the Commonwealth Home Support Program also matched how we're already looking at assessments, so I might actually begin at the assessment stage, with the regional assessment service.

Senator SIEWERT: I did want to go to that assessment as well.

Ms Buffinton: We've been looking at the regional assessment, and part of that regional assessment, when people go into people's homes, is looking at and observing what people can do and are trying to positively put in place—things like grab rails and so forth—to keep people as independent as they possibly can be. We're also undertaking a formal trial where we're adjusting our approach. The minister announced this, in fact, last Friday, while we were at estimates. We're currently in a trial phase where there are a number of regional assessment services that are formally undertaking a reablement focused assessment. So, rather than looking at a deficit model of what people can't do, it's really working with: 'Show me what you can do. What can we put in place to help enable you to keep that capacity? But, also, are there things that we can do to turn the tide?' For example, if somebody has a lot of muscle degeneration, we can do chair yoga and all of those things. So it's beginning at the assessment phase, and that will flow into the new streamlined assessments next year. So part of the assessment will flow into a reablement focus.

In Commonwealth home support, certainly with the 2018 to 2020 grant the key focus of difference for those two years was taking a greater reablement focus. We've just done a review, or at least we've just done a questionnaire, of all the providers, asking, 'How are you going in your reablement focus?' They had to answer by December last year, and 80 per cent of them have said that they understand the focus on reablement and that they are putting that in place. As a result, in the next month or so we will have finalised that work, and we're then going to be going out and doing an audit. It's really, at this stage, going out and observing and understanding how well reablement is being embedded in Commonwealth home support.

It's fair to say, I think, that we're also reflecting that reablement should be part of the whole suite through to home care, of course. So going into the future, as we bring at least greater alignment—whether it ends up being integration or alignment is a decision of governments in the future—reablement will be a very clear focus. We're really trying to position Commonwealth home support as entry level, but some of that will be where people, through getting aged-care services, will actually go back out into the community and be completely independent

of aged care—that's the intention—because they've got a range of things that are supporting them through their household but they've also got methods or have been associated with social activities, exercises and so forth that are actually helping them stay out of the program until they join more in a more ongoing way.

Senator SIEWERT: I beg your pardon, but I've only got a short amount of time that they're going to let me ask questions. So, if I could move on, thank you. In terms of that process, I just want to double-check very quickly: when you talk about going back out, you're saying that in the future people could get a home care package or a Commonwealth home support package before 2022, when the date of merging happens, and they could get off that. When you say 'become independent', do you see them getting a package, maybe going through a reablement process and then not needing it anymore?

Ms Buffinton: Absolutely. That's part of the potential—

Senator SIEWERT: So people would come and go? Is that what you're saying?

Ms Buffinton: Yes, and that's part of the regional assessment now. They work with people's individuals goals, and a lot of people's individual goals are: 'I want to get some assistance and I want to become independent again.'

Senator SIEWERT: That's the Commonwealth Home Support Program, not home care?

Ms Buffinton: Yes.

Senator SIEWERT: So, once it merges, you foresee that they could potentially come and go?

Ms Buffinton: It's certainly part of streamlined assessment, which is one of the precursors next year. When ACATs and RAS come together under a streamlined assessment, a reablement focus to those assessments, where appropriate, would be part of the program.

Senator SIEWERT: Thank you very much. My take on what you were saying to Senator Polley last week is that the current providers will continue for Commonwealth home support. Is that correct?

Ms Buffinton: The announcement from 2020 to 2022 is that the funding is extended, so the block funding to the current providers will continue to 2022.

Senator SIEWERT: That was my take on that. You also answered a question about the systems navigator. Some of the areas you are looking at over time. Some services would lend themselves to block funding. What services were you considering that might be consistent with block funding?

Ms Buffinton: That's one of the interesting questions we were looking at last Friday. When the announcement was made to integrate Commonwealth home support and home care—you may be aware that, even in the National Aged Care Alliance, there were different schools of thought: there are some who believe that block funding should continue and others who don't. In a ministers roundtable in January, it was interesting that the discussion went to those where there's a high level of voluntary support. If we take Meals on Wheels and transport, the current model is that there is a high level of volunteers. That's where some of the discussion went. No decisions have been made, but that's certainly where part of the discussion went: where there are high levels of volunteers—and in both of those are—they could be ones that could lend themselves to future block funding. No decision has been taken.

Senator SIEWERT: And that will be part of that ongoing process that now is being undertaken over the next couple of years. Is that correct?

Ms Buffinton: That's correct.

Senator SIEWERT: In terms of the issue of co-contributions for Commonwealth home support, you answered a question fairly generally and said that two-thirds of people make some form of contribution for Commonwealth home support. Is this one of the sticking issues—what the contribution will be, or payments will be, as you combine Commonwealth home support and home care?

Ms Buffinton: First of all, of the two-thirds—just to expand—we know that in 2017-18 there was $220 million in co-contribution in Commonwealth home support.

Senator SIEWERT: That's more than a gold coin. You made the point that some of it is gold coin—

Ms Buffinton: I said it varies.

Senator SIEWERT: I know you said it varies.

Ms Buffinton: I think it's fair to say that in the realm of, for example, meals there is often a higher contribution as part of people's pension. Food is part of the pension calculation and so forth. Often we find that social activities might be gold coin donations. When it comes to meals, it might be in the realm of $6 to $10 a day or whatever the arrangement is. But it varies. Back to your original question?

Senator SIEWERT: Yes, which was: is that one of the issues—how you then move in to combine the two, to go from what is a co-contribution on the scale that you're talking about to significant co-payments in terms of home care?

Ms Buffinton: Certainly at the moment the guidelines in Commonwealth home support that we were describing on Friday are really open to individual providers. They must have a contributions policy, but it is as broad as: those who have the capacity to pay should contribute, and those who are more vulnerable should be looked after. It is quite variable.

Dr Studdert: But it is absolutely an issue that we will have to work through as the program transitions and the future models are contemplated beyond 2022.

Senator SIEWERT: Has that been discussed yet—how that will operate?

Dr Studdert: Not in any formal way, but there are ongoing policy discussions with stakeholders. As Ms Buffinton referenced, there was a ministers roundtable, but there are no formal positions on that at this stage.

Senator SIEWERT: Obviously WA has been late to the party, but those discussions now include all the states and territories?

Dr Studdert: Absolutely.

Senator SIEWERT: I'm aware we're going to run out of time. I want to discuss the issue of restraints. Can you please take us through now where we're up to with restraints?

We saw the statement from last week or the week before, in terms of what the government issued. What I understand, from what's come out of the government, is that it's still not a formal move to end the use of restraints; it's reducing the use of restraints. Could you take us through what exactly the expectations are on both physical and chemical restraints.

Ms Jolly: There are a range of issues, obviously, and I think that Professor Murphy might be able to talk about some of the considerations that are happening through the advisory council. There are, for both chemical and physical restraints, rules and guidelines about when and where they can be used. Recently the government has put into law a new requirement for approved providers to be clear about their role and expectation in what documentation and processes they need to have in place. That regulation really complements the existing regulation that wraps around doctors and their decision-making around medication.

Senator SIEWERT: Take me through their role and expectation. Is the government saying to them, 'We expect you to put a plan in place where you phase out the use of chemical and physical restraints'?

Ms Jolly: Currently restraint is a last-resort measure. That is and remains the expectation. The regulation that has just been put in place is similarly about minimising the use of physical restraint and what is termed chemical restraint.

Senator SIEWERT: What do they have to do to prove that it's the last resort? Certainly that's not what we're hearing from relatives and consumers.

Senator Scullion: It has to be made in consultation with either the recipient or their representative—like family—the staff and their health practitioner.

Senator SIEWERT: During the Senate inquiry, which we reported on just last week, we heard—and I'm going from memory now—that there's a very small percentage of people, relatives, who were consulted in relation to the use of these restraints. It was a very small percentage of people. So we've got a long way to go before relatives are consulted. We also got very strong evidence around medical professionals being consulted over the phone.

Dr Studdert: I'm not sure if Professor Murphy wants to say something, but the point is that, with the enhanced regulation, if there hasn't been consultation with family or an authorised representative and there is no documentation, it would be in breach of the quality standards and expectations. There would be consequential regulatory action, if that was the case and if that was how it appeared to the quality commission in that setting.

Senator SIEWERT: If they're talking to whoever has the power of consent for the resident, how do they prove that it's the last resort?

Ms Jolly: There needs to be documented evidence that all alternative forms have been used, particularly around alternative forms of behaviour management. That needs to be documented as part of the care plan. That sort of documentation is the documentation that the quality and safety commission would be expecting to see when it does its compliance activities.

Senator SIEWERT: That only happens every so often. How do you do it in between times? It's too late once they've come in and reviewed it. Fair enough, they'll get compliance action, but that doesn't help the person that's been restrained.

Dr Studdert: There are a range of mechanisms, and Professor Murphy might like to talk about working with medical practitioners, in terms of the education and expectations of medical practitioners, consumers, aged-care providers, as to what is expected and needed.

Senator SIEWERT: Professor Murphy, I'll come to you in a minute. I appreciate the involvement of medical practitioners in relation to chemical restraints, but what's the process when we're talking about physical restraints?

Ms Jolly: Similarly, you would expect documented evidence of why they're used and how often they are reviewed. Often physical restraints also have the oversight of a medical practitioner, depending on the reason for their use in a particular service. So you would similarly expect documented evidence that talks to why and how often that restraint is used. That could be bed rails or other things within a service.

Senator SIEWERT: What we've been talking about at the moment is not real-time reporting. I know that the government didn't take up the Carnell-Paterson recommendation. Have you revisited that and do you intend real-time reporting?

Ms Jolly: There is a parallel measure, which is the introduction of mandatory reporting against the national quality indicator set. One of those indicators is physical restraint. In the budget, there was an announcement that that indicator set would then be expanded into medication management and forms. So that will be one additional reporting arrangement for which we will be receiving quarterly data from providers.

Senator SIEWERT: That is a big improvement, but it's not real-time reporting. We're getting to the stage where we need real-time reporting. Has that been considered and, if not, why not?

Ms Jolly: I'm not sure whether real-time reporting in the way that you're describing it is something that has been considered. The expectation is that it is the approved provider's responsibility to ensure the care and safety of residents. So the compliance model that we have, the responsibilities and the way in which we are set up is really based on that expectation that approved providers are meeting their responsibilities. Sitting behind that are our compliance arrangements and then our reporting arrangements. But it is not a real-time arrangement. We do have risk based compliance. If you have complaints that come in, if you have other evidence or if you have other regulatory intelligence then the safety and quality commission can turn up at any time through an unannounced visit to review what is happening in a service. So the system does have the ability for that unannounced visit, but it's not a daily feed of information in the sort of real-time way that you describe it.

Ms Beauchamp: I appreciate your comments around the real-time reporting, Senator, but in the first instance we're putting in these new quality indicators that will require reporting of physical restraints and, indeed, chemical restraints as well. When we get through that, we'll be working with the sector about how we can get timely or real-time reporting.

Senator SIEWERT: Professor Murphy, you've been talking to the medical profession, I understand?

Prof. Murphy: Yes. Minister Wyatt asked me to convene an expert advisory group. It met recently and has produced a report for the minister on the issue of so-called chemical restraint, although there's a sense that that's a somewhat pejorative term. Most of the time what we're talking about is the inappropriate use of antipsychotic and tranquillising drugs not with the express intent of restraining someone but in the misguided belief that it will help with the behavioural and psychological symptoms of dementia. The reality is there is a huge knowledge gap for visiting GPs and staff in aged-care facilities who believe that these drugs might help manage behavioural symptoms when they, in large part, don't. Although it is very important to note that probably about 10 per cent to 20 per cent of the use of these drugs for residents is appropriate. They may have a pre-existing mental health condition, and some manifestations of dementia are on the acute psychotic spectrum category where they need these drugs.

We came up with a range of proposals, one of which was the mandatory notification of the next of kin, or the substitute decision-maker, when these drugs were started on and particularly provision of information to the next of kin so they understand. Quite often the reports are that the next of kin, in many cases, is encouraging the use of these drugs because they are disturbed by the behaviour of their relatives. So it's a complex issue.

The most important thing is to educate the medical profession and to use triggers along the way to help them, such as PBS triggers when you prescribe something, and perhaps to have some reminders and requirements about properly documenting the reasons and having a policy requirement to formally review after an initial period of 12 weeks. So the clear message, from my point of view, is that the solution to this problem of restraint in aged care is about culture and model of care. You cannot regulate culture and model of care, but you can use regulation to

help direct things. We need to do a lot of work in educating GPs. We're planning a whole campaign around that. We're trying to do what we can to make sure that people are better informed so these drugs are used only as a last resort.

One other point I would make is that there is a lot of literature out there in the media that claims 80 per cent or 60 per cent of residents are on chemical restraints. They often include the use of antidepressants, which are quite appropriate in most circumstances. Generally in what I would say are the worst facilities the use would be less than 50 per cent, but that's still far, far too high. There's a balance between educating the medical prescribers and beating them over the head with regulations, and we want to get it right.

ACTING CHAIR: We'll break for morning tea. Thanks very much.

Proceedings suspended from 11:11 to 11:27

ACTING CHAIR: I think Senator Urquhart has some process inquiries.

Senator URQUHART: I had questions around funding health services in Tasmania. Can you point me to the areas where I need to ask them.

Senator Scullion: Which future outcome? Is there any particular area or just general health services?

Senator URQUHART: There are a number of specific areas.

Ms Beauchamp: Probably under outcome 2 when we do hospitals, health funding and primary care.

Senator URQUHART: Okay, so I could ask for them after that. Great, thanks very much.

Senator POLLEY: I want to follow up on a question I asked on Friday in relation to the number of people still waiting for home care packages. I received the response to questions on notice from the 20 May hearing, which gave the advice that some 16,362 clients who were on the home care waitlist have since not received that package and have gone into residential care. There was an article in today's *Australian*, which I'm happy to have distributed and tabled so that people know what I'm speaking about, where:

The Department … has revealed for the first time the number of people unable to take advantage of the home-care system—

When I asked on Friday, you couldn't give me any up-to-date figures since February. Could you update today how many of the almost 130,000 older Australians on the home care waitlist had no choice but to go into residential care. If you recall, I also asked for the figure of how many people have died waiting for the home care package. Do you have that information for us today?

Dr Studdert: Yes. The QoN you mentioned noted that between 27 February 2017 and 31 December 2018 our records showed 13,362 clients were no longer seeking home care services, because they moved into residential care—noting that many people, when they have their assessments, are assessed to be eligible for both home and residential care. As of 31 December 96,000 people on the national prioritisation system have dual approvals. There will always be some movement in that direction. That goes to changes in people's circumstances, personal choice and a whole range of factors. We have that figure up to date to 31 December and further clarification around how we interpret that relative to the large number of people on the national prioritisation system.

Senator POLLEY: As of today what is the number of older Australians that have, through not having the support to keep them at home—because we all know keeping people at home and giving them the support they need is much cheaper for government, and in most cases it's more beneficial for the individual to be able to age at home. Can you give me the up-to-date figure, because I suspect it has increased from the 13,362.

Dr Studdert: That figure was current data we extracted on 5 March. We don't have any further update to that.

Senator POLLEY: In the answer you say it was from 27 February 2017 to 31 December 2018. What you're saying is that figure hasn't changed as of the end of March.

Dr Studdert: We haven't done an new data extract since 5 March.

Senator POLLEY: How many people passed while waiting for their home care package during that period?

Ms Beauchamp: I think people passing away both in receipt of home care packages and on the waiting list you're referring to is on the public record. I think Ms Buffinton has already provided figures on the public record.

Senator POLLEY: Could you give me that figure again.

Ms Buffinton: On that one: for the 12-month period from 1 July 2017 to 30 June 2018 a total of 212,857 people appeared on the national prioritisation system. They came in and some then received a package or whatever. Of the 212,857 in that 12-month period, 1,676 were taken off the list because they had passed.

Dr Studdert: Which is about 7.5 per cent. I understand that's a similar figure to what we see in the general cohort in receipt of home care packages.

Senator POLLEY: That is the average percentage of people?

Dr Studdert: In that age group with the cohorts that we have data on, yes.

Senator POLLEY: In this newspaper article—I think this goes somewhat to what Senator Watt was seeking clarification on this morning—the department has been quoted as saying there needs to be a $2.5 billion increase every year to bring this waitlist down. Is that a figure the department stands by?

Ms Beauchamp: That figure was our best estimate at the time. It was in relation to the specific waitlist at the time, but over time you would be needing to look at models of care, the reablement discussion that we had this morning and the integration of Commonwealth home support and home care packages. Depending on the model of care and the rollout of the home care packages that I referred to earlier this morning over the forward estimates, we would need to look at continually updating such a figure to address how many people are on the waiting list, because it's not just a static waiting list; it is people going in and out.

Senator WATT: Can I go back to that matter of the number of people who have died waiting for a package. The figures you gave for the 2017-18 financial year were 16,076 people passed away while waiting for some form of aged care support. Is that what that means?

Ms Buffinton: Of the 212,857 who passed through the national prioritization system—from the list, that was the number that passed while on that list.

Senator WATT: For someone to be added to the national prioritization list or however you put it, that means that they have been assessed as needing what?

Ms Buffinton: They've been assessed for, as a minimum, home care, because that's the home care prioritization list, but we know that in nearly 90,000 cases of the 128,000 people on the national prioritisation system at the moment, they also have an assessment for residential care. So quite typically somebody at that level of frailty would be having a higher level of home care or residential and residential respite. That would be typically what the aged-care assessment team assessor would give as the assessment. That gives people choices. We don't know what choice the individual will then make.

Senator WATT: Is it possible to break down that 16,076 figure for people who were waiting for home care or people waiting for residential care?

Ms Buffinton: No. All we can say is they were the cohort that, as a minimum, had been assessed for home care and therefore were in the queue. Some potentially would never actually come into home care; they will go to residential care.

Senator POLLEY: But you could give us the figures on the packages they were waiting for, whether they are level three or four packages?

Dr Studdert: Or one or two. We could. We don't have that analysis, but I assume it could be done.

Ms Buffinton: It could be done. Just so we're clear: that is quite a detailed data extraction, so it's not something that we're going to be getting today.

Senator WATT: No. Maybe you could take that on notice. I take it they are the most up-to-date figures you have for people who passed away while waiting?

Ms Buffinton: Yes. These are major data analyses.

Senator WATT: For instance, there's not a figure for the second half of 2018?

Ms Buffinton: No, there isn't.

Dr Studdert: Not readily at hand.

Senator WATT: They're prepared on an annual basis only, are they?

Dr Studdert: I think it was prepared for a specific purpose. It can be prepared again, but there isn't something that's prepared as a matter of course.

Ms Buffinton: It was a direct request from the royal commission.

Senator WATT: Did you prepare figures for earlier years as well?

Dr Studdert: I think that was the only year that was requested.

Ms Buffinton: There was no national prioritisation system before February 2017.

Senator WATT: No, but have you prepared figures for the number of people who have passed away while waiting for aged-care assistance for previous years?

Ms Buffinton: Prior to February 2017, we didn't know who were waiting for home care. That's the big change. We are now aware.

Dr Studdert: We had no way of calculating that figure.

Ms Beauchamp: We only had numbers in an aggregate sense from providers. I think the other part of the analysis, which we should do, is benchmarking it against population groups of the people seeking home care packages and against death rates in the community more broadly.

Senator WATT: If 16,076 people passed away in that financial year, I suppose it would be reasonable to expect fairly similar figures from year to year.

Dr Studdert: I don't think there is any reason not to.

Senator WATT: So by June this year it's likely that around 30,000 people will have passed away over two years while waiting for some form of either home care assistance or residential care?

Senator Scullion: And it will be, as the officers have indicated, the same proportion out of that demographic whether they are on a waiting list or not. We're talking about, at that age, how many people are likely to pass away, and it's great to hear that there's no difference whether you're on a waiting list or you're doing whatever you like in life. Whether you're in residential aged care, at home, waiting on a package or not waiting on a package, that percentage is exactly the same whether or not you're on the list.

Senator WATT: Okay, but the simple truth is that, based on these figures over the most recent two years, it's likely that around 30,000 elderly people will have passed away while waiting for home care or residential care?

Ms Beauchamp: Let's do the work on the actual figures rather than saying 'likelihood'.

Senator WATT: Dr Studdert said that there's no reason to expect those figures to be different from year to year.

Dr Studdert: That's right, but I also think it's important, as the minister has said, to put it in the context of the overall background.

Senator WATT: Sure. You can put whatever context around it is appropriate. Given Dr Studdert has said that there's no reason to think those figures would be different from year to year, if it's 16,000 in the 2017-18 financial year, it's likely to be about the same for this financial year, so that means it's about 30,000.

Senator Scullion: It'll be indexed to population as the only change.

Senator WATT: So it might have gone up?

Senator Scullion: It might have because there are more Australians. If you're passing away, it doesn't matter if you're in this system or not. We've demonstrated that the numbers are the same. If the Australian population goes up.

Senator WATT: Sure. You're right. I was actually being conservative. So we can conservatively estimate that, over a two-year period, more than 30,000 older Australians will have passed away waiting for home care packages or residential care?

Senator Scullion: They didn't actually pass away waiting for home care packages.

Senator WATT: They were waiting for those packages.

Senator Scullion: No. They might have been waiting for a visit from someone. It's exactly the same as every other Australian in that age demographic

Senator WATT: Yes, but we're focusing on—

Senator Scullion: It's just not helpful to characterise it that they died whilst waiting.

Senator WATT: I'm not saying they died because they were waiting.

Senator Scullion: It would be terrible for anyone to get the connection they somehow passed away because they were waiting for the services.

Senator WATT: No, I'm not suggesting that. I acknowledge that there are other older Australians who pass away who aren't waiting for that. But we're focusing in on people waiting for home care and residential care, and it is the case, given the figures aren't likely to change from year to year, that we can conservatively estimate over 30,000 older Australians have passed away not because they were waiting for home care but while they were waiting for home care or residential care.

Senator Scullion: Which should be unremarkable, really. It's completely unremarkable that we've demonstrated that, if you're waiting on a home care package or not or out in Australia, you're dying at the same frequency. We've established that.

Senator WATT: You don't think it's remarkable that people are dying while waiting for assistance?

Senator Scullion: No, that's exactly what we've demonstrated, because they're dying at exactly the same rate. The fact that they're on a waiting list or not on a waiting list has absolutely no impact. That's what we've actually demonstrated.

Senator WATT: I'm not saying it's because of it, but it is while it's happening.

Senator Scullion: I don't understand.

Dr Studdert: Can I clarify one thing? The national prioritisation system is for home care. As I mentioned earlier to Senator Polley, quite a large number of the people in that system have also been assessed as eligible for residential care, but they're separate systems.

Senator WATT: I should clarify that then. If the figure we're talking about is home care and if the figures aren't likely to change from year to year, if it's 16,000 or thereabout in the 2017-18 financial year, that means that over that two-year period probably more than 30,000 older Australians have passed away while waiting for home care packages.

Dr Studdert: I think that's an extrapolation you've made. As I said, I don't see any reason why it would be vastly different, but I wouldn't want to confirm that figure until we had managed to do our own data analysis.

Senator WATT: Yes. I know that's not a precise figure, but, if the figures aren't likely to change from year to year, that's a reasonable conclusion?

Ms Buffinton: Yes, and it is almost in exactly the same proportion as those who are receiving a home care packages, as Dr Studdert outlined. So we've had a look at those that pass while receiving a home care package and those that are waiting, and in fact it's a very similar proportion.

Senator WATT: Thanks.

Senator POLLEY: Can I just clarify then that, during that period of 2017-18, there has been a change in terms of waiting times to get into residential homes now? In fact, there are a lot of providers who have vacancies. That's changed dramatically since home care packages have been introduced?

Dr Studdert: I would be happy to ask the colleagues here that have the details about residential care and the processes and the situation of the facilities. We don't tend to talk about waiting lists for residential care. As you said, there is less than 100 per cent occupancy across the country, so it really does go to individuals and their families and their choices about where and when they want to go into care.

Senator POLLEY: In the budget, in terms of better quality of care, there is $38.4 million over five years from 2018-19 to strengthen age care regulations through the establishment of a risk based compliance and information sharing system in the Aged Care Quality and Safety Commission. Can the department provide the breakdown of funding, year by year, for the next five years, please. And can you outline what consultation the department has undertaken in relation to this budget initiative, please.

Ms Jolly: Senator, the measure, $38.4 million over five years, More Choices for a Longer Life—strengthened regulation through risk based targeting and information sharing. I can give you the year-by-year breakdown, if that's useful.

Senator POLLEY: That would be great.

Ms Jolly: In 2018-19, $1.6 million; 2019-20, $25.6 million; 2020-21, $5.5 million; 2021-22, $2.8 million; and $2.8 million also in 2022-23. This measure is about developing the capability for real-time information sharing from key data through the commission. So it's an IT build and it has algorithms and it's looking at how draw data together to drive an audit program. There hasn't been a huge amount of consultation at this stage. There has been work done on the elements that you would build into an algorithm and how you would design a system that would give you the best risk based information that draws information across complaints, across other regulatory information and other information in the department. That work will continue through the period.

Senator POLLEY: Who are you actually consulting with?

Ms Jolly: The design will include close work with the commission, who will ultimately be operating the system. I would envisage that we would have several discussions with providers and others about how the system works and what some of the design elements might be, but that really goes to drawing on expertise for how you would define and use risk based approaches in audits.

Senator POLLEY: Do I take it from the funding that you've allocated out that the process should be up and running by the end of this financial year?

Ms Jolly: It is a continual improvement arrangement—the risk based audit program. I'm just thinking here if I've got the actual date for when the system is expected to be up. I don't have that date in front of me, I'm sorry. It will be a continuous process over that time period.

Dr Studdert: The bulk of the spending is in 2019-20. I would expect that you would see a major step-up in the commission's ability to do that after that investment has been put into place and then it would be continuous, as Ms Jolly said, to be refined over the coming years, and we would expect in the years to follow, because this is about being more effective in the use of data to more efficiently do regulation.

Senator POLLEY: So, once it's up and running, you are looking at $2.8 million as an ongoing cost?

Ms Jolly: That's the estimate at this stage. Yes, that's correct.

Dr Studdert: I expect we'll have to go back to government at that point to update on how the system is going and the ongoing investment that is needed.

Senator POLLEY: Is there provision for this money to increase the number of staff required?

Ms Jolly: A number of measures have been announced recently which have expanded the staff capacity both with the commission and in the department. I'm happy to run through those, if that's useful to you.

Senator POLLEY: That would be good.

Ms Jolly: There was $5.6 million announced in budget 2019-20, which is 'Home Care compliance, phase 1'. That includes some additional staff. There was $7.7 million announced in February 2019, which had some additional staff to the commission as well. The measure title was 'Further enhancing safety, quality and integrity'. In September 2018, there was a $15.6 million announcement, which also included some additional staff. So there has been a build in the compliance staff both internally and in the commission that has matched the sort of growth that we're seeing in compliance activity. Some of that will support the audit activity, which the computer algorithm and capability will then assist.

Senator POLLEY: Moving to the 'Better quality of care' measure in the budget, a further $8.4 million over five years was announced, from this financial year forward, to introduce mandatory reporting against national residential-care quality indicators for pressure sores, use of physical restraints, weight loss, falls and fractures, and medication management. Can you provide the breakdown of funding for each year over the five years. Again, what consultation has the department undertaken in relation to that budget initiative?

Ms Jolly: I'll need to do that in two parts. There was actually $4.2 million announced in the budget, which was for the two new measures. The breakdown of that is: for 2018-19, $0.7 million, for 2019-20, $1.4 million, and, for 2020-21, $0.01 million. That was complemented by a measure that was previously announced of $4.2 million to roll out the voluntary program. I'm not sure I have the year-by-year breakdown of that. I'd have to take than on notice, I apologise.

On the consultation that has been done since the announcement of the voluntary program becoming mandatory, we've had discussions at the Aged Care Sector Committee and discussions with various providers and consumers about that program, but there is further design work that needs to happen on the program and the manuals and, particularly, on the two new indicators, for falls and medication management, as you mentioned.

Senator POLLEY: Moving to the $7.7 million over two years from 2018-19 to develop an end-to-end compliance framework for the Home Care program, including the increased auditing and monitoring of Home Care providers, can you give us a breakdown of that funding over the forward estimates for the two years.

Ms Jolly: Certainly. That's one I've just spoken about as part of that ongoing compliance build. It was $7.7 million. It has elements to the department and to the commission. It has, in 2018-19, $4.5 million and, in 2019-20, $3.2 million. That includes some of the staffing I was talking about and also, as you've indicated, the build of an end-to-end Home Care compliance framework.

Senator POLLEY: How many service providers have been approved by the department? How many of these service providers are actively delivering Home Care?

Dr Studdert: That is the responsibility of another one of our officers. I think the number is around 850 that have been approved for Home Care. I think the second part of your question was: how many are actually providing? It's less than that, but we can get you that number.

Senator POLLEY: Would you be able to give us a breakdown of where those providers are?

Dr Studdert: I may not have that here today. But we can certainly take that on notice, yes.

Senator POLLEY: The $3.4 million over the two years from 2019-20 for the Aged Care Quality and Safety Commission to address the use of chemical restraints and the inappropriate use of antibiotics in residential age care facilities—can you provide the breakdown of funding for this as well and the basis on which—

Ms Jolly: Are you talking about the 'reducing misuse of medicines in age-care settings' measure?

Senator POLLEY: Yes.

Ms Jolly: That measure has two elements to it. It was announced as a $7.7 million measure. It has an element which is the further development of the two new quality indicators; that sits within that budget measure. It also has within it some funding to the Aged Care Quality and Safety Commission to establish a small unit of clinical pharmacists to support the commission in their work. That funding is $4 million over the period.

Senator POLLEY: So neither of those actually reflects the $3.4 million that I've got allocated. Maybe our figure was wrong. It was $3.4 million over two years from 2019-20 to address the use of restraints. So that would've been in that overall $7 million we talked about earlier?

Ms Jolly: Potentially. But certainly the medication management measure has those two elements within it, one of which, as I said, is to establish that unit.

Senator POLLEY: If we have some follow-up I'll put those on notice.

Ms Jolly: Sure.

Senator POLLEY: In relation to the $2.6 million that was provided for additional support for the implementation of the Aged Care Workforce Strategy, can you give me some more information about what additional support will be funded through this measure and any other details that can bring us up to speed with what's happening with the task force?

Ms Jolly: Coming out of the workforce strategy document, there is an industry-led strategy group, which was established earlier this year by the industry themselves. This budget measure will go to supporting that group in the work that it will do, coming out of the workforce strategy. We've described it as logistical and specialist advisory support, so we are assisting the industry to develop and implement their action plan. That draws out of the Aged Care Workforce Strategy, which was provided to government last year. There is also a little bit of money to develop some online training modules, and that is for aged-care managers. There was a recommendation in the Aged Care Workforce Strategy which went to better training and information around things like workforce planning, care planning and governance processes. The training will look at that sort of area. And then there will be a little bit of money towards some options around better integrating health and aged-care workforce supports—how those workforces work together across acute community and residential care.

Senator POLLEY: In relation to the training, what are the criteria that have to be met to be able to provide that training? Considering that there's concern throughout the sector about the quality of training for aged-care workers in general, has the government or the department developed criteria that have to be met to provide this particular training?

Ms Jolly: That hasn't been developed yet. Certainly, it will go through a competitive tendering and design process.

Senator POLLEY: What's the date and the time frame for that training to start?

Ms Jolly: I don't have dates; that's not yet—

Ms Beauchamp: The measure—the 2.6—applies for 2019-20, and most of that is training for aged-care managers to make sure they do workforce planning, clinical governance and things like that. So that's being developed over the 2019-20 period with those funds.

Senator POLLEY: You wouldn't anticipate that training would start through 2019-20?

Ms Beauchamp: This particular measure will be for training for the aged-care managers.

Senator POLLEY: I understand that.

Ms Beauchamp: I think the Pollaers workforce and other processes are looking at training for the whole of the workforce to support people in aged care.

Senator POLLEY: I'm just trying to get an indication of when that training will actually commence for the managers.

Ms Jolly: As the secretary has indicated, the funding is in that year for the training establishment, design and build. It is then an online training platform. Once it's established, then it will be made available.

Senator POLLEY: That will go to an open tender to provide that training?

Ms Jolly: To design and deliver the training module.

Senator POLLEY: If we can turn then to the $1.5 million that's been allocated in the budget for 2019-20 to undertake preparatory work for the introduction of a new serious incident response scheme from July 2022, which would require residential care providers to report a broader range of incidents occurring in their facilities. What consultation was undertaken in relation to this measure, which will begin in July 2022?

Ms Jolly: There's been over 12 months work now on a serious incident response scheme. There had been a report which is available on our website which goes to the initial consultation on what a serious incident response scheme may include. It has within it five options and quite a detailed analysis of both the options and the impacts of various elements for a serious incident response scheme. Coming from that, what this funding will allow us to do is to continue that consultation and narrow and design the regulatory response—so drawing from that broader consultation into a more targeted piece of legislation for government to consider.

Senator POLLEY: So can you give us any more detail? I understand it's complex, but if we could have a bit more detail.

Ms Jolly: The KPMG document is available on our website. There are five options; as with all of these proposals, you look across. So option 1 would be no change, option 2 would involve better guidance, option 3 involves introducing a reportable conduct scheme which would require all aged care service providers to report abuse or neglect, option 4 expands to include unexplained serious injury, and option 5 also looks at expanding that to include aggression and abuse between consumers. So the report that currently is publicly available has that sort of expansion, and what we will now do is take that expansion—particularly options 3 to 5, which talk about how you would broaden the scheme—and then seek to define that in legislative terms for a government to consider.

Senator POLLEY: I will watch with interest that one. Thank you. I wanted to now ask some questions around the My Aged Care website. This has been an ongoing issue for some time, which we've discussed at estimates. So can the department give the committee the current annual cost of running the My Aged Care website please?

Ms Jolly: My colleague Ms Buffinton can do that. Can I say before she does that it's important when we talk about My Aged Care to recognise that it's not just a website—it is a whole system of access which includes printed information for consumers, call centres for consumer and the assessment services. So, in any discussion of dollar figures, we have to either itemise it or recognise that it is much more than a website.

Senator POLLEY: Yes. Can I just ask about the website itself?

Ms Buffinton: I've got a combined website and contact centre number for 2017-18, which is $42.8 million. I will double-check this—I can do this in the next hour or so—but the website itself is going to be about $6.5 million of that.

Dr Studdert: Correct me if I'm wrong, Ms Buffinton, but that includes a lot of the development work we've done over the last year with enhancements to the site.

Ms Buffinton: That would be annually running the website. If we look back at what we are paying, that is about $6.5 million.

Senator POLLEY: So that would be your estimation for the forward estimates.

Ms Buffinton: Give or take, yes.

Ms Beauchamp: That was an annual figure?

Ms Buffinton: That was an annual figure; that is a subset. That would therefore mean that around about $35 million or $36 million is for the contact centre and about $6½ million is for the website.

Senator POLLEY: Can you give, as an approximate figure, the daily traffic rate on the website?

Ms Buffinton: I can't give it to you as a daily; I can give you the fact that it was 3½ million visits in 2017-18. The visits to the My Aged Care website in 2017-18 were, I will just call it, 3.55 million.

Senator POLLEY: You would be aware, because of questions that we've asked over a period of time, of the complaints that MPs and senators receive in relation to interaction—or lack of interaction—with the website. Have further complaints been raised with the department about the difficulty in navigating through the website itself? Is that something that has been raised with the minister?

Ms Buffinton: Certainly, we've been developing the website, as you're aware, since 2013. It started off being purely an information website. We have had a couple of upgrades. We've gone with a different provider and we're going to be launching a completely new website in around about May-June this year. We've been working on that

for six months. We know that our satisfaction KPI is to have 65 per cent satisfaction, which I know sounds low but in terms of websites that's actually not a bad KPI. But we've been consistently in the 50-something per cent. That's just not been good enough, so we're going to be relaunching the My Aged Care website mid this year.

Senator POLLEY: How much has been funded for the new provider and the launch of the new improved website? What's the cost of that?

Ms Buffinton: I will give you that today. I just haven't got it right at my fingertips. But the cost is going to be very similar to the current website that we've had. The ongoing costs are going to be similar to what we currently have.

Senator POLLEY: I understand. But if you've gone to a new provider to improve, that would have, I would assume, taken some extra money out of what you would have allocated for the ongoing function of the website?

Ms Buffinton: Yes, and that's why I think I'd prefer to give you it to you in writing. That's commercial in confidence, because, obviously, we went out to tender and we've taken a certain provider, and I'd be happy to supply that.

Senator POLLEY: Consumers have had disappointment, in terms of the ease of using the current website, and a lot of money has been invested in the website since 2013. Would you also be able to provide the total amount of money that has been allocated to the establishment and ongoing cost of running that website?

Ms Buffinton: I think with My Aged Care and the disappointment that you're describing, often when we're discussing whether it be contact centres or the whole—in fact, My Aged Care has really become the aged care system. In terms of the website, which is an information platform and then a service finder platform, the area of concern in particular has not been so much the general information but the service finder aspect of the website. Partly, that has not just being by design but also the approach of providers. So in saying, for example, in home care, 'Am I providing services in certain regions?' we really need providers to be providing services in those regions as opposed to being aspirational, because that's where the frustration comes in—'I saw a name. I approached the organisation, and, in fact, they weren't in the region,' or they've said they're a specialist in, say, Indigenous or CALD cohorts and when people, who want to go to that type of provider, go there they have found them not to be specialists. Under the Aged Care Act, an approved provider for home care must actually be able to cope with Indigenous cohorts and CALD cohorts. It's not just assumed.

We note that it's not just the actual website. We're actually looking at, then, what the threshold is before you can actually say you are in a region, that you're actually providing services and not just being aspirational. Equally, we're also looking at what the threshold is before you can claim and tick the box to say, 'I am a specialist who looks after cohorts who are LGBTI or CALD or Indigenous.' I think this is where it's complicated. It's not just: is it purely the website itself that's failing? Within the website, the service finders, in particular, we know haven't met consumers' needs, and, then, beyond the website, it becomes the threshold of: when can you, as an approved provider, say you are a specialist or you're providing in a region? That's probably been the biggest issue we've had.

Ms Beauchamp: We can take on notice what we've spent on My Aged Care and what enhancements have been made or what changes have been made over that period, and they've been quite substantial.

Ms Buffinton: It's actually an aged care IT system that runs My Aged Care the IT system as opposed to My Aged Care the website. I just want to be clear that they're two different issues.

Senator POLLEY: If you can provide that information, that would be very helpful.

Ms Buffinton: I'd be happy to do that.

Senator POLLEY: The department has been aware, as you've indicated, that there have been issues around the lack of confidence in the website by some. Did you prepare a brief—and I'm not asking what was in the brief—to the minister in relation to the website itself before you went out to tender to have a new provider providing that website? So, was that a decision of the minister to change the website, or was that a decision of the department?

Ms Buffinton: I will have to go back and actually look at the brief. But, certainly, we provide for the minister background on what our market research is telling us on the satisfaction of consumers, providers and others in the website or My Aged Care. Certainly an ongoing discussion has been that the current website wasn't meeting what we thought was the level that we wanted, and, certainly, in demonstrating different ideas and then deciding to go with a website, it was something we did in consultation. I just don't know whether it was a departmental decision or a ministerial decision.

Senator POLLEY: I think you said that there was a rating of only 50 per cent satisfaction, and—

Ms Buffinton: I'll have it for you, but it's something around the 57 per cent mark, and our aim is to be at least at 65.

Senator POLLEY: All right. So you'll come back to us with the details of what happened?

Ms Buffinton: Yes.

Senator POLLEY: Do you actually keep any data on the sorts of complaints that have led to the decision to change the website? What are you anticipating for the new website? What are the parameters? How is it going to actually change to make it easier for people to navigate?

Ms Buffinton: I'll start with the fact that we do look into complaints—clearly, we're out doing market research. We have independent research that tells us that percentage of satisfaction, and therefore we understand people's concerns. Before we decided to go with a new provider in looking at a new concept, we literally went all over Australia, including regional Australia. We spoke with consumers and had over 100 individual sessions with older people, looking at how they observe a website, where their eyes go—giving us constant feedback. One of the things that, as a result of that, is coming into the new website is a lot more white space. As people get older, being able to see things clearly on the site—where you actually put the drop-down menus, the various buttons and so forth. Website designers are quite technical in observing people of a certain age, what they're doing and how they're coping. As a result of that baseline work, we decided we'd go out to tender for a new website. That led to the development, since the beginning of this year, of the actual website that will launch midyear.

Senator POLLEY: Do you have a date for the actual launch?

Ms Buffinton: The first thing is, we'll probably put it up for a couple of weeks, as is normal with websites, in an environment where it's got limited observation. At this stage, it's probably post caretaker that we would launch a new website.

Dr Studdert: I think it's subject to further testing and consultation with government.

Senator POLLEY: So it would be fair for me to say that, in developing the new website, it's going to be more user-friendly for mature—

Dr Studdert: That's certainly the intent, and that's what the investment has been about over the past year or more, as Ms Buffinton has described: to use the feedback we've got—as you've noted, it's come from a lot of different places—and to really invest in that consumer testing. We expect it should make the user experience much more satisfactory.

Senator POLLEY: What consultation have you had with service providers to ensure that they're timely and that there's more information available through the My Aged Care website?

Dr Studdert: I'm sure Ms Buffinton can add to this, but it's about making sure the information is valid, because it operates as a bit of a marketplace. We also want to be responsible for the quality of the information that's available there, because, as Ms Buffinton described in some detail, some of the dissatisfaction and poor feedback we get is because the actual service they find is or isn't there, rather than that actual experience of using the service itself.

Ms Buffinton: The first priority is pricing transparency for home care. That is something that we've been working with providers and consumers on for more than 12 months. From 1 July, it's going to be mandatory for providers to outline what their pricing is in a set structure, so that you could literally print off three providers and compare them equally. At the moment, some providers have a higher service fee but very little case management or administration fees. Others, as you know, have very high admin fees but very low service fees.

Senator POLLEY: We heard this morning there's quite a discussion in relation to government advertising at this current point in time, just prior to the election. Has any money been allocated for a campaign targeted at consumer users of the website to make them more educated in terms of their literacy rate around using IT and this website?

Dr Studdert: I don't think so, Senator, in the sense of a campaign that would fit the criteria that were being discussed this morning. There's certainly an existing and ongoing information process where we promote the awareness of and use of My Aged Care to consumers, whether that's in GP surgeries or community services, but there's nothing beyond the normal approach to ensuring—

Senator POLLEY: But not a campaign message?

Dr Studdert: Not a campaign as such. It wouldn't fit the criteria of a government campaign. It's information sharing.

Senator POLLEY: But you would be aware, as I said, that members' and senators' offices receive complaints on a regular basis about the difficulty of navigating through a website?

Dr Studdert: We are aware, yes.

Senator POLLEY: People of a certain age still prefer to have that face-to-face conversation with someone.

Dr Studdert: We are aware of that. That's why we also have the contact centre. Offices of the department, minister's offices or members of parliament make us aware of those difficulties. We do our best to follow up and do what we can to support the people that have raised those concerns to get the information they need.

Senator POLLEY: No doubt, in one form or another, we'll continue this discussion, I'm sure, at future estimates. I would be happy to move onto 6. 2, if I can.

Senator SIEWERT: I've got a couple. I'm due next door. They promised me five minutes in three minutes time.

ACTING CHAIR: Great. Let's go. You can go first, Senator Siewert.

Senator SIEWERT: I want to go back to the restraint issue. You mentioned behaviour management. What I understand, particularly when you're using psychotropic drugs and physical restraint, is that the issue around behaviour management is then very dependent on design and the process that's used in terms of the actual facility. I think we've said this before: we as a committee visited some really good places. As a committee and personally I've visited some pretty awful places. It seems to me that some of where we need to go is to ensure providers are providing facilities that actually address those issues around behaviour support. Also, we know design has a very significant effect. How do you intend to deal with that issue in terms of the guidelines? It's a pretty big call—I know that—but, from what I understand, it's pretty fundamental.

Dr Studdert: You would be aware, Senator, that one of the key features of the new quality safety commission, which was built into their legislation, is an education function. I have no doubt, although you would be welcome to talk to the commissioner directly, that that will be a key focus for some of the work they will do, particularly as they up step their efforts to increase awareness and understanding of the new quality standards and the wish we have to see all services successfully transition to using those and to being assessed against those. To the extent that we can support services to change culture and educate staff, the visiting medical staff, that will be a key focus. I have no doubt it will continue to be a topic of discussion at the quality council that supports the commission, at the aged-care sector committee and through Professor Murphy's work with the expert group.

Ms Jolly: Speaking a little bit out of turn—it's not my area—there's also investment in dementia and dementia support—

Senator SIEWERT: Yes, I'm aware.

Ms Jolly: which has an educative as well as a hands-on—

Senator SIEWERT: Yes. I suspect we're going to need to do more than education to—

Dr Studdert: But that's a starting point. That's, as I said, where we hope we can get the major gains, because I think in many cases services do want to have a better culture and environment, but they need that support to do that. We will use the tools and resources we have through the commission and through our other advisory groups to work on that.

Ms Beauchamp: But it's probably worth hearing from Professor Murphy, because these aren't just questions for us, in terms of putting in the appropriate regulatory arrangements. We've spoken about behavioural management. And, obviously, the relationship between the client, the doctor, the family and the provider is absolutely going to be integral to looking at the person's need on a case-by-case basis. So it's probably worth reflecting on some of the work that's been done through your committee.

Prof. Murphy: The built environment is really important, but it's only part of the picture. And many of those new facilities, as you know, have designed some fascinating new developments such as retro kitchens, safe environments where people can roam. But the built environment on its own is never going to be the solution.

Senator SIEWERT: I know that, but I'm saying it's part of what we need to do.

Prof. Murphy: It is. But the best evidence in all the literature is the best way to make the cultural change is to have a significant program on client focused care. And it sounds pretty obvious, when you're in an environment like that, to actually make all of the staff recognise that every person is an individual and they've got individual needs and they need to focus on those, and that's what the world-leading facilities do. It's a cultural change above everything else, certainly helped by the built environment. It's going to be a long haul, and I think we can't rely on

just one thing. We can't rely on regulation. We can't rely on the built environment. We need to do all of these things and work on a different culture.

Ms Beauchamp: There are some wonderful examples out there too, in terms of some of the built environment in terms of the aged-care facilities. In Brisbane, for example and even here in Canberra, there are some wonderful dementia care units where they allow residents to have breakfast at 11 o'clock at night if they want. And the colours and the environment are conducive to meeting their needs and actually do go to addressing some of the behavioural challenges that they've got.

Senator SIEWERT: Thank you.

ACTING CHAIR: Senator Polley, you didn't have any further questions, did you?

Senator POLLEY: Yes, I have further questions on 6.2.

ACTING CHAIR: Before we move on, in regard to My Aged Care—and this comes up in other committees as well—what might we be doing to support those people who might be IT-illiterate, or who don't have access to technology, to make sure that they're getting similar or the same services that others are getting?

Dr Studdert: I know my colleague can describe in some detail the pathway for a non-IT comfortable person to access My Aged Care, and the advocacy groups that we support to also support clients to get through the system.

Ms Buffinton: From 2013, as an information service, we had the website, but we also had the contact centre; from 2015, the contact centre, in addition to being just for information, was also the method of people generally coming in to start accessing the aged-care system. The whole idea of why we set up the contact centre in parallel with the website—and we get 1½ million phone calls a year—is so that people could talk on the phone with an individual.

ACTING CHAIR: And does that individual helps them navigate the computer they might be sitting in front of or is it in addition to—

Ms Buffinton: You can go through the aged-care system without the use of a computer. After the initial registration and screening, the major face-to-face assistance before going into care is when we send out an assessor. When they do a face-to-face assessment, such as the regional assessment service, which is typically a two- to three-hour assessment or an ACT, up to three to four hours, in addition to doing the formal assessment, their role is to sit down and talk through—for example, if it's a regional assessment service—what actually is Commonwealth home support; how you might set up the home, first of all, before you get the support; and also what's the support and how you go about accessing it. That's the major period of time when somebody has face to face. In addition, the government is bringing in system navigator trials for those who are very vulnerable. Even for that assessment, people need greater support to help them through the system. Currently, for example, for somebody who is homeless or very vulnerable, the assessor, ACAT, will mark the record as them being 'vulnerable'. Not only is the individual told they're getting a home care package but it goes back to the assessor so that the assessor is aware of that and they can contact the individual and keep that ongoing support.

Ms Beauchamp: There is a lot of basic information in doctors' surgeries and community groups.

ACTING CHAIR: I often wonder whether people read that information in the doctors' surgery.

Ms Beauchamp: You hope the doctors and the GPs would provide an 1800 number and a brochure.

ACTING CHAIR: I just say that as a random thought. I often go and see the pamphlets, but I never actually see anyone taking them other than me.

Ms Beauchamp: Doctors should be passing on information to potential clients, and then there are a number of translation services and other things that are provided. We fund advocacy groups. People access it through the RSL and other organisations.

ACTING CHAIR: I understand. I'm more familiar with those.

Ms Buffinton: Pamphlets are in 18 languages plus four Indigenous languages. That is something that has expanded over recent years.

ACTING CHAIR: Thank you. We're still on outcome 6. Senator Polley.

Senator POLLEY: I move to outcome 6.2 on block funding. I asked some questions last Friday and I want to raise the issue of the Commonwealth Home Support Program that has been transitioned for another two years. Since last week, we've received a question on notice back from February estimates. I would like to clarify the timing around the extension of the funding agreement. It was established last week that all contracts were extended, including the Victorian funding agreement, to 30 June 2022. Is that correct?

Ms Buffinton: First of all, in the case of Victoria, a bit like Western Australia, they were on a different time block. We originally brought in Victoria in 2016. They had an agreement through to 2019. We're in the final stages of getting those extensions just so that they then match everybody else's extension, which is to 2020, the current extension. Then all agreements for all Commonwealth home support providers—Victoria, Western Australia and all over Australia—will be extended to 2022.

Dr Studdert: That's a legacy of the transition of all the different state and territory services into a single Commonwealth Home Support Program.

Ms Buffinton: The short answer is that everything has been extended to 2022. I was just saying that, technically, Victoria is getting an extension from 1 July 2019 to 2022 to line them up with the broader Commonwealth Home Support Program.

Senator POLLEY: The budget papers say funding for the programs has already been included in the forward estimates, but what about the contracts?

Ms Buffinton: Out in the forward estimates, there's funding for, if you like, the entry-level aged-care program. The providers who are currently providing only have agreements through to 2020 and we're about to extend that to 2022. The money is in the forward estimates. On how it is being distributed, what the government has confirmed is that, through to 2022, it will be with the current providers.

Senator POLLEY: Everyone will be in line and there will be no year-by-year funding agreement?

Dr Studdert: There's a two-year extension from June—

Senator POLLEY: So it will go for just those two years and then—

Ms Buffinton: Victoria comes in in the final 12-month period, 2019-20, and then all will be extended for two years to 2022. They'll all be in line, as you put it.

Senator POLLEY: I think that's clarified that for us. I move on to outcome 6.3.

ACTING CHAIR: Yes, we can stay on outcome 6.

Senator POLLEY: This goes to the specialist dementia care units.

Ms Beauchamp: We'll just change the officers at the table.

Senator POLLEY: Can we get an update as to the progress of the Specialist Dementia Care Units being built?

Mr Smith: The Specialist Dementia Care Program is rolling out in three phases. For the early prototype unit, which is in Brightwater in Western Australia, agreements have been signed with that facility, and the relevant agreements with the state government have also been signed, so that prototype is well and truly under development to be rolled out shortly.

Senator POLLEY: When will that be up and running?

Mr Smith: My understanding is it will be up and running in the next financial year. I'd need to get some specific details on notice, but it's well and truly under development.

Senator POLLEY: So it's been built. Is it completed?

Mr Smith: It's an existing facility that is being refurbished to meet the requirements of an SDCU.

Dr Studdert: As you would be aware, the provisions of this program are not to build new facilities but to refurbish existing facilities to meet the design criteria that we were discussing earlier that works well for people in these cohorts.

Mr Smith: An open competitive round has also now gone to market. We've gone to market for an SDCU to be established in 12 other PHNs around the country. That is open at the moment and will close on 28 May.

Senator POLLEY: Where are those 12 locations?

Mr Smith: They're across a range of PHNs, including central and eastern Sydney, south-eastern New South Wales, country Western Australia, Northern Territory, Tasmania, Australian Capital Territory, Brisbane south, Brisbane north, Northern Queensland, Central Queensland, Wide Bay and Sunshine Coast—that's one—north-western Melbourne and Adelaide.

Senator POLLEY: Have you got a schedule for when the refurbishment and build is for these 12 sites?

Mr Smith: We have only just gone to market for them. Part of the assessment process will be looking at their capacity to get these up and running over the course of the next financial year.

Senator POLLEY: The expectation is that they will all be up and running by the end of this coming financial year?

Mr Smith: The funding profile would allow probably for that to be phased a little bit. For those that are going to come online in the 2019-20 year, they'll start coming online in early 2020. Noting that they have to be refurbished and there'll be different requirements in each facility because they are existing facilities, we'll want to give a little bit of leeway there. But the expectation is that the bulk of them will be up and running in that year, yes.

Senator POLLEY: What's happening to the residents who are already in these facilities while this refurbishment is being carried out? Has there been additional cost to the department for housing those residents?

Mr Smith: No, there is no additional cost for housing those residents. Those residents would continue to receive Australian government subsidies in relation to their care and other associated costs. It would be a matter for the facilities that are bidding to be an SDCU to make sure there's appropriate transition of those residents and for them to be appropriately cared for.

Senator POLLEY: Can you give us an estimation of the cost per unit?

Mr Smith: It's around $1.4 million per unit per year. That's the funding to the actual facility to run the facility.

Senator POLLEY: What's the cost for the actual refurbishment per unit?

Dr Studdert: We can give you indicative figures because it is now an open tender process, and that will be some of the criteria that we'll have to review and consider in identifying the successful applicants.

Senator POLLEY: What was the criteria? I'm just interested, because, depending on the provider and the infrastructure that they already had, there could be quite a variation in the cost for the rebuild.

Dr Studdert: There could be, and that would be part of the consideration we make. Our main objective is to ensure that they can meet the quality and timing standards that we've set for the program and that they can commence the process—that they are in a position to take on this responsibility and to deliver it in a timely, efficient and high-quality standard manner.

Senator POLLEY: Both Senator Siewert and I have visited so many providers throughout this country. There is a great variation in terms of what's currently provided for those residents that are on the dementia journey. Would this then become, in your anticipation, the base standard of what would be expected for providers to be able to provide to residents who have been diagnosed with dementia?

Mr Smith: This is for the cohort of people with dementia who have that very severe dementia with a particular care need. So it wouldn't be the base standard for anyone with dementia; it would be a level of care for people who are assessed as requiring that. It's intended to be transitional. It is about getting people in, stabilising and then transitioning them back to a more mainstream facility.

Senator POLLEY: You said that there will be 12. Is there any other brief being provided in relation to increasing the number of units that will be rolled out?

Mr Smith: Yes. When I started answering the question, I indicated there were three phases to the implementation. There's the prototype unit, the 12 currently in the market and then there will be a further round for another 19 units. There will be a total of 35 all up.

Senator POLLEY: For the next round of 19 units, do you have the list of where they're going to be located?

Mr Smith: They will be in the PHNs that were not in the first open round.

Dr Studdert: I should just add that, as you are probably aware, the minister has also announced two, in addition to the 12 that will come through the round. There was some early identification of facilities that were in a position to move in advance of that round: one in Caulfield and one in Cardiff, in the Lake Macquarie region.

Senator POLLEY: What's the time frame for the rollout of the additional 19 units?

Mr Smith: That will be advertised in the 2021-22 financial year.

Senator POLLEY: How much has been allocated for that?

Mr Smith: For the total program, Senator?

Senator POLLEY: For this next round of 19?

Mr Smith: Each unit attracts $1.4 million. It's $25 million or so for that next round.

Dr Studdert: But the estimate for the ongoing cost when we've got full rollout is at $70 million a year.

Mr Smith: There will be ramp-up period, obviously, as the facilities come on line.

Senator SIEWERT: For the operation.

Dr Studdert: Yes; for the ongoing operation of the units.

Senator POLLEY: With these new units, is there any anticipation of a need for increased staffing in those units?

Dr Studdert: I think that's very much a part of it—indeed, staff with particular training and skills that enable them to work with these high-needs clients. As Mr Smith said, a key objective of these units is to stabilise the patients on medication and behaviour management processes so that they can transition out into the more mainstream services where that's appropriate and possible. So, yes, I think it is very much a specialist workforce, and that's part of what the funding provides for.

Senator POLLEY: What is the level of training that would be required by the department now to work in these units? You say that they have to have specialist training, which obviously is critically important when you're dealing with people who have dementia, who have high needs and behavioural issues. So, are there criteria? Have you done any work on that? Have you provided a brief to the minister?

Mr Smith: It's important to note that the design of the program has been informed by an expert reference group, in close consultation with states and territories, including the public hospitals of states and territories, in terms of the clinical wraparound support that the states will be providing to this. So yes, the staff must have the following accreditational registration. They must hold a minimum certificate III in aged care, with additional dementia-specific training and experience. There'll be a registered nurse onsite 24 hours, and they should hold relevant nursing qualifications and registration with the Australian Health Practitioner Regulation Agency. Allied health staff should hold relevant qualifications and registration, where applicable, with the Australian Health Practitioner Regulation Agency, Working with Vulnerable People registration, and national police checks. In addition to those staffing requirements, each SDCU will have its own clinical advisory committee and clinical review teams that will oversight the operation of the facility and will provide advice in relation to every single resident as they come in while they're stabilised and as they transition out.

Senator POLLEY: The requirement would suggest that there has to be an increase in staff. So, you're saying that there'd be one registered nurse 24/7. In terms of care workers with specialist training and experience in this dementia area, how many staff would that be?

Mr Smith: That's not something I have in front of me. I'd have to take that on notice.

Dr Studdert: What Mr Smith has shared are the minimum criteria that are in the guidelines for the program. But we would very much expect the services that are bidding for these and providing them to give their best advice as to what their client cohort need and what their specialist workforce is, and we would use our expert advisory group to assess whether that's appropriate. So, it's not 100 per cent prescriptive. They have to be tailored to the needs of the service and the client cohort, and we would expect that, with a minimum standard assured, that would be somewhat directed by the provider.

Senator POLLEY: Can you just remind me of how many beds there will be in the units?

Dr Studdert: Eight. And as I understand it, that is based on best-practice evidence as to what is a good size to get good results in terms of being able to give that tailored, focused attention to clients to achieve the behavioural outcomes that are being sought.

Senator POLLEY: What work was done and what consultation was done for this model of unit? What experience is it based on that this is going to be best practice?

Dr Studdert: There has been a lot of consultation with a lot of experts, including I think a review of international evidence in this space, and some of the experience around the country, but Mr Smith can—

Mr Smith: Absolutely, the key point being the bringing together of experts from around the country to inform the design of the program, looking at the models that work very well at a local level and indeed rolling that out on the national level, which this is.

Senator POLLEY: How do these work in relation to the change that we saw when we lost the dementia supplement and then we had what was fondly referred to as the flying squads that were there to back up providers when there were behavioural issues with people being diagnosed with dementia? How do they work together?

Mr Smith: Nothing will change in relation to the severe behavioural response teams, which I think is what you're referring to. They will continue to provide that service that they do to any facility that requires their assistance, and that's a mobile workforce that goes around and provides expert assistance when there's a particular incident that needs to be handled and managed, requiring that expertise. In terms of that severe behavioural response team, either that group or a group like it, given their particular expertise, would be a referral point into

an SDCU. So, we're really very much drawing on that model to get the right kinds of people who can make an assessment when it's needed to indicate that someone might need that really high level of particular dementia care.

Senator POLLEY: Can you give us an update as to what that team's activity has been over the last 12 months?

Mr Smith: The SBRTs?

Senator POLLEY: Yes.

Mr Smith: I'd have to take it on notice.

Senator POLLEY: If you could give an indication of the number of call-outs, state by state, that's relevant to the decision to establish these units within the PHN district and how that relates to the number of times they've have been called out, that would be most useful.

Mr Smith: Yes; no problem.

Senator POLLEY: Thank you very much, Chair.

ACTING CHAIR: Thank you very much, Senator Polley. Is that outcome 6 all completed? Senator Watt? Senator Siewert? I always ask that question because I always have a suspicion it's never a no.

Senator WATT: We won't be coming back after—Senator Polley might have one thing as well. I've just been reflecting on some of the evidence we've had this morning, and where we started out on the advertising issues was that even just the one campaign about the PBS is $350,000 a day over a two-week period is being used to promote the government's policies around the PBS. As the morning's gone on, we've learned that—well, we know already—that there are over 120,000 older Australians waiting for home care packages. I was quite shocked to learn that over one financial year over 16,000 older Australians have died while waiting for home care packages. If you extrapolate from that, you're looking at about 30,000 older Australians who've died over the last two years while waiting for home care packages, and yet the government is happy to spend $350,000 a day on just one advertising program in this department. Minister, how can you possibly justify that advertising when you've got people dying waiting for home care?

Senator Scullion: Senator, perhaps I'll deal with the question in two parts. First of all, I'll deal with why we provided the education campaign. A recent report from the Pharmaceutical Society found 250,000 hospital admissions annually were as a result of medication related problems. Dealing with these issues is not—

Senator WATT: But there are 10 words in a 100-word ad that are about that.

Senator Scullion: Around 400,000 additional presentations to emergency departments are likely to have been due to medication related problems; 1.2 million Australians have experienced adverse medication events—that's in the last six months. So, most importantly, we found that 50 per cent of that harm was in fact preventable, which is why we're encouraging consumers to speak to their doctor and their pharmacist.

Now, in terms of the list, it is a fact that, if Labor are elected to the Treasury benches, over the 12 months following Labor being elected to the Treasury benches, 160,000 Australians will die. Are we conflating the numbers? They're separate facts, but presented in that way it won't be because Labor have been elected that 160,000 Australians will die; 160,000 Australians, by and large, die every year and you're conflating that with the number of people on the list and the number of people who are dying which are exactly the same whether they're on the list or not.

Senator WATT: You don't think it might help—

Senator Scullion: I know you're trying to make a very special point, but I just don't think it's reasonable at all. The facts of the matter are, Senator: there are no more people dying, whether they're on the list or not on the list. I think that was an important piece of the evidence that was provided.

Senator WATT: But you don't think that it might help some of these people to live longer and have a better quality of life if they receive the home care package that they have been assessed by your own government as needing?

Senator Scullion: Well, that wasn't the point I was making, Senator. You were saying that people were dying whilst they're on the list, and I said the evidence that's been provided—and there has been no evidence contrary to that—is that people die at the same rate if they're on the list or if they're not on the list. To conflate the issue of being on a list and dying is exactly the same way as conflating the issue of: should you reach the Treasury benches, 160,000 people will die. I acknowledge that they shouldn't be conflated. And we shouldn't conflate the fact that you're on a waiting list—

Senator WATT: Can someone remind me—

Senator Scullion: If there's 120,000 we've already indicated that 92 per cent, and I think this was at last week's set of estimates, are receiving assistance. It shouldn't be said that those people waiting—

Senator WATT: I know but they're not people waiting—

Senator POLLEY: But not at the level of the care that they've been assessed for—

Senator Scullion: are necessarily waiting on the list at all.

Senator WATT: That is like saying someone needs to be given a full meal and they should be happy because they're getting a little cracker and a piece of cheese.

Senator Scullion: I don't think you should characterise it that way, Senator. It is quite clear, and we have heard plenty of evidence over a series of estimates, that the amount of people that you're quoting who we are waiting—and we're almost saying at the moment, and certainly that's being put by yourself, is that it's an equation of receiving no support—

Senator WATT: I'm not denying they're getting something—

Senator Scullion: For example, if somebody is on a level 4 support and they are only receiving a level 3 you can't say that the fact that they're only receiving a level 3 is like nothing. It is not. It is a significant of amount of support. As we've indicated—

Senator WATT: Can someone remind me—

Senator Scullion: 93 per cent of people who are waiting are receiving some level of support. And whilst they were—

Senator WATT: Can someone remind me of the cost?

Senator Scullion: waiting on that particular level—

Senator WATT: I know they're different costs depending on the level of package, but can someone remind me of the cost of—level 4 is the highest for home care?

Ms Beauchamp: Yes.

Senator WATT: What is the annual cost of one of those?

Ms Beauchamp: It's $50,000 something, something.

Senator WATT: Level 1 is the lowest?

Ms Beauchamp: Yes. It's about $8,000.

Senator WATT: Wow. So, there are128,000 people all up waiting—

Senator Scullion: Waiting for the one that they've been—

Senator WATT: For the right package.

Senator Scullion: If you're waiting, you've been provided with a package. And let's say you're on a level 4 and you are actually receiving a level three—**if I could just ask the officers, the level 3 remind me again—**

Dr Studdert: It's $33,076.

Senator Scullion: You will be receiving significant levels of support but you're still on that waiting list. As long as you have been allocated a package that is not the one you've been allocated you're still notionally on the list, even if you're receiving $33,000, which is a considerable amount of support.

Senator WATT: Just focusing on one of the numerous advertising campaigns the department is funding in the weeks leading up to an election—$350,000 a day for one of the advertising campaigns, that could be funding 43 level 1 home care packages a day or it could be funding about seven level 4 packages every single day. And you're telling me that it's a better use of that funding to fund ads than it is to help some of these people get the home care package they need when some of them are dying while waiting?

Senator Scullion: I think equally you can say to the 250,000 people who are admitted to hospital—what do you say to them?

Senator WATT: Maybe you should use it for that as well, instead of for ads.

Senator Scullion: We were making a comparison about which way you spend the money. You were saying that we're starting with one lot of money and you'd spend it this way rather than this way, Senator.

Senator WATT: I think helping elderly people get home care packages rather than dying might be a better use of the money.

Senator Scullion: We have already discussed your ridiculous conflation of those issues—

Senator WATT: You think that's ridiculous?

Senator Scullion: I do think it's ridiculous to conflate the fact that a certain number of people pass away in Australia whilst they're on the list—

Senator WATT: And whilst you're putting on TV ads they are dying waiting for home care—

Senator Scullion: Australians are dying. There are 160,000 Australians who will die this year—

Senator WATT: Why not use that money for home care packages—

Senator Scullion: If you are on a list, the evidence is that you have no greater chance of passing away than you have if you're not on the list—

Senator WATT: Why not take those ads down today and actually fund a few more home care packages for the people who are dying while they are waiting?

Senator Scullion: Because there are 250,000 hospital admissions and 400,000 additional presentations. We know that—

Senator WATT: Use it for that—

Senator Scullion: our investment in ensuring that thing—why don't you say, 'Why don't we cash in a propeller on a frigate?' We've heard all these arguments before. Why aren't these people more important than a propeller on a new frigate in South Australia. These are ridiculous notions—

Senator WATT: You think running TV ads—

Senator Scullion: that you think you can say ,'We'll take this off and we'll do this. We have made significant investments in home care packages. We made some announcements in February and we made some announcements before that—40,000. There's going to be an 86 per cent increase in the number of home care packages by the end of these forward estimates—almost double. That is not an insignificant amount, Senator.

Senator WATT: But you think continuing to run TV ads promoting the government's policies and achievements is a better use of that money than funding home care packages?

Senator Scullion: You can use any comparison. Why do you stay in health? Why don't you go to agriculture?

Senator WATT: We're in health.

Senator Scullion: Is the provision of assistance there more important?

Senator WATT: Maybe it is. Maybe it is more important than ads.

Senator Scullion: I can tell you that this specific advertising, this education program, is to prevent 250,000 people being admitted to hospital because they haven't correctly used the drugs that they have been prescribed.

Senator WATT: Have you seen the advertisements just for the PBS? I showed you before. The headline of this ad is not: 'Use your medicines safely. Keep yourself well.' It is: 'On average the PBS reduces the cost of medicines by 89 per cent. It keeps medicines affordable.' You have to keep reading and reading before you get to anything about the safe use of medicines. Do you think that's a better use of money than home care packages?

Senator Scullion: This is all important information. A lot of people listen to this and go to those websites. There are a number of different motivations.

Senator WATT: I think we know where your motivation is in the run-up to an election.

Senator Scullion: No, I'm talking about the people reading the website. The people who read the website are motivated sometimes and say, 'I wonder how the government are making their investment.' Some say, 'I've been directed to the website because I'm being encouraged to be very cautious about the use of the pharmaceuticals that I've been prescribed.' As the evidence shows, 50 per cent of this harm was preventable. This investment is to prevent that harm.

Senator WATT: If you're arguing that running government advertising miraculously in the two weeks leading up to an election campaign is better than spending money on home care packages, I don't reckon there would be a lot of Australians out there who would agree with you.

Senator Scullion: Again, I ask you not to verbal me, Senator, which is quite clear. You just haven't made the case.

Senator WATT: I would have thought it speaks for itself.

Senator Scullion: Fifty per cent of this harm is preventable. We're investing $350,000 a day over a period of time to ensure that we can reduce the number of admissions from 250,000 annually and the 400,000 additional presentations that are likely to be due to medication related problems. Some 1.2 million Australians have

experienced adverse medication in the last six months, and we're making an investment to prevent that. That is completely separate from what we're investing in aged-care packages. An 86 per cent increase in aged-care packages is significant and it is an historic precedent.

Senator POLLEY: This question goes to the $7.1 million over two years in the budget to improve the payment administration arrangements for home care packages. Is this $7.1 million about changing the payment method so that the money will be paid after the service rather than before the service, so it's going to follow on from the NDIS payment system?

Dr Studdert: As the minister has indicated in some comments, the exact details of the process haven't been finalised. What we currently have is payments that are based on historical records rather than actual services delivered. So the aim is to have a more accurate payment that reflects the actual services delivered, which is a more efficient system for both the providers and the government.

Senator POLLEY: There have been issues raised by some providers that this will be detrimental to them—that the government will only be paying out 11 payments for the 12-month period.

Dr Studdert: The advice to the sector has been that we will consult with the sector on this and that there will be an analysis done of the impact on providers, including through the Aged Care Financing Authority, with the intention being for it to not have an adverse effect.

Senator POLLEY: So this isn't about a cost saving measure?

Dr Studdert: No, it's about making sure the funds are used more efficiently across the whole home care system and that there is no wastage in terms of 'lazy' funds that aren't being used to provide services. It's actually intended to increase the efficiency and service delivery outcomes.

Senator POLLEY: When is this consultation going to take place, and when are you planning to implement this change?

Dr Studdert: We expect it will start almost immediately. The government has indicated it would like to have a new system in place from the first half of 2020.

Senator POLLEY: So what you're saying, if I can just clarify, is that there is no intention to save money in this area? Because it's been put to me that there's likely to be a $170 million saving for the government, and I want to be assured, if there are savings of that nature, that that money is going to be reinvested into aged care.

Dr Studdert: Absolutely. This is not designed to extract money from home care; it's designed to ensure the funding that is committed is used more efficiently. In fact, the measure overall is a spend because there will need to be an investment in IT systems and payment processes to enable a more efficient payment process.

Ms Beauchamp: We've been asked to work with providers, in terms of implementing the measure, and go back to government, if necessary, if we need to put any transitional arrangements in place to move from payments based on estimates to payments based on actuals. We'll be working with the sector to iron that out over the next six months.

Senator POLLEY: I needed to raise it because it has been brought to my attention that there is a real danger that some providers will have a cash flow problem.

Dr Studdert: That's exactly why we don't expect or want that to be the situation. That's why we've also put ACFA on stand-by to work with us and the sector to ensure that that's not in case.

Senator POLLEY: Thank you.

Dr Studdert: Senator, you asked earlier, and we said we would get back to you, about the quality indicator funding announced in February. You asked for the payment profile. In 2018-19 it's $0.7 million; in 2019-20, $1.4 million; 2020-21, $0.7 million; 2021-22, $0.7 million; 2022-23, $0.7 million for a total of $4.2 million.

Senator POLLEY: Thank you very much.

ACTING CHAIR: Thank you. That is the conclusion of outcome 6.

Proceedings suspended from 13:08 to 14:09

ACTING CHAIR: Thank you very much, colleagues. We will resume. We had just completed outcome 6, and now we're moving into outcome number 1. Are there any questions in outcome 1?

Senator WATT: Chair, could I—

ACTING CHAIR: Let's deal with outcome 1 first. Senator Siewert, do you have any questions in outcome 1?

Senator SIEWERT: No, I think all of mine are basically in outcome 2.

ACTING CHAIR: Great. Senator Urquhart, do you have any questions in outcome 1?

Senator URQUHART: I was told by the officials previously that what I had was in outcome 2, so I am hoping that is correct.

ACTING CHAIR: I think you can trust the officials.

Ms Beauchamp: Yes.

Senator URQUHART: Yes, excellent.

ACTING CHAIR: We will dispense with outcome 1. Outcome 1 is now completed. We will move on to outcome 2.

Senator WATT: I'm keen to get Senator Urquhart on. I will just ask one thing that follows on from the cross-portfolio questions I asked about advertising earlier. I remembered over the lunch break that—I think it was at the Department of Human Services additional estimates—I asked some questions about a letter, which I have copies of, that had gone out basically to people over 45, encouraging them to get life checks. It's essentially a Department of Health letter that was mailed out by the Department of Human Services. Sorry, I know I'm being a bit vague. It might more sense if I table the letter. I will just wait until you have a copy in front of you.

The reason I'm asking about it here is that I asked some questions about it at the Department of Human Services estimates and—I'm paraphrasing here—they essentially directed me back to Health. They essentially said that, really, their role is simply to send the letter on behalf of the department, but it's a requirement of the originating department to check the content and ensure that it complies with all relevant guidelines. That's why I thought I should ask about it here. As you can see, that letter is encouraging people to have a free 45-year life check of finance, work, health and staying socially connected. The letter has been sent on the behalf of the Department of Health. Do you or one of your officers have any knowledge of this letter, Ms Beauchamp?

Ms Beauchamp: I'm not aware of it personally, but I'm sure people in the portfolio may be aware of it.

Senator WATT: If there's anyone you have in the waiting room who knows anything about, it might be helpful if you could get them to the table. I'm not anticipating that this is going to take a lot of time. You can see there that that letter has been co-signed by Minister Hunt, as the Minister for Health, and Mr Frydenberg, as the Treasurer and Deputy Leader of the Liberal Party. That's a letter that has gone out on the Australian government letterhead, presumably paid for using taxpayer funds, from your department that has been signed off by the Deputy Leader of the Liberal Party. That doesn't comply with advertising guidelines, does it?

Ms Beauchamp: I will have to wait until the relevant people come in. If it's in cross-portfolio, the communications people and the aged care people—

Senator WATT: They may have gone?

Ms Beauchamp: This was part of a campaign from the 2018-19 budget. I would probably have to take it on notice as to what approval process it went through.

Senator WATT: Could you also take on notice what the cost of this particular campaign was and the date that these letters were sent?

Ms Beauchamp: Yes, I can.

Senator WATT: But you think it was sent sometime over the last financial year?

Ms Beauchamp: The 45-year and the 65-year checks were part of the 2018-19 budget, yes.

Senator WATT: Just going back to that list of advertising and information campaigns that you tabled on Friday, that would be the life checks?

Ms Beauchamp: The life checks were part of the 2018-19 budget.

Senator WATT: And that looks like it cost $220,000.

Ms Beauchamp: I'm not sure what was included in the whole campaign budget.

Senator WATT: But, presumably, this letter was at least part of that $220,000, if not all of it?

Ms Beauchamp: I can make that assumption directly, but I will take it on notice.

Senator WATT: Yes. Does it concern you that departmental funds were used to send out a letter to many Australians that was signed off by the Deputy Leader of the Liberal Party?

Ms Beauchamp: I think the information it contained was definitely part of getting people to be aware of the policy decision that had been made in the budget. As for how our ministers have signed off on it, I will need to seek further advice on that.

Senator WATT: Sure—and I'm not disputing any of the contents of the letter. I'm not going to get into whether the campaign itself is good or bad. But surely it's not acceptable for $220,000 worth of departmental funds to be used to send a letter that's got a clear political reference in it.

Ms Beauchamp: I said I'd take on notice the $220,000, because I don't know if this was the entirety or if there are other elements. I certainly know that there were other elements in terms of the websites and other information that was provided, but I don't actually know if it was included in the campaign funding.

Senator WATT: Sure. However, some departmental costs were incurred in sending these letters out.

Ms Beauchamp: From the footnote, it looks like yes.

Senator WATT: What I'm asking is: does it concern you that departmental funds, whether it be $220,000 or less, were used to send out to Australians a letter that contains a clear political reference to the Liberal Party?

Ms Beauchamp: Like I said, I'd take on notice the use of that signature block, but it does refer to the Treasurer and the Minister for Health.

Senator WATT: Yes, but it also refers to the Deputy Leader of the Liberal Party.

Senator Scullion: For example, I'd have a signature block in this sort of manner: Senator Nigel Scullion, Leader of The Nationals in the Senate—because it's part of the title that I have. I admit some ignorance about the specifics, but this is actually a title. He is the deputy leader. He is the Treasurer, and Deputy Leader of the Liberal Party. That's his status, rather than a political—

Senator WATT: Surely you wouldn't use that terminology about your political party in letters that departmental funds are being used to pay for?

Senator Scullion: I haven't been in the position where I've sent out letters in this way.

Senator WATT: No. So you haven't done it.

Senator Scullion: No, I personally haven't, because I haven't sent out those sorts of letters. But I have to say that signature block is the usual signature block that I see. I'm not trying to make any other point than that that is quite a usual signature block for a member of parliament, particularly if they're the deputy leader of a party or, in fact, if you're the Prime Minister, which is also—

Senator WATT: How long have you been the leader of the National Party in the Senate?

Senator Scullion: I've been leader of the National Party in the Senate for, I don't know, about eight years.

Senator WATT: And in all those eight years you've never sent out a letter using departmental funds that referred to you as the leader of the National Party. So how can that be a usual thing to do?

Senator Scullion: As I said, I haven't sent out letters of this nature full stop. That's all I'm saying. I haven't done that, so I wouldn't be able to refer you to my circumstances—because as a minister I haven't sent out this sort of letter. But I wouldn't be surprised if others in similar circumstances have. I guess the reason I'm saying that is that there is absolutely nothing in the content of the letter apart from proper educational material. None of it really can be argued. That's what I'm saying. I don't think there's any mischief at all in this particular signature block. But, again, I am unaware of those specific provisions.

Senator WATT: I'm not going to get into whether the letter itself is good or bad or right or wrong. The ministers have presumably sent out this letter—and I'm not going to get into whether the letter itself is good or bad or right or wrong—in their ministerial capacity as Treasurer and as Minister for Health, and yet Mr Frydenberg or someone has decided to whack in that he's also the deputy leader of the Liberal Party. That's clearly in breach of advertising guidelines, isn't it?

Ms Beauchamp: By way of comparison, soon after coming into this portfolio, I did ask for Prime Minister and Cabinet for advice around media releases, for example, and whether ministers could refer to their party and their electorates. That was absolutely all above board. They're quite entitled to do that.

Senator WATT: In media releases?

Ms Beauchamp: In media releases. I think you were raising the use of taxpayer resources.

Senator WATT: Yes.

Ms Beauchamp: For consistency, it seems to be very consistent with that policy.

Senator WATT: So you think it is appropriate.

Ms Beauchamp: I said I would take advice, but by way of comparison I think it's consistent with the advice we sought around the use of signature blocks on media releases.

Senator Scullion: We'll seek some advice on that.

Senator WATT: We're comparing apples and oranges. The apples are the media releases, which taxpayer funds are not used to distribute. They just go out on an email system that doesn't cost anyone anything. And over here we have a letter that taxpayers have paid up to $220,000 to distribute that contains a clear political reference.

Ms Beauchamp: I don't think we can use that figure, because that was—

Senator WATT: I said 'up to $220,000'.

Senator Scullion: We accept that's not a—we'll take that on notice. We'll provide some more advice.

Senator WATT: Ms Beauchamp, given we know from this morning that in recent weeks there has been a very large amount of departmental funds spent on a range of advertising programs, have you taken any additional steps to ensure that there are no political references similar to this one contained in any of the advertising or information campaigns that are going on at the moment?

Ms Beauchamp: They're all cleared through the Independent Communications Committee and the subcommittee of cabinet to ensure—

Senator WATT: Those are only the ones above $250,000.

Ms Beauchamp: Yes.

Senator WATT: And this one—

Ms Beauchamp: I said that I'd take it on notice in terms of whether it was included in a more formal campaign promotion as part of the budget process.

Senator WATT: Does that mean that you're confident that the ones that are above $250,000 that have gone through the independent committee don't contain any political references because they're cleared by the independent committee?

Ms Beauchamp: And I'm to sign off that they've met all the guidelines, which includes non-partisan comments.

Senator WATT: And those campaigns that are below that $250,000 threshold and do not need to go to the independent committee, do you have any processes in place such as signing off that they meet the guidelines?

Ms Beauchamp: Generally, yes, we do, but, as I said, I'd take that on notice. I wasn't personally aware of the approval process around this particular piece of information.

Senator WATT: Okay. To be precise then, in addition to the questions I've already asked that you've taken on notice, could you take on notice: what was the approval procedure for this particular letter and were any checks made to ensure that it did comply with all relevant advertising guidelines? Further to that, what I'm asking is whether steps have been taken to ensure that any information campaigns the department fund, whether they be above or below that $250,000 threshold, comply with the advertising guidelines.

Ms Beauchamp: Yes, and the normal guidelines in terms of any information and awareness materials.

Senator WATT: What I'm hoping is that this is a one-off and that there haven't been other instances that we're not yet aware of where these sorts of things have slipped through as well.

Senator O'NEILL: That was to hundreds of thousands of families across the country.

Senator WATT: You might recall at the last additional estimates—and I think it was in Health that I asked about this—I bought another letter to your attention, which was a letter from Minister Wyatt, which referenced the Liberal-National government. I'm a bit concerned that, in the space of a few months, we seem to have had two instances where letters have gone out from the department, funded using departmental funds, that make political references.

Ms Beauchamp: I said I'd take on notice the approval process and whether these were considered legitimate as part of that approval process.

Senator WATT: Can you assure us that any remaining advertising or information campaigns that will go out before the election will all meet relevant advertising guidelines?

Ms Beauchamp: Yes.

Senator WATT: I leave it at that one, so I think we're probably ready to go to outcome 2, Chair.

ACTING CHAIR: We've dealt with outcome 1. We're now in outcome 2.

Senator WATT: I don't think these are outcome 1 but, just in case, I do have some questions about the acronym CHHP.

Ms Beauchamp: It's outcome 2.

ACTING CHAIR: Okay, outcome 2 it is. Who's going to begin?

[14:25]

Senator URQUHART: I want to ask some questions about the Prime Minister and Mr Hunt's media release this morning in relation to health services in Tasmania. In relation to TAZREACH, Senator Colbeck told the Burnie *Advocate* on 26 March this year that TAZREACH was funded to the tune of $4 million over three years through the rural health outreach program. Can you tell me how much today's announcement included for TAZREACH and over how many years.

Ms Edwards: I'm just looking at the same press release as you, so bear with me as I work through it. My understanding is it will be $14.7 million to support the Tasmanian rural health fund, TAZREACH, for the delivery of outreach specialist health services.

Senator URQUHART: Over what time frame is it? How many years?

Ms Edwards: I may have to call upon one of my colleagues.

Senator URQUHART: Can you give me how much in each year? I presume it's over more than one year, but can you take that down—over the number of years.

Ms Edwards: We'll check if my colleague has that information now. Otherwise, we'll take it on notice and get it to you quickly. The relevant officer is here but he's just gone to get something to eat. Do you have other questions while we're waiting for him?

Senator URQUHART: I do. The press release also talked about elective surgeries. Can you tell me how much was announced for elective surgeries?

Ms Edwards: $37.4 million. I have the same issue with not knowing which years it is right at this moment.

Senator URQUHART: It's the same official?

Ms Edwards: The same fellow will know the answer to that.

Senator URQUHART: Can you tell me what types of surgeries are covered under that package.

Ms Edwards: I wouldn't have that information with me today. I imagine that is a discussion that will be had with Tasmania. It's to reduce the time for elective surgeries and to support Tasmanians in rural and remote locations, but in terms of the detail of the measure that is something we'd be working through, I would think.

Senator URQUHART: So you can't tell me what types of surgeries are covered under that package.

Ms Edwards: I can't tell you today, and I'm not clear whether it would actually be worked—I imagine it's something we'd have to discuss with the Tasmanian government and the hospitals.

Senator URQUHART: It's $37 point—

Ms Edwards: $34.7 million.

Senator URQUHART: How has the $34.7 million been calculated if you're not able to tell me what types of surgeries are covered?

Mr McCormack: The phasing for TAZREACH—it's $2.7 million—is out of existing funding. I'll need to come back to you on what that—

Senator URQUHART: Sorry, you're the officer that's talking about TAZREACH, okay. So let's go back to TAZREACH then, if that's where we're going. Are we going to TAZREACH?

Mr McCormack: TAZREACH.

Senator URQUHART: My question was that it's $14.7 million for TAZREACH. Is that correct?

Mr McCormack: Correct.

Senator URQUHART: Can you tell me how many years it is over and what the quantum is in each of those years?

Mr McCormack: There's $4 million per year over three years from 2019-20, which is $12 million. That's new money in the budget, new funding. Then, the additional $2.7 million is existing funding, and I'll need to confirm on notice the year that that is. It's either 2018-19 or 2019-20, but I'll confirm that on notice.

Senator URQUHART: That program ended in 2016. That's correct, isn't it?

Ms Edwards: Previous funding for TAZREACH? Yes.

Senator URQUHART: The program finished in 2016, did it not?

Mr McCormack: I don't have that knowledge, I'm afraid.

Senator URQUHART: Does somebody have that knowledge?

Ms Edwards: Mr Hallinan might be able to help us.

Prof. Murphy: I don't think we can answer that from a workforce perspective.

Mr Hallinan: TAZREACH is collectively the name of a series of outreach services provided by the Department of Health and the Department of Human Services on behalf of the Commonwealth through the Rural Health Outreach Fund. It has ongoing and continual funding in the order of a couple of million dollars a year. There was a measure in 2012 which expanded the TAZREACH program for a period of four years. That ceased in 2016, so it went back to its original baseline funding at that stage.

Senator URQUHART: So it had $2 million per year funding from 2016. Is that what you're saying?

Mr Hallinan: Yes. I'll get the precise details. It is about $1.4 million per annum.

Senator URQUHART: What was that service for?

Mr Hallinan: That service is for the delivery of outreach specialist services throughout rural and regional Tasmania.

Senator URQUHART: So it has jumped from $1.4 million now to $4 million per annum. Is that correct?

Mr Hallinan: It will be an additional $4 million per annum.

Senator URQUHART: On top of the $1.4 million.

Mr Hallinan: On top of that baseline number, yes.

Senator URQUHART: How does that add up to $14.7 million, or is $14.7 million new money?

Ms Edwards: The $14.7 million is the additional money on top of the existing program.

Senator URQUHART: Can you give me then the total money over the years?

Ms Edwards: Mr Hallinan has given a number. What did you say it was per year for the existing program?

Mr Hallinan: It's around $1.4 million per annum in the existing program from 2019-20 and beyond.

Ms Edwards: And then in 2019-20, 2020-21 and—

Senator URQUHART: Just let me get this very clear. From 2016, it was $1.4 million per annum.

Mr Hallinan: Yes. If you take the 2019-20 year and beyond and use a baseline.

Senator URQUHART: No. You're jumping ahead too far. I'm only up to 2016. So 2016-17?

Mr Hallinan: I haven't got 2016-17 financials with me, because that's going back a fair way.

Senator URQUHART: But you said it was $1.4 million per annum—

Mr Hallinan: Roughly, yes.

Senator URQUHART: continued from 2016.

Mr Hallinan: Yes, as an ongoing baseline number.

Senator URQUHART: So one would assume that in 2016-17 it was $1.4 million and in 2017-18 it would have been $1.4 million?

Mr Hallinan: Yes.

Senator URQUHART: And then, in 2018-19, $1.4 million?

Mr Hallinan: $1.4 million.

Senator URQUHART: So, now, 2019-20?

Mr Hallinan: The baseline number that was in the estimates was $1.4 million, and there's an announcement that has been made today for an additional $4 million per annum on top of that.

Ms Edwards: For those three years, 2019-20, 2020-21 and 2021-22—

Senator URQUHART: 2020-21 is $4 million?

Ms Edwards: Four million for each of the three years and then there's an additional $2.7 million—

Senator URQUHART: Hang on. In 2019-20, it is $1.4 million plus the $4 million per annum.

Ms Edwards: Correct.

Senator URQUHART: 2020-21 is then the $4 million per annum plus—

Ms Edwards: the $1.4 million.

Senator URQUHART: Right.

Ms Edwards: And it's the same in the following year. So there are three years—

Senator URQUHART: So in 2021-22—

Ms Edwards: is also $1.4 million baseline, plus the $4 million. The complicating factor is that there is a third bucket of money of $2.7 million in relation to which the year of allocation is not yet determined, which makes $14.7 million additional on top of $1.4 million each year.

Senator URQUHART: That's quite clear now. Thank you.

Ms Edwards: Senator, just to go back to your other question, which is about the money for elective surgery—

Senator URQUHART: I'll come back to that. I have got a couple more on TAZREACH, so please let me finish that. Can you tell me what policy circumstances have changed now to reflect the changes in the funding for TAZREACH?

Ms Edwards: The government has recognised that it is a very valuable and important program to provide services in regional Tasmania, and so it has made a commitment to increase the amount of funding for that program.

Senator URQUHART: Then why was it cut back to $1.4 million in 2016, if it is so valuable?

Mr Hallinan: In 2012, the then government announced a four-year terminating program for TAZREACH The 2012 commitment by the then government was to cease the funding in 2016, which is what occurred.

Senator URQUHART: Okay. It is now seen as valuable, but it hasn't been seen as valuable since 2016?

ACTING CHAIR: No, it was a four-year program that ended in 2016.

Senator URQUHART: No, from 2012. The officers have just said it is a valuable program to be now funded, but obviously from 2016 it wasn't determined to be valuable.

Ms Edwards: I think the government has made a decision that, given it's in a position to spend additional money on health services in Tasmania, it would make an additional contribution. So it is a reflection of health funding, very important and very large across the country, an area of need. and when the opportunity arose the government has decided to make additional funding for that purpose.

Senator URQUHART: Minister, can you tell me why it wasn't continued in 2016?

Senator Scullion: Mr Hallinan is—

Senator URQUHART: I've asked the minister.

Senator Scullion: These are, I understand, a terminating program under the previous government.

Senator URQUHART: But, can you tell me why, if it's such a valuable service, your government didn't continue it in 2016 and has only now seen fit—a couple of days before a possible election is called—to go out and then say, 'Wow! We've found some money and here it is.' What has changed?

Senator Scullion: I don't accept your characterisation of the circumstances, Senator. Under the previous government, it was a ceasing program. So, as under most ceasing programs, it is intended and designed to cease on a particular day.

Senator URQUHART: Yes.

Senator Scullion: And it is hoped that the challenges that it was supposed to ameliorate have been completed. They have dealt with those challenges and that's. That's the nature of a ceasing program. But one of the things about a ceasing program is its capacity and ability to continue to lift investment. We have, of course, run a very strong economy, Senator. As you would know, we are all celebrating the fact that we are now moving into a surplus. Circumstances can change sometimes where economically we can say, 'Alright. It might have been a program that we just simply couldn't have afford, because it was in a relative sense not as high a priority as it could have been. But since that has moved down, what happens is those programs that might have been just out of the reach economically suddenly are within reach, because we actually managed our economy well. We have a strong economy and this is just a signal of the capacity to invest.

Senator URQUHART: So it wasn't important from 2016?

Senator Scullion: No, no. That's not what I said, Senator. I said in terms of priority there is a bottom of the list. Suddenly, you can push that list down and when you have more funds available there is an efficiency dividend out of running a strong economy.

Senator URQUHART: Can we now move to elective surgery. I think the press release talks about 6,000? I can't quite find it now. Can you tell me how many it does refer to? It's 6,000. Can you tell me what types of surgeries are covered under that package?

Ms Edwards: As we were beginning to say, this money is money which will be delivered through the state government, and state governments have the primary responsibility for running hospitals. So the manner and application of it will be worked out as we work out the funding arrangements with the state government, depending on where the highest levels of pressure are.

Senator URQUHART: So effectively you are giving the Tasmanian state government $34.7 million to then say, 'This is for surgery waiting lists,' with no parameters around it?

Ms Edwards: No. There will be an intergovernmental agreement entered into, as is the normal course, which will set out the parameters of the funding, the purposes of it and the reporting requirements and milestones that the Tasmanian government will have to hit in order to get the payments.

Senator URQUHART: So you can't tell me what types of surgeries are covered under that package. You can't tell me the average cost of them?

Ms Edwards: Well, states are responsible for running public hospitals, and the Commonwealth makes major commitments, contributions, to those, but they are the primary owner-operator and responsible for the management of public hospitals. What the Commonwealth does is to provide funding contributions, through the ordinary activity based funding arrangements. But also this is an additional investment in order to help Tasmania with elective surgery, and it will be something that we'll be talking to Tasmania about, as we work out the national partnership agreement, or project agreement, depending on how it's done, and ensure that there are appropriate milestones for payment and reporting requirements, and that there's real value for money given for Tasmanians and for the use of this money.

Senator URQUHART: The reason I'm asking you what types of surgeries and endoscopies are going to be performed is because it very clearly says, in the media release, that it's about providing an additional 6,000 surgeries and endoscopies. So you must have some idea as to what types of surgeries and endoscopies are going to be performed to be able to calculate that number—the number of additional places—to then quantify the $34.7 million.

Ms Edwards: As you know, hospital pricing methodology is an incredibly complex thing. We have an independent body which calculates the costs of surgeries, and there is a general cost of it. That money would've been worked up based on an average cost, but exactly what surgeries are expedited through this investment will be a matter to work out on an operational basis as we work with Tasmania.

Senator URQUHART: As to the number in here, I don't know how you can say 'an additional 6,000' when you don't even know what it's going to be.

Prof. Murphy: I would imagine that the Tasmanian government have modelled up what they would like and have put a figure on what they could achieve for 6,000; they would have had a priority list of the 6,000 they would want, and they would've put a price to the Commonwealth, and a price has been agreed, but, as Ms Edwards said, you would need to then negotiate that through. But the Tasmanian government will have an idea—

Senator URQUHART: So have you talked to the Tasmanian government about this?

Prof. Murphy: I haven't, no.

Senator URQUHART: Has the department spoken to the Tasmanian government?

Ms Edwards: Not specifically about this, no.

Senator URQUHART: Right so—

Ms Edwards: We did talk to them about—

Senator URQUHART: So you all of a sudden said, 'Here you are—

Ms Edwards: We do talk to them about hospital funding all the time—

Senator URQUHART: I'm sure you do. But I'm asking specifically—

Ms Edwards: And the costs of surgeries are something which is worked out from the Independent Hospital Pricing Authority, so there would be an average cost for the sorts of surgeries we're talking about.

Senator URQUHART: My question is: have you talked to the Tasmanian government about providing them with $34.7 million and how they could then use that in surgeries?

Ms Edwards: I haven't yet, no.

Senator URQUHART: The department hasn't—is that right?

Ms Edwards: I'm not aware of those discussions. They could've happened somewhere else in the department. But I'm not aware of any.

Senator URQUHART: Ms Beauchamp?

Ms Beauchamp: I'm not aware of the discussions.

Senator Scullion: That would only leave another level that it would've taken place at, and it most certainly would've been a conversation at ministerial level. No doubt the health system in Tasmania would have a very good understanding of its needs. They've acknowledged that they've got a waiting list for surgeries. So no doubt they have about 6,000 procedures, including endoscopies, and they require around $34.7 million—that would've been the calculation. Now, I'll take that on notice, but what I'm offering is that, quite clearly, the only people we've got left are going to be at ministerial level, and that could well have been the case, and I think it'll be useful for the committee if I take that on notice.

Ms Edwards: Can I just correct one of my answers in relation to numbers? Other senators would know this happens occasionally to me. $34.7 million is the total number, including the TAZREACH money. So it's $20 million to the Tasmanian government to assist in elective surgery waiting times, and $14.7 million to TAZREACH. I apologise for the mistake.

Senator URQUHART: Sorry—can you just say that again?

Ms Edwards: Twenty million dollars over five years—

Senator URQUHART: Over five years.

Ms Edwards: Yes.

Senator URQUHART: For elective surgery?

Ms Edwards: For elective surgery, and $14.7 million—exactly the numbers we were talking about before—for TAZREACH.

Senator URQUHART: So I guess you can't tell me how many of what types of surgeries $20 million will provide?

Senator Scullion: We'll take that question on notice—

Senator URQUHART: I am asking you now. You put out a press release—

Senator Scullion: If I wasn't aware of the nature of the surgeries when it was $34.7 million, I'm unlikely to because the number's changed. We'll take that on notice, simply because it was most likely to have been a ministerial agreement rather than a departmental agreement.

Senator URQUHART: I'm sure it was.

Senator Scullion: I'll take that on notice.

Ms Beauchamp: We did ask the states and territories for ideas and proposals around the community health and hospital fund, and, whilst I haven't seen some of the details of many of them, I'll take on notice whether other requests came through that process as well.

Senator URQUHART: Can you give me a breakdown, year by year, of the elective surgeries?

Ms Edwards: Of the funding allocation?

Senator URQUHART: Yes.

Ms Edwards: Yes. It would be $5 million in this financial year, and then—

Senator URQUHART: So that's 2019-20?

Ms Edwards: 2018-19.

Senator URQUHART: 2018-19, sorry.

Ms Edwards: And then, as to the other three years of funding: no funding in 2019-20—

Senator URQUHART: So no funding in that year?

Ms Edwards: In 2019-20.

Senator URQUHART: Why is there no funding in—

Ms Edwards: Let me just finish and I'll explain why. So there's $5 million in 2018-19; in 2019-20, zero; in 2020-21, 2021-22 and 2022-23, $5 million each. So the total is $20 million. The reason that phasing happens is: obviously this payment to Tasmania we made very much towards the end of this current financial year; it's effectively for things happening next financial year. So that's why it looks odd phasing, but it's really that money provided this financial year to Tasmania; I imagine the activity assisted would be happening mostly in the following year.

Senator URQUHART: So effectively the 2018-19 money will be utilised during 2019-20?

Ms Edwards: You'd expect as much, yes.

Senator URQUHART: There were a number of other allocations of funding in the media release.

Ms Edwards: Yes.

Senator URQUHART: So can you tell me: as to the $10 million for the Menzies Multiple Sclerosis Flagship Program, I understand it is for research Australia-wide, but has that $10 million actually been given to the Menzies centre, or is it Australia-wide?

Ms Edwards: It's the Menzies institute in partnership with the University of Tasmania.

Senator URQUHART: Can you give me the funding profiles for that?

Ms Edwards: I guess Mr McCormack could.

Mr McCormack: So that is $1 million in 2019-20, and then $2 million in 2020-21, 2021-22 and 2022-23, and $3 million in 2023-24.

Senator URQUHART: $10 million for an eating disorder clinic in Hobart?

Ms Edwards: Yes. This has been announced today—the location. We had already had a global announcement for all—

Senator URQUHART: When you say 'location', do you just mean—

Ms Edwards: In Hobart. On Friday we talked about that in this committee. There's a global allocation for eating disorders, an additional investment, in this budget, and it includes money for a trial of residential eating disorder clinics in six locations, and Hobart will be one of those locations.

Senator URQUHART: What is the breakdown of funding for that?

Ms Edwards: I only have the phasing today for them rolled up, for the four eating disorders in four locations in Australia, which is a total of $54 million, of which $10 million will be for the Tasmanian facility, and I have got the phasing but only for the total, not for the Tasmanian portion, at this stage.

Senator URQUHART: Can you give me the phasing?

Ms Edwards: Yes. There is $18 million in 2018-19 and then, similar to what we were speaking about before, there is no allocation for 2019-20 and 2020-21. There is $9 million in 2021-22, $18 million in 2022-23 and the final $9 million beyond the forward estimates. Again, the $18 million this financial year, given that this is going through the PHNs, will be able to be allocated fairly quickly and then be used, including for capital works and so on, as required.

Senator URQUHART: Why is that not broken down into—did you say there were five areas?

Ms Edwards: There are four facilities. Actually, you are correct: there are five new facilities plus an additional investment for an existing facility. I don't have that material with me at the moment. I could take it on notice.

Senator URQUHART: Could someone get it this afternoon?

Ms Edwards: I don't think so.

Senator URQUHART: You don't have it at all?

Ms Edwards: It may be that one of the teams could find it, but not quickly.

Senator URQUHART: So you've announced $10 million for that?

Ms Edwards: Yes. We've also announced $13.5 million for the ACT's facility and some additional money for a facility that had already been considered for the Sunshine Coast. We have also announced a facility in South Australia and a facility in Western Australia. The government is yet to announce the two remaining ones.

Senator URQUHART: So those amounts you gave me for 2018-19, 2021-22 and 2022-23—you couldn't give me the 2023-24 figure—are, I suspect, not equally divided but divided by the five facilities?

Ms Edwards: That would be a reasonable estimate. I should note that across the whole of the six facilities—remember, that $54 million has got to do with the four—

Senator URQUHART: Hang on, are the six or five?

Ms Edwards: There are seven facilities all up, and one of those has already commenced—

Senator URQUHART: So there are seven all up, and one is already existing?

Ms Edwards: On the Sunshine Coast; the planning has commenced and it has already been announced. There is the South Australian Repatriation Hospital, which has already been announced, and that is for $5 million because it is in an existing facility; the hospital was already there. There is $4 million for an eating disorder residential facility in the WA Peel Health Hub, and that's because it is part of a larger commitment in Western Australia; it requires a different amount. And then there are four other new eating disorder facilities. Two of them have been announced in the ACT and Hobart today and two are yet to be announced.

Ms Beauchamp : And they are in the order of, I think, $10 million and $13 million for each site.

Ms Edwards: It is probably about $10 million each. Again, we work it out depending on what the project is.

Senator URQUHART: Sorry to go over this again: there is one existing on the Sunshine Coast—

Ms Edwards: It is not an existing facility, it is an existing project.

Senator URQUHART: There is a South Australian one.

Ms Edwards: Correct.

Senator URQUHART: That makes two. There is one in WA.

Ms Edwards: A proposal, yes.

Senator URQUHART: There is one in the ACT.

Ms Edwards: Correct.

Senator URQUHART: And there are two to be announced.

Ms Edwards: Correct.

Senator URQUHART: That makes six. Where's the other one?

Ms Edwards: Sunshine Coast, South Australia, WA, ACT, Tasmania and two to be announced. That makes seven.

Senator URQUHART: There is $10.5 million for a mental health clinic in Launceston?

Ms Edwards: Yes. This is one of the adult mental health clinics that we have also been talking about as a job lot. Eight of those are to be funded in every state and territory, and Launceston is the first location to be announced?

Senator URQUHART: There is one in each state and territory, eight in total?

Ms Edwards: Correct, eight in total.

Senator URQUHART: Can you give me the breakdown?

Ms Edwards: I can give you the total. It is $114.5 million over five years and the total for the Launceston facility is $10.5 million. I can give you the total phasing for the full amount. It is $13 million in 2020-21—

Senator URQUHART: So that's when it starts?

Ms Edwards: Correct. There's a lot of planning to do for this one.

Senator URQUHART: Thirteen million?

Ms Edwards: Yes, $13 million in 2021-22 and $28.5 million in 2022-23, once we've ramped up. But I can't give you, although my colleague may know, the Tasmanian phasing.

Senator URQUHART: There's $3 million that will fund two diagnostic mammography units, one in Hobart and one in Launceston.

Ms Edwards: Yes.

Senator URQUHART: So is that $1.5 million for Hobart and $1.5 million for Launceston? Is that how that works?

Ms Edwards: I don't think I have the detail on that one. Let me look in the budget measure. This is part of a larger budget measure which you'll find in Budget Paper No. 2 at page 86 in relation to improved access to diagnostic imaging. It's one of the announcements under that measure. I don't have the breakdown for the particular facilities in Tasmania.

Senator URQUHART: So you don't have a breakdown?

Ms Beauchamp: It's $3 million for two years.

Ms Edwards: Yes. As to whether it's $1.5 million for each, you'd imagine so, but I'm not a radiologist.

Senator URQUHART: That is one-up funding, I presume, or is it phased in? I presume that, if you're going to buy a diagnostic unit, you buy it.

Ms Edwards: We're working in the same area of presumption there, and I don't have any further information about the dating. The whole of the measure phasing for improved access to diagnostic imaging is set out in the budget papers.

Senator URQUHART: What was that page number again?

Ms Edwards: Page 86 of Budget Paper No. 2.

Senator URQUHART: Thank you. The $400,000 for upgrades, I think, of birthing suites in Launceston?

Ms Edwards: Yes. That's an element of the 'Supporting our hospitals—additional infrastructure and services' budget measure on page 107 of Budget Paper No. 2.

Senator URQUHART: Can you give me the amounts and the years?

Ms Edwards: That's $107.8 million over seven years, and the forward estimates phasing—

Senator URQUHART: Sorry, how much?

Ms Edwards: It's $107.8 million over seven years, commencing in the current financial year. The phasing over the forwards is set out in the budget papers. This is an allocation which the government's decided to make from that measure, but I don't have any more detail with me on it.

Senator URQUHART: When is that $400,000? In what year will that be for Launceston?

Ms Edwards: I don't have that information.

Senator URQUHART: Does anyone have any information?

Mr McCormack: That is $400,000 in 2019-20.

Senator URQUHART: Thank you. I haven't added all the sums up properly yet, but the press release talks about $92 million in support for all Tasmanians. I don't quite get $92 million out of all that. Maybe I'm missing something.

Ms Edwards: Well, we're doing the maths here as well. I think it does add up. We add it up to $91.9 million. I'll tell you the measures we've got that add up to that.

Senator URQUHART: That would be great. I get $68.6 million, so it would be great to know where the other $23.4 million is.

Ms Edwards: This is a rolled-up list. We've got hospital and health services and infrastructure, $35.1 million; new cancer infrastructure, which I think is the linear accelerator, $4.4 million; more MRI units, $4.7 million; the two extra diagnostic mammography units, $3 million; the research, the $10 million plus the additional $2.4 million, which is $12.4 million; mental health, $24.4 million; alcohol and drug, $7.4 million; and better access to primary care, $500,000.

Senator URQUHART: Some of those figures are actually not mentioned in this press release—things like mental health.

Ms Beauchamp: Some of them aren't.

Ms Edwards: I think I'm reading from a document which is about to be loaded onto our website as an information document. I'll see if it's there. If it is, I'll refer you to it.

Senator URQUHART: All right, because it simply doesn't add up from the figures that are in the media release.

Ms Edwards: This information is about to be uploaded. We could get probably get a copy of it for you.

Senator URQUHART: That would be great. Thank you very much.

Ms Edwards: Someone who is listening, no doubt, will arrange that.

Mr McCormack: The media release highlights a subset of the elements that are in the Tasmanian health plan that was released at the same time.

Senator URQUHART: So it is only a part of it, not all of it.

Ms Edwards: I am sure we can get that for you today.

Senator URQUHART: That would be lovely. Thank you.

Senator WATT: I've got a handful of questions in outcome 2, and then I think both Senator Siewert and Senator O'Neill have quite a few questions about mental health. Professor Murphy, it might be best if I direct these questions to you. They are to do with out-of-pocket costs for cancer care. Just in general terms to begin with, how would you characterise the out-of-pocket costs of cancer care for patients?

Prof. Murphy: For those patients who have out-of-pocket costs, the committee that I chaired had advice really that it was a cumulative cost. Most of them described the cumulative cost of out-of-pocket costs for medical imaging and for surgery. Radiotherapy was a particular element with significant out-of-pocket costs. Then, for consultations, it was in a cumulative sense, over time. The data would suggest that the very extreme out-of-pocket costs are in a minority of cases, but in some extreme cases they would be up to the order of $20,000. But, for most people, the data would suggest that out-of-pocket costs might be in the less-than-$1,000 territory. But there were certainly some examples at the extremes that were very concerning, particularly when surgeons charged sometimes more than $10,000 for out-of-pocket costs for their surgical fee.

Senator WATT: You describe these out-of-pocket costs for cancer care as cumulative, meaning they add up?

Prof. Murphy: Yes, over a cancer journey. A cancer journey may take a year. You might go to your surgeon, have the surgery, and have an out-of-pocket cost, and, being worked up for surgery, you might have lots of medical imaging and pathology, some of which might have out-of-pocket costs. Then, having had the surgery, certainly with breast cancer you might even have follow-up surgery for reconstruction, which might have out-of-pocket costs, and then those people who have more aggressive disease might have a course of radiotherapy and chemotherapy. If they stay in the private system, which some do—some would go back to the public system and have free treatment—there might be $2½ thousand out-of-pocket costs for radiotherapy and, in some cases, some out-of-pocket costs for consultations for medical oncologists.

Senator WATT: So the types of things that people incur these out-of-pocket costs for on a regular basis are medical imaging and pathology, surgery, radiotherapy, chemotherapy and specialist consultations?

Prof. Murphy: Correct.

Senator WATT: You talked about the extreme examples. In those situations, you're talking about potentially $20,000 or more?

Prof. Murphy: Of that order. The biggest examples we heard were around $20,000. They usually had in them a very big surgeon fee element.

Senator WATT: And you said that it's not unheard of for those surgery fees to be $10,000 or more?

Prof. Murphy: Yes. It is a minority of cases, but there are a number of them in certain surgical specialties, particularly in certain cities. In Sydney and Canberra, as I've said before at estimates, you can get those sorts of costs for surgeons.

Senator WATT: They are the extreme cases?

Prof. Murphy: Yes.

Senator WATT: But it's quite common for people to be incurring out-of-pocket costs in the $1,000 to $5,000 range?

Prof. Murphy: Yes, mostly less than $1,000, but there is a curve.

Senator WATT: It would be fair to say that for many people you're talking about pretty substantial out-of-pocket costs?

Prof. Murphy: For some people, definitely.

Senator WATT: In brief, what were the key findings of this ministerial advisory committee? It obviously had some findings around the types of costs that people incur.

Prof. Murphy: Yes.

Senator WATT: In brief, what were the other main findings?

Prof. Murphy: One of the striking findings was the interstate variation. Pretty much nobody in Adelaide has an out-of-pocket cost for surgery. Just about everyone in Sydney and Canberra does, and some of them are very, very high. One of the clear messages was that people who see a surgeon, or a radiation oncology provider, without knowing in advance what they're going to be charged, are informed of the bill in practice—they feel they can't extricate themselves from that relationship and get another opinion. So, there was a clear driver in that committee to promote transparency so that people could find out what someone was charging before they actually made the initial appointment.

Senator WATT: Were there any findings around the costs for people living in regional and remote areas?

Prof. Murphy: Again at the level of anecdote, the particular issue there was the additional travel and accommodation costs, because often they would have to travel to have their surgery or their radiotherapy or even sometimes their chemotherapy. That was seen to them as an additional burden of significance.

Senator WATT: When you are getting those figures about the extreme end of $20,000, the $1,000 up to $5,000, were you including travel and accommodation costs there?

Prof. Murphy: Some of the anecdotes reported that as well, but mostly not.

Senator WATT: In some of the references within your committee's report you referred to a Consumers Health Forum survey which found that more than a quarter of respondents treated for breast cancer incurred an out-of-pocket cost of more than $10,000.

Prof. Murphy: That was the result of that particular survey. The data we got out of the global data suggested that well under 10 per cent of people had that level of out-of-pocket costs in general, but breast cancer probably is a special example, because there's often double the surgery and a large range of imaging. That was certainly the finding of that survey.

Senator WATT: Your report also referred to a *Four Corners* investigation on the cumulative costs to cancer patients undergoing treatment over a long period of time?

Prof. Murphy: Correct.

Senator WATT: Just refresh my memory as to what that *Four Corners* investigation had to say about that?

Prof. Murphy: Pretty much what I said earlier: that it was a cumulative issue and there were some extremes at the end, but most people were getting some form of out-of-pocket costs.

Senator WATT: Your report also mentioned that the Minister for Health regularly receives correspondence from patients with complaints of large out-of-pocket costs, including an example of a breast cancer patient with surgery costs of $5,000 and pathology costs of $3,000. Is that right?

Prof. Murphy: Correct.

Senator WATT: So, the minister regularly receives correspondence from patients complaining of large out-of-pocket costs?

Prof. Murphy: Yes—there might be a couple a month. During the course of the committee I received correspondence like that, some of it quite distressing—people who had mortgaged a house to pay for their surgery.

Senator WATT: Really? Wow!

ACTING CHAIR: Professor Murphy, are we talking about out-of-pocket costs in the public or the private system?

Prof. Murphy: The private system. This report was entirely in relation to privately insured people.

ACTING CHAIR: That is what I would have guessed, but it's important to get it on the record.

Senator WATT: For sure; I will probably come to that. These types of out-of-pocket costs we're talking about arise out of the public system. For one reason or another—it might be because they like the specialist or it might be because of waiting lists in the public system; it could be a range of reasons—people are incurring these costs to receive the treatment they need.

Prof. Murphy: One of the findings we found was: once people start a cancer journey in the private system, they tend to get locked into it and are not necessarily offered a choice. For example, a lot of people like to have their initial surgery in the private system because they get quick access to a surgeon they know, and then they can continue to have their radiotherapy and chemotherapy in the private system, whereas there are perfectly good alternatives in the public system. One of the findings that we had was: private surgeons and the community should be encouraged to be informed that they have a choice at every stage of their journey. There's capacity for public medical oncology and for public radiotherapy but people tend to be referred down the private chain, as it were.

Senator WATT: I've seen some reports in recent days, though, about waiting lists in public hospitals for certain types of cancer treatment; I can't remember now what forms of cancer they were. Do you have any figures with you or any knowledge of that?

Prof. Murphy: In terms of surgery, there is a national standard that people with cancer are classed as category 1. Essentially, across the nation, every one of those people is operated on within 30 days. Any hospital that breaches that target is usually treated very seriously by its state government. In general terms, people get their surgery in 30 days; it may not be in the next week or so. There used to be quite a waiting list for public radiotherapy but there's been significant investment in new linear accelerators across the country, and, in the main, most of the public radiotherapy facilities don't have a significant waiting list. Medical oncology services have grown significantly. There may be some circumstances but, in general terms, a hospital manager—I used to

be a CEO of a hospital—would give the highest priority to someone needing treatment for cancer. I don't know the examples you're referring to but there may be some circumstances. In the main, the private sector prioritises cancer treatment above everything else.

ACTING CHAIR: Professor Murphy, you've mentioned the word 'capacity' a couple of times. Are you meaning that people might find themselves incurring out-of-pocket expenses through the private system when there is actually capacity or that they would get health services through the public system?

Prof. Murphy: In some circumstances, particularly in radiotherapy, there is now, certainly in the metropolitan centres, good access in most cities for public radiotherapy. People may continue on that private journey with private radiotherapy. As long as you have an informed choice, you can go to the public facility for no cost or you can go to the private facility where you probably will incur an out-of-pocket cost.

Senator WATT: You mentioned metropolitan centres. What about in regional, remote or rural locations?

Prof. Murphy: Major regional centres across the country now have public radiotherapy facilities. There may be a public-private mix; sometimes a private operator provides a service but has an agreement with the state health department to treat public patients for no out-of-pocket cost, because Medicare will contribute to it. Generally speaking, there is a public choice. In some cities it may be more difficult. In the main, the situation in public radiotherapy has changed dramatically over the last 10 years.

Senator WATT: How does that sit with some of the figures I've seen? For specialist consultations in Queensland, one in five urgent cancer patients are not seen on time within 30 days and one in 10 less urgent patients wait six months for an appointment. In Victoria, cancer patients wait 11 days for an urgent consultation, with one in 10 waiting 27 days, and 31 days for a routine consultation, with one in 10 waiting 87 days. I've seen patients with positive screening results wait an average of 116 to 181 days for a colonoscopy, and much longer in some cases, despite clinical guidelines that recommend a maximum wait of 120 days. That data is from the Australian Institute of Health and Welfare.

Prof. Murphy: Those are two somewhat different things. You're talking about outpatient appointments on the one hand which are for assessment of a possible cancer. The Victorian statistics that you quote are probably okay. People with urgent issues should be seen within a couple of weeks, absolutely. There is variable performance in public outpatient appointments. What I was talking about before is that, once you've had a diagnosis of cancer or a suspected cancer diagnosis made, you get your surgery within 30 days. The outpatient clinic appointments do vary a bit from state to state. Colonoscopy is another issue. Most people waiting for a colonoscopy don't have cancer. Most of them have had a positive faecal occult blood test, or it may be due to other reasons, or they may have symptoms, but it is true that, in the state and territory hospitals, there is a disparity between access to colonoscopy in the private system and access in the public system. Many of the state and territory hospitals have longer than I would regard as acceptable waiting lists for colonoscopy.

Senator WATT: Some, not all, include cancer.

Prof. Murphy: Yes. Some include cancer, but most of them will have a triaging process. If anything made the receiving clerical staff or the doctor who looks at the triage think that there was a high probability of cancer, they would get done more quickly. I would say that people are waiting more than is acceptable in some states for public colonoscopy. That's an area that we have raised with the state and territory health departments and there is significant work in the process to try to address that.

Senator WATT: You've talked a bit about surgery. What do you see as the facts around waiting times for surgery? You said something like: 'Most people would have it within 30 days.'

Prof. Murphy: Cancer diagnosis immediately puts you in category 1, unless it's a skin cancer, obviously. There are the national performance indicators for elective surgery and all category 1 patients need to be done in 30 days. It's very rare that a breach of that happens in Australia. If it does happen, usually the state hospital will get a call from the state health department with a 'please explain and fix'. There's a very strong focus on getting cancer surgery done within that 30-day window.

Senator WATT: I think these figures come from the Australian Institute of Health and Welfare as well. As I understand it, the waiting times for a biopsy and/or excision of a breast lump is, on average, 15-days, but one in 10 patients waits 47 days. For colon removal, there's an average 17-day wait, but one in 10 patients waits 53 days. For hysterectomy, there's an average 57 day wait, and one in 10 waits 258 days. For prostate biopsy, the average is 29 days, and one in 10 waits 88 days. For prostate removal, it's an average 47-day wait, which is outside that 30-day period, and one in 10 waits 159 days. And you said that skin lesions are a bit different, so I'll leave them aside.

Prof. Murphy: But you're conflating a whole lot of non-cancer and cancer diagnoses. Many people having a breast biopsy don't have a high suspicion of a malignant lesion. Many people having a prostate biopsy don't have a suspicion of a malignant lesion. Most hysterectomies aren't for cancer. We need to unpick that data more. All I can say is that, if there's a very clear picture in the mind of the surgeon that someone has an active malignancy, the public hospital system, in my experience, will give priority to that.

Senator WATT: To the extent you can do so, can you map out a typical pathway for cancer care in terms of people's interaction with public and private services?

Prof. Murphy: Mostly they have a journey in one or the other. There is not so much crossover. Let's map it out for a breast cancer patient. They go to the GP, find a lump—

Senator WATT: So public?

Prof. Murphy: No, a GP is—

Senator WATT: Part of the public system.

Prof. Murphy: A GP is private, in a sense—

Senator WATT: I suppose it depends if they bulk-bill or not, doesn't it?

Prof. Murphy: but Medicare funds them. Then the GP may ask, 'Do you want to go privately or do you want to go to the public system?' If they want to go to the public system, they will do a referral to a public hospital breast cancer clinic. If they go privately, they will generally send them to a surgeon who may then do some imaging and may do a biopsy. Then, if there's a high suspicion of cancer, they may do PET scans and CT scans to evaluate the extent of disease. Then they might have surgery booked in the private hospital. They might have a mastectomy and then, several months later, they might have to come back and have a reconstruction and an implant. If they've got a cancer that is seen to be of concern, they may then have a course of radiotherapy and chemotherapy, sometimes the two together or sometimes sequentially, which might take some months. Again, in the main, if you start off in the private sector, you stay in the private sector. If you start off in the public sector, you stay in the public sector. But the course is pretty much the same. Obviously the difference is in the private sector you'll generally see your surgeon and your oncologist when you come back. So you'll have that one-on-one relationship. In the public system, you may see different doctors and people in the clinic. But for breast cancer now the public service offers breast care nurses who coordinate the management and so there is often a very good primary relationship there. So the course is pretty similar in both systems. There's just a more personalised focus, perhaps, in the private system in some circumstances and certainly a higher cost in many cases.

Senator WATT: Is the upshot, though, that pretty much everyone faces some out-of-pocket costs for cancer care?

Prof. Murphy: People treated in the public sector won't have any. That's a significant portion.

Senator WATT: Are there many people who receive 100 per cent of their cancer care in the public system?

Prof. Murphy: Yes.

Senator WATT: From the very beginning—every scan, every pathology and every treatment?

Prof. Murphy: Yes, there are.

Senator WATT: Are you familiar with Breast Cancer Network Australia's finding that nine out of 10 women, or 88 per cent, face out-of-pocket costs?

Prof. Murphy: Yes. Again, in some cases, even though people are treated in the public hospital, there are out-of-pocket costs, such as for drugs. You have to pay the PBS co-payment in the public hospital. Some people might have had investigations in the past that a public hospital didn't provide and so they went to the private sector for them, such as a breast MRI. But that's now got an MRI indication, so that will be covered by Medicare. But I was surprised at that finding. That possibly includes non-medical costs as well.

Senator WATT: You must be aware there are public patients who, for instance, have their imaging done outside of hospital where they have to pay?

Prof. Murphy: I have heard of it. When I was CEO of a hospital I would never have allowed that. Even if a scan or imaging was not covered by the Medicare indication, we felt the obligation to always provide that within our resources. But I am aware in some situations where people want to do new and unfunded scans they do make private referrals for those patients to an external centre. I've heard of that. That's really in breach of the healthcare agreement that people seeking treatment in a public hospital should have all their treatment provided for nothing. I don't condone that practice.

Senator WATT: So it does happen?

Prof. Murphy: I've certainly heard anecdotes of it happening, yes.

Senator WATT: And is it similar around pathology?

Prof. Murphy: Only in respect, perhaps, of tests that aren't covered by Medicare. Just about every test is covered by Medicare, but there are some genetic tests, for example, in cancer that haven't gone through the MSAC process and can't be covered. The hospital may not offer that test and sometimes there may be a private referral to an external lab to get that test done.

Senator WATT: So it shouldn't necessarily be happening but even some public patients are ending up paying for private services?

Prof. Murphy: A limited number and only a proportion of the patients. As I said, when I was CEO of a hospital, I would've treated very seriously any incidence of any public patient who incurred cost.

Senator WATT: And you'd be aware that the Consumers Health Forum found that just one in 10 cancer patients have out-of-pocket costs of less than $1,000?

Prof. Murphy: Yes, again, from that survey.

Senator WATT: You've got no reason to dispute that survey?

Prof. Murphy: No, except that the overall data of both cancer and non-cancer private admissions would suggest that the majority of out-of-pocket costs are below the $1,000 mark, but cancer may well be at a higher level.

Senator WATT: The Breast Cancer Network Australia has also found that average out-of-pocket costs for women in the public system are around $3,600. Do you disagree with that?

Prof. Murphy: I find that very hard to understand, and I would like to unpack that.

Senator WATT: Have you seen that figure before?

Prof. Murphy: I haven't seen that figure before, no, and I'm not sure whether it includes things like travel, accommodation and things other than medical costs.

ACTING CHAIR: So, at this point, you're not endorsing that—

Prof. Murphy: I would like to unpack what it says.

Senator WATT: And you've seen that the Cancer Council and the Clinical Oncology Society have said:

… there are out-of-pocket costs associated with diagnosis, treatment and survival, even in the public system.

Do you disagree with that?

Prof. Murphy: As I said before, I know of instances where people are referred out to a private service when treatment may not be available in the public hospital.

Senator WATT: And in fact the Cancer Council CEO—I'm not sure if I'm pronouncing her name properly—Sanchia Aranda has told her own story of her late niece who faced out-of-pocket costs of $3,500 in the first weeks after her cancer diagnosis, despite being treated entirely in the public system. You're aware of that?

Prof. Murphy: I've heard her story, yes.

Senator WATT: That's a common story, isn't it?

Prof. Murphy: I'm not aware of the global data that's just come out of these surveys. As I said, it would be very unusual in the experience of the health service I used to run. But now there are a range of pathology tests and genetic tests, and some people like to get MR scans when they're not properly covered. I think more oncologists are trying to get new technology that may not have gone through the health technology assessment process, and it's probably happening in a number of cases.

Senator WATT: Even as I've been talking here to you, I've actually had people sending me messages about their experiences. One says—and I don't know the person's name—'My nephew had to rely on charity to pay out-of-pocket costs for public cancer treatment.' So, I'm starting to think this is more than just anecdotes. We've got the CEO of the Cancer Council, I'm getting messages and we've got reputable groups—the Cancer Council, the Clinical Oncology Society—saying there are out-of-pocket costs for people being treated in the public system. It doesn't seem like we're talking about a tiny minority of cases.

Senator WATT: No. I accept that it's probably increased in recent years with the advent of these expensive tests that may not be covered by Medicare.

Senator WATT: But it's not only that though, is it? It's not only new technology and new tests? There's—

Prof. Murphy: It is completely in breach of the healthcare agreements for the hospital itself or the doctors in the hospital to charge a patient out-of-pocket costs in the public hospital premises. That would be considered completely inappropriate.

Senator WATT: But, given these examples—again, from reputable organisations talking about the out-of-pocket costs for people being treated in the public system—it's not accurate to say that these services are all freely available for anyone who wants them in the public system.

Prof. Murphy: The services are available in the public hospitals. As I said, maybe I'm not as well connected as I used to be but, in my experience certainly in the Victorian system, the vast majority of people were treated with no out-of-pocket costs other than the special additional new technology investigations or scans.

Senator WATT: And that may be your experience—and I'm not having a crack here—but you've been out of that role for how long?

Prof. Murphy: A couple of years.

Senator WATT: So it's possible that things have changed in that period of time.

Prof. Murphy: But the services are available in the public hospital system.

Senator WATT: I'm not saying they're not but what I am getting to is it doesn't sound like they're freely available for every single case or for everyone in the public system, when we've got the CEO of the Cancer Council pointing to examples in her own family. So they are not, are they?

Prof. Murphy: I would love to discuss with Sanchia what those costs were. I suppose there is the issue of interstate variation but, if she was treated as a public patient in a public hospital, the healthcare agreement says that that hospital can't charge out-of-pocket costs.

Senator WATT: I'm hearing very clearly from you what should be happening—that people treated in the public system shouldn't be paying out-of-pocket costs—but I have now been able put to you information from the Cancer Council, right to the CEO, the Clinical Oncology Society, the Breast Cancer Council of Australia and other reports that I have received all say that people are incurring out-of-pocket costs for cancer treatment in the public system. It is one thing what should be happening but what appears to actually be happening is that people are incurring costs, even though they are being treated in the public system.

Prof. Murphy: It sounds like some people are, and I don't know what the true extent of that is at all.

Senator WATT: So it's not accurate to say that everyone is getting or can get these services in the public sector for free when the experience of many people, it seems, is that's not correct.

Ms Edwards: It sounds like it's the sort of thing I need to take up with my state and territory colleagues—

Senator WATT: It does.

Ms Edwards: to seek from them information, because it is absolutely clear in the agreement that that's required, so that's something I'll take away to do at the next opportunity.

Senator WATT: And that would be good. Again, I hear loud and clear what should be happening but, based on what we're hearing from these organisations, it's not correct to say that all these services are available for everyone all the time in the public system.

Prof. Murphy: Well, they should be.

Senator WATT: Yes. They should be but it's not correct that they are.

Prof. Murphy: From what has been described, there are clearly cases where those arrangements have been breached, yes.

Senator WATT: And people are paying.

Prof. Murphy: From what you've described, yes.

Senator WATT: For the Prime Minister to be saying that all of the treatments that the opposition leader has committed to make free are available in public hospitals free of charge today and that people can access those same free services in public hospitals, as we speak, sure, they can access them—

Prof. Murphy: But I don't think anyone would have an out-of-pocket cost for a consultation in a public hospital. That would be—

Senator WATT: He's not only talking about consultations; he's saying all of those treatments—scans, radio therapy, chemotherapy.

Prof. Murphy: Again, for radiotherapy and chemotherapy in a public hospital, I can't imagine what basis they would have to charge someone. The only thing I can think of that would be not free would special tests like

external scans that are not available in a public hospital or genetic tests. If a patient in a public hospital were charged for chemotherapy or radiotherapy, that would be a serious breach.

ACTING CHAIR: So the Prime Minister's statement's correct.

Senator WATT: No, it's not. He's saying all of those treatments that the opposition leader spoke of and committed to make free are available in public hospitals free of charge today and can be accessed in public hospitals. The evidence from all of these groups,—the Cancer Council, Clinical Oncology Society—is that that, at least in some cases, is not occurring.

Ms Edwards: Can we have a look at this further because we're meeting with our state and territory chief executive officers in the next few days and, under the National Health Reform Agreement, the Australian government provides about $2.2 billion through the hospital agreement for cancer treatment services. So, rather than picking on various anecdotes and the like, we'll see what's actually going on through the public hospital system. All public patients in public hospitals getting access to free cancer treatments should be the principle. The government, with the state and territory governments, funds those services. Picking up your comments, I think it is probably worthwhile, in the next few days, us having that conversation with our colleagues.

Senator WATT: Why isn't the department monitoring this?

Ms Beauchamp: We do look at arrangements under the health reform agreement. As I said, I'll take up this particular issue that you've raised and discuss it with my colleagues.

Senator WATT: As we have been talking, another example has come through to me of people being charged for anti-nausea drugs while being treated in the public system. For steroids—I'm not sure if that's the same as anti-nausea drugs or something different—people are being charged for them in public hospitals.

Prof. Murphy: Well, that's completely inappropriate.

Senator WATT: Also, people are being referred to private providers for scans by public hospitals.

Prof. Murphy: I think with the drugs you've got to be careful, though. There is an agreement. The exception is that the PBS is available in public hospitals and people are asked to pay a co-payment for their drugs. That's been a longstanding exception to the 'no out-of-pocket costs' rule. It's just the same as the PBS co-payments in the general community.

Senator WATT: And people being referred for scans?

Prof. Murphy: That's what I referred to before. The oncologist may want to do a scan that is not currently available in the public hospital, hasn't been through the MSAC and may not be absolutely essential for the diagnosis. They may make a private external referral to get that done.

Senator WATT: But you're confident that it's only for new, unusual types of scans that people are being referred to the private system?

Prof. Murphy: Most public hospitals do not have, for example, a PET scanner. Sometimes they might refer people out as a private patient for some of those scans if they don't have access to them. But, if they have access to them in that public hospital, they should provide them in that public hospital. Generally, I would think they do.

Senator WATT: I spend a lot of time in Rockhampton and I know that the Rockhampton Hospital doesn't have a PET scanner. So, as an example, is a cancer patient there who requires a PET scan likely to be referred to a private provider because there is no PET scanner in the hospital?

Prof. Murphy: They could be referred to a public provider more distantly. There are a number of Medicare indications for PET scans. But sometimes the oncologists would like a greater frequency of scans or indications where they're not covered by the Medicare indications, and then they have an out-of-pocket element to them.

Senator WATT: So someone turning up to Rockhampton Hospital who needs a PET scan either gets referred off to a private provider, in which care they incur out-of-pocket costs or—

Prof. Murphy: A private provider can bill Medicare if their Medicare indication is appropriate, but if they don't have a Medicare indication they may—

Senator WATT: And it's quite common that they don't.

Prof. Murphy: For some circumstances, yes. But then you could argue if they haven't got a Medicare indication they haven't passed the cost-effectiveness test of being really necessary.

Senator WATT: Or, if that doesn't happen, they may be able to get a PET scan through the public system at a more distant location, in which case they're going to incur travel and accommodation costs. So they're going to be out of pocket one way or another.

Prof. Murphy: Yes.

ACTING CHAIR: Professor Murphy, you mentioned you had been chairing or overseeing the review into out-of-pocket expenses. Just for the sake of completeness, can you detail for us what that review or report that you oversaw recommended.

Prof. Murphy: The principal recommendation was that we have good transparency of all medical fees—not for just cancer specialists but all non-GP specialists. The government should set up a website in which all specialists indicate their fees and charging practices, including whether they discount for concessional people. That should be made available to GPs and to patients. In an ideal world, the GP would suggest five orthopaedic surgeons for a hip operation and the patient and the GP might look at their relative fees.

The second element of it is a public relations campaign that would be targeted at clearly informing the public that price is not related to quality. One of the clear messages we've found is that quite often the very expensive charging specialists will claim to be worth it because they're that much more expensive. There's no data at all to support that high fees relate to a better quality of care. As I said, all the specialists in Adelaide can't be of low quality because they all charge the no-gap fee so that nobody gets a fee. So there's a public relations campaign and there's a transparency approach, and it's hoped with transparency—one of the challenges is that in some areas the problem with out-of-pocket costs is perversely related to oversupply of some specialists. Because medicine isn't a proper market, with less work they sometimes charge more. So to get transparency we might try and bring back some semblance of competition and market pressure.

And then the other big element of it is the hidden fee—fees that were charged that weren't disclosed to Medicare or the private insurer, sometimes to give patients access to the known-gap schemes that the insurers pay only on the condition that you don't charge above a certain amount. Patients will be charged the fee that was for the limit of that amount and then another, hidden fee. It's very clear that we want to try and ban that practice. The message, again, was that the data we looked at showed—maybe cancer's a bit different, but for the majority—that the extent of seriously egregious out-of-pocket costs was less than 10 per cent of medical specialists. It was a very steep tail at the end.

ACTING CHAIR: This is not a position I'm advocating; I'm just curious to understand it. What can be legally done to regulate the charges of doctors and specialists?

Prof. Murphy: We had some discussion of that. There are some constitutional issues around regulation of fees. In Canada they have regulated that if you charge more than a certain amount above the scheduled fee you don't get access to the Medicare equivalent. If you charge too much, you're excluded from it. But then the consumers would say that will just punish the consumers, because they won't get their rebate. Nobody's ever explored, constitutionally, whether you can regulate fees. The medical profession leaders would obviously far prefer to try a transparency and peer-pressure approach than regulation. We didn't really go into that in any great detail.

ACTING CHAIR: But you stopped short of advocating for regulation?

Prof. Murphy: Yes, for the moment. But we're clearly putting the profession on notice that these really egregious, high-end fees have to change or else a government at some stage in the future might want to take more action.

ACTING CHAIR: Transparency and informed decision-making seem to be the two themes from the review.

Prof. Murphy: Yes.

ACTING CHAIR: Just winding back a bit, what proportion of the colonoscopies come through the National Bowel Cancer Screening Program?

Prof. Murphy: We estimate that less than 10 per cent of those on the public waiting list are related to national bowel screening. One of the challenges with colonoscopy is that, once a polyp is found, you go into a repeat colonoscopy program and you're booked in for another one—depending on what they find—every two years. So these public hospital units are swamped with people coming for repeat colonoscopies, as well as dealing with the new referrals. But, of the new referrals, only about 10 per cent are generated from the National Bowel Cancer Screening Program. That's not the major pressure on the public colonoscopy list.

ACTING CHAIR: It's always good to give you an opportunity to inform us. Sometimes I think it's a terrible waste of your time to be sitting here without getting any questions, Professor Murphy. We're still in outcome 2. Senator Siewert, would you like to begin?

Senator SIEWERT: I'm aware that Senator O'Neill has mental health questions, so perhaps I could ask some of my non-mental-health questions?

ACTING CHAIR: Yes.

Senator SIEWERT: I have some questions about mesh. Can I ask them in outcome 2?

Ms Beauchamp: That is outcome 5, but I don't think we've got the officers here yet.

Senator SIEWERT: I'll wait till outcome 5. I also have questions about the National Alcohol Strategy.

Ms Beauchamp: Chair, while we're getting the officers to the table, Senator Polley asked some questions about the costs of the development of the My Aged Care system and the ongoing operational costs, in particular the costs of developing the new website. So I propose to table those responses, if that's okay.

ACTING CHAIR: Thank you.

Senator SIEWERT: When is the next version of the National Alcohol Strategy going to be finalised and released?

Mr Laffan: The National Alcohol Strategy is currently being considered by members of the Ministerial Drug and Alcohol Forum and it will be up to their decision as to when the strategy is finalised and released.

Senator SIEWERT: It seems to me, from what I understand, that the time line slipped. Would that be a correct understanding?

Mr Laffan: Certainly, Minister Hunt was particularly keen to ensure there was significant consultation in the lead-up to consideration of that strategy by the Ministerial Drug and Alcohol Forum. Yes, it was intended to be finalised late last year, but, hopefully, those responses will all be received from the Ministerial Drug and Alcohol Forum members soon.

Senator SIEWERT: When is 'soon'? Bearing in mind that we're going into an election, it's not likely to happen before that, is it?

Mr Laffan: The minister and Minister Dutton, as co-chairs of the Ministerial Drug and Alcohol Forum, wrote to members on 28 February in relation to that document. They asked for a response from members by 30 March and there are still two responses outstanding.

Senator SIEWERT: Which states are outstanding?

Mr Laffan: I don't that information at my fingertips.

Senator SIEWERT: Can you take it on notice?

Mr Laffan: Sure.

Senator SIEWERT: It seems to have been taking an inordinately long time to get the next strategy up. I heard what you just said about the forum, but we are days—who knows?—out from the calling of the next election. Why has it taken so long?

Mr Laffan: It's a key document and it's important that all views are heard in relation to finalising that particular document, and that's why Minister Hunt has been particularly keen to ensure that all of the relevant people have been consulted.

Senator SIEWERT: How long has it taken to develop the strategy to the point that it's at now?

Mr Laffan: The strategy is very well developed. There was a public consultation which, I think, opened in December 2017 and closed in about February 2018. Following that, the strategy itself went back for consideration by the National Drug Strategy committee and the ministerial forum. Ministers asked for an additional round of consultation with key stakeholders as part of that process. There was a roundtable that was held here in Parliament House in July 2018 and some subsequent updates were made to the alcohol strategy at that point. Subsequently, that's gone back for the minister's consideration and then back through the process to the forum and to the place we are now, with the minister and Minister Dutton having written to their fellow MDAF members seeking endorsement of that document.

Senator SIEWERT: Are you able to either tell us or take on notice what other consultations have occurred? I understand the process you have just gone through with the various ministerial iterations.

Mr Laffan: Sure. In addition to the consultation that happened in July last year with those stakeholders, a version of the National Alcohol Strategy went out to all jurisdictions. Both from the jurisdictional perspective and the Commonwealth perspective, that went out for cross-portfolio consultation. The Ministerial Drug and Alcohol Forum, as you're aware, comprises just health and law enforcement ministers, but the cross-portfolio consultation went across other portfolios such as agriculture.

Senator SIEWERT: Okay. I'm also interested in the level of consultation key drug and alcohol organisations had in the consultation process.

Mr Laffan: Throughout the public consultation process they had the opportunity to provide written submissions, and then there was a significant representation by key members and peaks at the roundtable in July last year.

Senator SIEWERT: There wasn't any other specific consultations with stakeholders beyond government jurisdictions?

Mr Laffan: Not outside of that, no. But the consultation process was quite significant. I think, from a written submission perspective, we received about 100 submissions in relation to the National Alcohol Strategy from a whole range of individuals and non-government organisations.

Senator SIEWERT: So, at this stage, you have no idea when it's going to be released?

Mr Laffan: That will be a matter for the ministerial forum.

Senator SIEWERT: The forum or the minister, ultimately?

Mr Laffan: It will be a matter for the ministerial forum.

Senator SIEWERT: Okay. I've got a couple of questions on obesity as well. Can I go ahead with those?

Mr Boyley: I'm the person to speak to about obesity.

Senator SIEWERT: What progress is being made on the obesity plan/strategy that the minister promised?

Mr Boyley: There are a range of initiatives that go together towards attempting to tackle the serious problem that is obesity in the Australian community. There are a range of products and guidance that go towards that that are in play now. We have the Healthy Heart Initiative, which aims to support people's activity levels and healthy lifestyles to prevent chronic disease and address the critical preventative health focus of cardiovascular programs through partnerships with the Heart Foundation and general practitioners. We have the Healthy Food Partnership, which aims to work with the food industry to reformulate products to reach better levels of nutritional components as part of continual improvement to enable Australians to make better food choices.

We also have the health star rating system, which has been extended, as part of a recent budget measure, for another two years. This, as senators would be familiar with, is a front-of-pack labelling scheme to produce an easy ready reckoner so that consumers can identify things more easily. There is a Healthy Weight Guide website in place, and then there are the Australian Dietary Guidelines, which provide recommendations in relation to how much and what sorts of foods we should be eating from the five groups. In addition to that, we have the Eat for Health Program, which provides a suite of evidence based guidelines as well as educator and consumer nutritional resources. Then we move into some of the cross-government work that's happening to tackle this issue.

We've got work that's done in collaboration with our state and territory counterparts as part of a time limited RMAC working group, which aims to address a range of childhood obesity issues. That includes the CHC and COAG Education Council developing initiatives that strengthen and increase the impact of school based efforts to address childhood obesity and support healthy eating. There are the CHC sport and recreation ministers, as well as the Australian Local Government Association, collaboratively working on ways to improve food and drinks associated with activity that's happening at sports fields that are held locally in communities, put in place measures to help make food choices healthier and reduce supply, sponsorship and promotion of unhealthy food and drinks at local sport.

There is increased collaboration with the Australia and New Zealand Ministerial Forum on Food Regulation relating to obesity prevention initiatives, which has an initial focus on reviewing the implementation of fast-food menu labelling schemes for consumers to help bring to light, in an easy way, and work out, when they're selecting fast-food items, the nutrition impact they're having on them. In addition to that, there's reviewing of existing nutrition profiling tools and adapting them to a fit-for-purpose scheme to assess if food and drinks are suitable for promotion to children—that is, enabling an assessment of products to see whether or not they're suitable to be promoted in certain forums.

Senator SIEWERT: Those are all good programs, I'm sure. But, actually, I was asking about the plan and strategy. I would see that all those programs need to be part of an overall strategy. I understand the government has committed to doing one.

Mr Boyley: Indeed.

Senator SIEWERT: What I'd like to know is what progress has been made on that.

Mr Boyley: I apologise for taking you down that garden path if it wasn't relevant.

Senator SIEWERT: No. As I said, I'm not knocking the programs per se, but I would like to know what overall strategy there is.

Mr Boyley: The strategy that I think you're probably referring to is one that was coming out of an obesity summit that was held and chaired by the minister. We have the results of that meeting, which was held on 15 February. Queensland Health, as part of a collaborative COAG initiative, are taking forward the development, in line with everybody else, but they are holding the pen and helping us drive that forward. From an interjurisdictional cooperation point of view, they're going to take forward the development of the strategy, which is due to report back to the COAG Health Council in June 2020. Apologies, I've given you a very long answer when I could have given you quite a short one.

Ms Beauchamp: Senator, there is an obesity strategy, which was being developed through the Commonwealth health ministers at both the October 2019 meeting and the more recent March 2019 meeting. A number of jurisdictions—Queensland, ACT and ourselves—were looking at various parts of the obesity strategy. It has now been given to officials to come up with a strategy right across every jurisdiction so that we can put a progress report to the next COAG health ministers meeting.

Senator SIEWERT: Now I'm confused between June 2020 and the next COAG meeting.

Ms Beauchamp: We'll be providing ongoing updates to health ministers, with that deadline in train.

Senator SIEWERT: Right, with 2020. Given it's budget estimates, was there any money in the budget specifically for obesity measures?

Ms Beauchamp: I cannot recall specifically for obesity measures, but there may already be a number. Obviously, there are a number of programs that do address obesity issues, so I'll take that part on notice.

Mr Boyley: We'll need to take that on notice.

Senator SIEWERT: If you could take that on notice. Also, are you able to take on notice where the programs that you've listed for us run over the forward estimates—

Mr Boyley: Absolutely, and how long they run for.

Senator SIEWERT: and how long they run for?

Mr Boyley: We're happy to.

Senator SIEWERT: Through the planning process that you've commenced, do you have targets around obesity—in particular, childhood obesity, but across the spectrum—that you're intending to meet and drive through the strategy?

Ms Beauchamp: That's one of the things that has been looked at at officials level. We haven't come up with any proposed targets or agreement yet.

Senator SIEWERT: You haven't yet, but do you intend, therefore, as part of the strategy, to actually address development targets?

Ms Beauchamp: That will ultimately be a decision for ministers to make.

Senator SIEWERT: So that hasn't been decided yet?

Ms Beauchamp: No.

Senator SIEWERT: Through the strategy, is it intended to then address the link between obesity and other chronic illnesses, such as diabetes, that are clearly linked with obesity?

Ms Beauchamp: Indeed. That's part of some of the work that we're doing, particularly at the primary care level, about addressing chronic conditions and making sure we've got more integrated care. But I think the issues in obesity go right back to maternal care and early childhood, so we're working across a number of portfolios—Social Services and Education in particular.

Senator SIEWERT: I'm certainly aware of the work that has been done in terms of eating habits in very young children and how that continues through their lives. So that has also been considered?

Ms Beauchamp: That's correct.

Mr Boyley: To highlight what the secretary has raised, there's a range of chronic condition action plans that are happening and there's focus being given to a number of chronic conditions. The co-dependencies and the co-morbidities and the ties, both causal and associated with obesity, are being looked at and will continue to be fed in so that we can have as joined-up an approach as we can. It's a systemwide approach that needs to be taken.

Senator SIEWERT: That, then, probably takes me to the next question. Can you tell me now what the cost of obesity is to the health budget? And, if not, can you tell if work is being done on this? I realise it's quite a big question if you then link it through to the chronic illnesses it's associated with.

Ms Beauchamp: I'm sure there's been some research work done on it. I just haven't got it at my fingertips.

Mr Boyley: I don't have a number value. I have some incidence measures—how big the problem is—but not in economic terms.

Ms Beauchamp: I'll take that on notice.

Mr Boyley: I'll take that on notice.

Senator SIEWERT: Could you take on notice to provide it, in terms of obesity in general but also, then, its links to other chronic conditions.

Mr Boyley: Sure.

Senator SIEWERT: Thank you. That's all I have on that.

ACTING CHAIR: Just one question from me. Is it correct to characterise the obesity strategy as a federal government obesity strategy, or is it more correct to characterise it as a COAG or multijurisdictional strategy?

Ms Beauchamp: There's a multijurisdictional strategy. But, of course, the Australian government and Minister McKenzie want to look at: what is the contribution from the Australian government, in terms of addressing obesity through our programs as well? For example, we've spoken this morning about the health star rating system and the like. So what does our contribution look like, feeding into that broader strategy?

ACTING CHAIR: It's four o'clock, so, as per the program, we will break for the afternoon tea recess. We're still in outcome 2.

Senator WATT: Can I just check one thing you may be able to prepare over the break or, if not, a bit later? On Friday, I think it was, you tabled a list of the CHHP announced projects as at midday on 4 April. I'm wondering if it's possible to get an updated list of that with any further projects that might have been announced up until, say, COB today?

Ms Beauchamp: I've just been advised we've got one as at yesterday lunchtime.

Senator WATT: That's probably enough for now. Thanks. Could you table that after the break.

Ms Beauchamp: Okay.

ACTING CHAIR: We'll take the break as per the program. We're still on outcome two.

Proceedings suspended from 16:03 to 16:20

ACTING CHAIR: We'll begin. Secretary, just on that matter you raised during the suspension, Senator Siewert is pursuing that, so we will keep you posted.

Ms Beauchamp: Not a problem. Thank you very much. Chair.

ACTING CHAIR: Is this an appropriate place to ask some very brief questions about the National Action Plan for the Health of Children and Young People? Is this the right outcome?

Ms Beauchamp: Yes, outcome 2.

ACTING CHAIR: I'm aware of some commentary in regard to the draft of the National Action Plan for the Health of Children and Young People, and, in some of that public commentary, they draw attention to the fact that the draft plan omits any reference to LGBTI and young people as a priority group. Can you give us an update on where the draft action plan has got to and whether or not that oversight has been corrected? I think it's an oversight, so I'm keen to know whether it's been corrected.

Mr Boyley: Just bear with me. I will get through my ridiculous folder to the right page and I will be able to give you an update.

Ms Beauchamp: While Mr Boyley is looking at that, Senator Watt asked for an update on the community hospital and health program announcements. I'm happy to table that. I think we've been very helpful in marking the updates from Friday in red.

Senator WATT: Thank you very much.

Mr Boyley: Senator, were you referring to the children's health action plan or the—

ACTING CHAIR: I know it as the National Action Plan for the Health of Children and Young People, recently released by the Commonwealth Department of Health.

Mr Boyley: Certainly. Senator, I'm looking for the specific update on that particular action plan. I have a large volume of—

ACTING CHAIR: While you do that, given that I've flagged my interest and there are only one or two questions, we might go to Senator Watt.

Senator WATT: I don't have too much more, other than the mental health questions that Senator O'Neill will ask. I have a couple of health workforce questions about the workforce incentive program. Why has the start date for this workforce incentive program been pushed back by six months?

Prof. Murphy: The reason for that was to better prepare the sector for the changes. Whilst some practices, particularly those who have moved from what was previously non-metropolitan to now metropolitan areas, might have a reduction in some of the funding elements, many practices will gain more. The introduction in August this year of the new PIP QI measure, which gives additional money to pretty much every accredited general practice, provides some compensation for those practices who might suffer a small reduction in some of their WIP and Practice Incentives Program and the bulk-billing incentive. So the sector felt that, even though they've had plenty of warning, they weren't prepared and it would be nice to have some additional money from the PIP QI in the bank before those ones who would have a downwards adjustment would be impacted. So it's really just to prepare the sector better and to also enable them to be better off in a financial sense by having additional PIP QI money. I don't know whether Mr Hallinan wants to say anything more.

Senator WATT: That probably covers it, to tell you the truth. We asked a question on notice, and I'm not sure which set of estimates this was at. It's SQ19000259. It asked whether the Workforce Incentive Program was on track to begin on 1 July 2019. Do you know if that question has been answered yet?

Mr Hallinan: No, it hasn't.

Senator WATT: It hasn't. Is there any reason for that?

Ms Beauchamp: Was this from the last estimates?

Senator WATT: To be honest, I don't know if it was from the other day or from additional estimates.

Mr Hallinan: I think that one would be from the February hearings.

Ms Beauchamp: It's probably been answered but not tabled.

Mr Hallinan: Yes.

Senator WATT: Could I get people to check that for me. Are there any areas which currently have access to incentives under the Practice Nurse Incentive Program or the General Practice Rural Incentives Program that will lose access under the Workforce Incentive Program due to changes in eligibility?

Mr Hallinan: There'll be some locations that lose weighting. They won't lose incentive but they'll have a reduction in the amount of funding that they would otherwise receive. So if under a previous geographic classification they were classified as rural and under current geographic classification they're classified as metropolitan, they would no longer receive a rural weighting on their incentive payment.

Senator WATT: Why is that?

Mr Hallinan: It is because they're no longer rural.

Senator WATT: They're no longer considered rural under the new guidelines.

Mr Hallinan: It's based on the ABS statistical changes. Essentially, if you were in an outer region of a major city which has now become part of the major city and is considered by the ABS to be a major city under the modified Monash system, that change is required. They're not seen to be rural. They have access to all the metropolitan services, to public transportation and the like.

Senator WATT: Can you confirm that no parts of Tasmania will lose access to the incentives?

Mr Hallinan: They won't lose access to the incentives, but what would occur in some circumstances is, where somewhere—Launceston, for instance—may have had a rural loading applied in the past, that rural loading would not apply from the start date of the WIP.

Senator WATT: Is it possible to table the areas that will lose that rural loading?

Mr Hallinan: Yes, we can take it on notice and get for you the locations that are affected by the geographic changes.

Senator WATT: But you think in Tasmania it's primarily around Launceston.

Mr Hallinan: I think there'll be some locations in Launceston and Hobart.

Senator WATT: Being a senator for Queensland, do you know off the top of your head what parts of Queensland will lose that loading?

Mr Hallinan: There might be locations that are periurban to growth centres of major cities.

Prof. Murphy: Sunshine Coast could be affected.

Senator WATT: What about the Gold Coast?

Mr Hallinan: Again, periurban locations to the Gold Coast may be affected.

Senator WATT: It's not likely to be outside South-East Queensland. By South-East Queensland I'm talking Sunshine Coast down to the Gold Coast and Brisbane out to Ipswich.

Mr Hallinan: It'd be possible that some of the major town centres in Far North Queensland might be affected as well, but I'd have to take the detail on notice.

Senator WATT: If you could, that'd be good.

Senator O'NEILL: Can I ask, as a New South Wales senator, that same question. In New South Wales, what will be impacted?

Mr Hallinan: Again, if there are locations in New South Wales that were previously classified in old classification systems as rural that are now classified as major city or metropolitan then those locations would lose access to rural loadings under the Workforce Incentive Program. They'd still receive incentives but, as a function of whether or not they are considered rural, there would be an effect of geographic classification.

Senator O'NEILL: So do you know the current status of Gosford?

Mr Hallinan: Gosford is a major city. It's Modified Monash 1, from memory. It has 350,000-odd people.

Prof. Murphy: It's important to recognise that the Workforce Incentive Program money is reinvested in other areas—in getting allied health, for example. The Workforce Incentive Program is not a net save; it's a redistribution. Some of the more rural areas are getting higher loadings, and the program has been expanded to include allied health in all locations rather than outer metro. So it's a fairer distribution of the existing pool of money.

Senator O'NEILL: It would be interesting to get the detail for each of the states and territories, if you could provide that.

Mr Hallinan: We've taken that on notice.

Senator O'NEILL: Thank you.

Senator WATT: Now that we have a senator for Tasmania in the room, Senator Urquhart might be interested to know that, under recent changes, certain rural incentives paid to attract workforce to certain parts of Tasmania will not be paid incentives anymore, including parts of Launceston and Hobart.

Senator URQUHART: Well, it didn't work when the incentives were there, so it's not going to help, is it, then? Thank you.

Ms Beauchamp: They would still receive the incentives. It's the rural loading.

Senator WATT: Okay. Also under outcome 2, Minister: is the National Party still taking tobacco donations? Please tell me you're not.

Senator Scullion: Not being a member of the National Party, mate, I find that a little difficult to answer.

Senator WATT: You were just telling us before you are the Leader of the Nationals in the Senate.

Senator Scullion: Indeed I am, yet I'm not a member of the National Party—go figure.

Senator WATT: I wouldn't join them either! I told you you were getting more and more honest as your retirement was getting closer!

Senator Scullion: I'm always being honest; it's just about asking the right questions, Senator! So I'm unable to assist with that. In any event, I imagine, as with most processes, this would be a process for the secretariat of the party, not the minister.

Senator WATT: Yes. That's what you told me last time I asked you, and that's what Senator McKenzie has told me each time I've asked her. And yet, despite the fact that every estimates I ask and give you the opportunity to tell us that the National Party has seen the error of its ways and stopped taking tobacco donations, it just doesn't seem to happen. Why does the party keep taking these donations?

Senator Scullion: As I said, you'll have to ask a member of party. The last time you asked me was the last time that I was representing Senator McKenzie here. But I'm unable to help you with that. As I've indicated, I have very little understanding about the machinations of the National Party. I'm not a member.

Senator WATT: You have little understanding of the machinations of a party that you're the leader of in the Senate?

Senator Scullion: That's right, Senator. I'm the leader of the party in the Senate, and I can tell you lots of things about the workings of the party in the Senate, but not of the party secretariat. It is something that is well past any of the purview I have.

Senator WATT: I remember last time I asked you about this, which is several months ago—it was last year. This is not going to be the exact wording, but I asked you whether you were willing to speak to the National Party organisation about changing their policy and stopping taking tobacco donations, and you said something along the lines that I shouldn't assume that you haven't had that conversation. Have you ever spoken to anyone in the National Party organisation about stopping taking tobacco donations?

Senator Scullion: I'm not sure about how long it was. It was probably a couple of years ago, I suppose. I did inquire. I had a discussion with a Senate colleague of mine who would have had an interest in those matters. I think that might have even been Senator McKenzie. I wasn't sure if I provided that level of detail in my last answer. The answer was that this is entirely a matter for the secretariat and it's, if you like, an organisation that you shouldn't assume—perhaps it's the same with the Labor Party; it doesn't necessarily all meet in the same room. So, yes, I did inquire about what the status of that was. As I've indicated here, the answer I gave was principally that fundraising and those sorts of matters were a matter for the secretariat of the party.

Senator WATT: A couple of years ago you had a chat with Senator McKenzie about whether the National Party was still taking tobacco donations. Did you express a view about whether you thought the party should stop taking those donations?

Senator Scullion: I can't recall whether it was a view. I asked to confirm, 'Is it a fact that they take donations from tobacco companies?' I think she indicated that, yes, that was still the case. I might have asked about whether that was still continuing. She said she wasn't sure. It was certainly not a matter that she had much control over, and it was a matter for the party secretariat. That's been consistent with what I know and it's been consistent with what I've shared with you, Senator.

Senator WATT: So, apart from Senator McKenzie, have you ever had a conversation with anyone in the National Party organisation?

Senator Scullion: No, I haven't.

Senator WATT: What do you think about the National Party taking those tobacco donations?

Senator Scullion: Well, I think that's a matter for them.

Senator WATT: You don't have a personal view?

Senator Scullion: No, I don't have a personal view that I'm happy to express here. I'm not into giving particular views. It is an issue, I think, that is now moving away from supporting tobacco to, I think, the notion that people are supporting other products, but I don't have a particular view about these things, mate. My personal view has always been: live and let live. That's been a particular view of mine.

Senator WATT: It's quite the opposite with tobacco, isn't it? It's die. People are dying.

Senator Scullion: No, it is indeed live and let live. I have been very supportive of programs and am a bit bewildered that across political parties we've invested hundreds of millions specifically targeting First Australians and smoking, yet the impact that has had has been hardly measurable. Yes, we've come down, but I wonder if you took it away—there's a general movement, but it's so slow. Of course, our First Australians, particularly in the Territory, smoke a lot more. It's usually an indicator not of a choice; it's normally an indicator of a demographic that's particularly poor, and that seems to be happening around the world. For those people who are very poor, cigarettes seem to be a function of those sorts of communities.

Senator WATT: I suppose that's one of the reasons I was asking you. Being a senator for the Northern Territory, which does have a high Indigenous or First Australians population, and rates are higher there, don't you think that puts an added responsibility on you to talk to your party or talk to the National Party about stopping taking tobacco donations?

Senator Scullion: I can tell you, as far as I know, that the Country Liberal Party from the Northern Territory doesn't take tobacco donations. But I know you're talking about the National Party. As I said, I'm not really sure about how all of that works or whether they're even still taking donations from tobacco companies. But, as I said, I agree with you. As I've indicated, it is an ongoing concern. When I say 'live and let live', it's my personal view. I don't berate people because they're smoking. It's very hard to berate people who don't have a lot of choices about the very small pleasures that they have. As I've indicated, that would be something you'd have to put to a member of the National Party, but, again, I'm happy to pass your question onto Senator McKenzie, who I'm representing in this matter more generally, I suppose. If she has the opportunity to provide you with an answer, I'm sure she will.

Senator WATT: I don't know if you have seen this, but just this morning the opposition leader announced as part of our cancer plan a new push to cut Australia's smoking rates and introduce the next national tobacco campaign. It seems it's a pretty big contrast that, on the one hand, we've got the National Party continuing to take tobacco donations and, on the other hand, we've got the alternative government actually out there, not only not taking tobacco donations but putting forward new measures to reduce tobacco use.

Senator Scullion: First of all, I don't think anyone's confirmed. As I said, I just don't have knowledge of that—whether they are taking donations from tobacco companies or not. I don't think that's been confirmed. But I will leave that to others to do so. By observation, investments in 'Please don't smoke' don't seem to have anywhere near the impact of excises. I didn't think it would be the case, but I think any observer of this space would know that the actual coast of cigarettes seems to have a bigger impact on people stopping smoking than many of the advertising campaigns that we have. But I'm quite sure that the department looked for some evidence about these processes to see their relative impact.

Senator WATT: I think you're the person to ask, Professor Murphy. Is that right—that anti-tobacco advertising campaigns don't have much of an impact on smoking rates?

Senator Scullion: Not as much, I indicated, in my view, from my observations. But putting up the price of them—as I speak to people, particularly Aboriginal people, they often say, 'I can hardly afford to smoke anymore, because they're becoming more and more expensive. I'm on a fixed income. It's very difficult.' Quite clearly it is having an impact on whether they smoke or not.

Senator WATT: But tobacco advertising campaigns do have an impact.

Prof. Murphy: The Indigenous population is a lot more complicated. I think the advertising, certainly in the early days, in the non-Indigenous population did have an impact, and particularly the plain packaging and those messages. But, as Minister Scullion said, for the Aboriginal and Torres Strait Islander population just straight-out advertising is probably not as effective because there are so many other factors involved in their reason for smoking.

Senator WATT: Well, let's hope that, the next time we have estimates, when Senator McKenzie is here, something has changed.

Senator Scullion: I certainly won't be representing her.

Senator WATT: I know you won't.

ACTING CHAIR: I have a question following on from Senator's Watt's queries, and that is with respect to Tobacco Free. I think Tobacco Free are an anti-smoking organisation or activist group—my terminology. Do you know anything about Tobacco Free? Are they currently in receipt of Commonwealth funds? Who are they? What do they do?

Mr Laffan: It's Tobacco Free Portfolios.

ACTING CHAIR: That's the name of the group, is it?

Mr Laffan: Yes, that's the name of the group. They are led by Dr Bronwyn King, who's an oncologist. She's made it her mission, through that organisation, to work with people around the globe, whether they are investing through managed funds or other sorts of investments or superannuation funds, to steer any of the investments that those groups make away from investments in the tobacco industry.

Prof. Murphy: She's been incredibly effective. At the UN last year I attended an event where she had about 50 leaders of financial institutions who all pledged to refuse to finance or insure tobacco companies. It's a very powerful international movement that's been led by a Melbourne oncologist.

ACTING CHAIR: That doesn't interest me. I'm interested in the use of public money to fund what sounds like a shareholder activist group. That's the point of interest for me.

Mr Laffan: At this point in time, the Commonwealth doesn't fund Dr King's activities in this area.

ACTING CHAIR: Are there any legal risks in the Commonwealth funding groups that a senator like myself might call activist, that might want to steer the investment decisions of managed investment funds? Are there any legal risks for the Commonwealth if it's making Commonwealth contribution to groups like this?

Ms Beauchamp: Of course we would have to look at any conflicts of interests and if those funds were providing value for money for the taxpayer. You'd look at that on a case-by-case basis. In the context of tobacco campaigns and the like, I think we've seen that it requires an absolutely multidisciplinary approach over a sustained period of time, whether it's regulation—

ACTING CHAIR: I'm interested in legal risks that might fall on the Commonwealth if it is using taxpayers' money to fund an organisation that would steer—I think 'steer' was your word, Mr Laffan, or the Chief Medical Officer's—investment decisions around managed investment funds and super funds. I'm just not aware, and I'm happy to been wrong—it's a question I can take to other estimates committees—of the proposal for Commonwealth money to be so blatantly used to steer the investment decisions of super funds or managed investment funds in the area of anti-smoking campaigns. I'm not making a comment on whether or not anti-smoking campaigns are worthy or not worthy; I'm just interested in this particular niche issue of what is the legal liability. There may not be any, but is there a legal liability? Is there a risk of a legal liability? Have you spoken or have other agencies or central agencies of government expressed a concern?

Ms Beauchamp: I think there probably would be a risk, but you'd need to look at the contractual arrangements on a case-by-case basis. I'm not too sure in this case whether we've assessed those legal risks. But, yes, I think we'd need to look at it very carefully.

Ms Edwards: We've said that we don't fund this particular organisation. But, were we to consider an application from something like that, we'd go through the ordinary checks to make sure that we had constitutional power and so on.

ACTING CHAIR: It's a policy proposition of an alternative government:

- **Support for efforts to make Australia’s finance sector 'tobacco-free'**—Labor will provide $6 million over three years to support Tobacco Free Portfolios' work in eliminating tobacco from investment portfolios, so that people aren't unknowingly contributing to tobacco profits via their superannuation and pension funds.

This sounds like state-sponsored activism.

Ms Edwards: The key legal issue that the Commonwealth Public Service would look at on behalf of the government would be to check it was within power. That would include whatever set of laws applies—so any anticompetitive laws, the PGPA Act and so on. That would be done, of course, before any contract was entered into. I haven't looked at this particular issue, but there is a set process to consider, for any such funding program, what the risks would be, the manner in which they need to be mitigated and so on. This is in some ways a hypothetical discussion because this is not one we've had to consider, but obviously we'd consider any legal issues at the time.

ACTING CHAIR: So there is a framework that already exists to consider these types of issues?

Ms Edwards: There is an obligation on us to make sure we act within the law, and that's what we would do.

Ms Beauchamp: It's in the Constitution.

ACTING CHAIR: Thank you very much. Labor colleagues, I am happy to move to mental health. Do you have other questions in this area?

Senator SIEWERT: I've got some questions.

ACTING CHAIR: All right. Secretary, regarding the matter with the chief nurse, Senator Siewert is in a position to ask some questions now.

Ms Beauchamp: Terrific.

Senator SIEWERT: Do you want to do that now?

ACTING CHAIR: With the indulgence of the committee, we will do that now.

Ms Edwards: It's up to you, Senators. Ms Thoms is here. Then I can stay for the mental health.

Mr Boyley: I do have the answers on the children's health.

ACTING CHAIR: Okay, we'll do the chief nurse first, and then we'll come back to you, Mr Boyley. Thank you very much. Ms Thoms, apologies if we've kept you waiting.

Senator SIEWERT: I apologise up-front if I ask ignorant questions, because I'm asking these on behalf of Senator Waters. Just tell me if I'm barking up the wrong tree or whatever. First off, I understand that there were a lot of submissions to the process for the National Strategic Approach to Maternity Services. Is that correct?

Ms Thoms: There were. There were two rounds of consultations, both of which included a range of techniques—face-to-face plus submissions. Both rounds did receive significant input.

Senator SIEWERT: How many submissions did you get?

Ms Thoms: In round 1 there were 200 written submissions plus 535 from the Maternity Consumer Network. They took the questions and put them in a mail-out to their members.

Senator SIEWERT: How many were there from that process? Sorry.

Ms Thoms: That was 200 written, plus 535 from the Maternity Consumer Network. There were 202 people who attended the face-to-face workshops and 96 people in the focus groups. That was round 1. In round 2, there were 200 online submissions. Twenty-six per cent were from consumers, 65.5 per cent from health professionals and 17 per cent from organisations. Four hundred and eighty people attended the face-to-face workshops and webinars. We also did a couple of very special webinars with some smaller groups of women who had had some experiences that they wished to share on a more confidential basis with us rather than in open forums.

Senator SIEWERT: That is a pretty significant consultation process, is it not?

Ms Thoms: Yes, it is.

Senator SIEWERT: Were there major themes that came out of it?

Ms Thoms: Yes, certainly

Senator SIEWERT: Are you able to take me through those?

Ms Thoms: There are quite a lot of themes. One was certainly continuity of care. Some women specifically talked about midwifery continuity of care. Others talked about continuity of care broadly. Yet others talked about continuity of care with a medical practitioner or a general practitioner. Another one is access to services and access to models—access in terms of geographical location but also, regardless of where you are, being able to access a range of continuity models or even just a service.

Senator SIEWERT: Okay. So people were keen on continuity of care across a range of models?

Ms Thoms: Yes.

Senator SIEWERT: Midwifery being—

Ms Thoms: One of the ones. Certainly there were quite a number of women keen on midwifery continuity of care, both in a public sector context and a private sector context. Some of the feedback we received was that, in some locations, there are a very limited number of models available, and women were keen to see a broader range. The overarching direction that the interjurisdictional group drew from all of that is that women want information. They want to be able to access information about services available. And the evidence supports different models of care. They want to have a choice of a range of models. They want their choices respected, and they want to be very actively engaged in a collaborative way with their carer—ideally, a consistent carer throughout their pregnancy.

Senator SIEWERT: Of the models you just talked about, was there one in particular that was favoured?

Ms Thoms: Continuity of care overall was the biggest one, but there is certainly a cohort of women who were very clear that they want access to midwifery continuity of care. They were certainly from some of the particular groups. We got some relatively standardised responses all saying the same thing around midwifery continuity of care.

Senator SIEWERT: I presume that when you said there were 535—

Ms Thoms: Yes.

Senator SIEWERT: Are you saying that was sort of an online push?

Ms Thoms: You could characterise it that way, but there was variation in those responses.

Senator SIEWERT: My comment would be: just because you got a lot of online support—

Ms Thoms: It doesn't mean—

Senator SIEWERT: it doesn't mean that those people don't care really strongly.

Ms Thoms: Absolutely.

Senator SIEWERT: It means they care enough to get online and give you an opinion.

Ms Thoms: I would probably characterise those women as extremely passionate.

Senator SIEWERT: I just get concerned sometimes when people refer to clicktivists. I used to have the Health portfolio a long time ago. In fact, one of the areas where I got the biggest amount of feedback was midwifery and maternal services.

Ms Thoms: You do. People have very strong and clear views.

Senator SIEWERT: Exactly. Thank you. Where to from here?

Ms Thoms: We also had an advisory group of many key stakeholders. We consulted with them. At our last meeting, we workshopped how we would evaluate this. With the interjurisdictional group we're now working

through how we will incorporate that feedback. It will then go into the normal NHMRC and COAG Health Council processes.

Senator SIEWERT: What's the time line for that?

Ms Thoms: We were aiming to have it done by June, but, because of the feedback we've had and the work we need to do to change the document to reflect that feedback better, I think it's probably going to be August now.

Senator SIEWERT: Is it fair to say, given the—as you've just articulated—strength and feeling around continuity of care for midwifery, that will be strongly reflected in the national approach?

Ms Thoms: In the document, continuity of care broadly is very strongly represented, and there is mention of midwifery continuity of care and the support from women for that. The other thing we've also encouraged in the document is that in the planning of services there needs to be a co-design approach. You need to actually work with the women in the community to try and provide the services that the community is looking for.

Senator SIEWERT: In terms of Aboriginal and Torres Strait Islander women, I'm aware there are very strong feelings from Aboriginal communities about services. How were specifically First Nations women consulted, and what was their feedback?

Ms Thoms: We did do a couple of specific focus groups with some Aboriginal and Torres Strait Islander women. There were also some, particularly in Alice Springs, who attended the public consultation. Access to services for them—the issues of having to travel—come up. But we've also had to link this piece of work to the Aboriginal and Torres Strait Islander health plans and the maternity work that's already occurring in that space. So, it's not as direct in this one, because it's in a different plan, but we're trying to make sure that there's congruence between them and that they support each other. They were probably not as strong around continuity but more around culturally appropriate services, and cultural sensitivity and safety.

Senator SIEWERT: Did that include Connection to Country?

Ms Thoms: Yes. Birthing on Country was certainly mentioned, and we tried to make it clear what that means and the importance of it. From memory we specifically have, in the section that talks about some of the enablers that can help achieve that, that their view on country is one of those.

Senator SIEWERT: Thank you. You've just been through the process and told me when it's likely to come out.

Ms Thoms: Realistically, I think it'll be pushed out a little bit, because it's taking us a bit longer to sort the document.

Senator SIEWERT: Will the document that comes out be a final document, or will there be another round of consultation on that?

Ms Thoms: No, it will be a final, because it's into the AHMAC processes. All ministers will need to sign off.

Senator SIEWERT: Okay. So, by August the ministers will all—that'll have come through—

Ms Thoms: Hopefully we will be—

Senator SIEWERT: All the ministerial processes—is that the plan?

Ms Thoms: The COAG Health Council at that time is—

Ms Edwards: I think we're aiming to have it available to either go to a COAG Health Council meeting or be dealt with out of session, but we probably couldn't be definitive about when they'll be able to deal with it in that way—so, bureaucratically ready by August, I suspect.

Senator SIEWERT: Right. And then it'll go through whatever process. Is that how I should interpret what you just said?

Ms Thoms: I would like to hope that it's been through AHMAC, but it may not have quite hit the ministers' tables.

Ms Edwards: And ideally it would be considered at a face-to-face meeting. It's an important thing for everyone. So, whether there'll be a decision—do we do it out of session for speed, or do we wait for another meeting?—that's yet to be considered by the AHMAC executive.

Senator SIEWERT: Thank you. Will the plan look at how you then increase the recognition of midwifery and the continuity of care in terms of working with women to raise their awareness of what services are available?

Ms Thoms: It's a strategy, not a plan. It will hopefully drive—the states do the plans—

Senator SIEWERT: Point taken.

Ms Thoms: But embedded within all of this is a thing called the Maternity Care Classification System, which is data that is collected by the AIHW. That actually provides data on all—there are nine or 12 models, and midwifery continuity's one of those. What we would be looking to see is that the percentage in that reporting increases in the midwifery models, and the other continuity models. At the moment not all jurisdictions collect that by hospital or service. Some provide state-level data, but they are gradually moving more to providing it at service level. It was an outcome of the last plan. So, it's gradually starting to be collected in a more-consistent way. That will be one way that we can actually measure very clearly. But there are a number of other suggestions and enablers in there. What we're working through with the jurisdictions at the moment is how we evaluate that we've actually made a difference and there is success with these, and reaching agreement with them on what we would be seeing in the plan—see, I've just done it!—in the strategy, is what I mean, going forward. There was feedback from the last plan that people felt that the evaluation wasn't strong enough, so we are trying to build things in to address that.

Senator SIEWERT: The evaluation wasn't strong enough because of the disjointed data collection.

Ms Thoms: There was lack of data. I think there were some data issues, but I think also the sector had certain views about how they wanted it evaluated, which may or may not have been met, depending on who you are.

Senator SIEWERT: Thank you.

ACTING CHAIR: Before we go to other senators, is there a response to the question that I asked with regard to the National Action Plan for the Health of Children and Young People?

Ms Beauchamp: Professor Thoms is free to go?

ACTING CHAIR: Yes, thank you very much, Professor Thoms, and thanks for your patience.

Mr Boyley: Senator, thank you for the indulgence of time to find the answer, which I can now provide to you. On 15 August 2018, Minister Hunt announced at a Royal Australasian College of Physicians forum the intention to produce a national action plan for the health of children and young people that would run from 2020 to 2030. As part of that process, following that, the department engaged the Australian Research Alliance for Children and Youth. We asked them to draw together the stakeholders for the strategy and to produce that for the department. As part of that process, the public consultation period was opened. It was started with—

ACTING CHAIR: So there was a public consultation period, and then I imagine a draft report, or did they prepare a draft report and then there was a public consultation?

Mr Boyley: There were some draft themes that were put out as part of the public consultation process. The process itself was workshops that were held in November 2018 and then an online survey that was out during March this year. The intention was for the strategy to be released in the first half of 2019. The result of that work is that the strategy has been put together. It has been through the department and it is currently with the minister. There are within that—

ACTING CHAIR: Is it a draft strategy or the strategy?

Mr Boyley: The strategy, sorry. It's terminology that, short of the minister approving it, I'm calling it 'draft', but it is the strategy. Within that strategy, there are 10 priority populations of which LGBTQI children are one of those priority populations, particularly in the space of mental health. So they are within the road map as a key priority population.

ACTING CHAIR: Great. So the commentary that I had seen over the last week or so was that the draft National Action Plan for the Health of Children and Young People, prepared by the Department of Health, but you used the resources of the Australian Research Alliance for Children and Health, omitted to have any reference to LGBTI young people. What I've heard from you is that the strategy that has been presented to the minister does now include LGBTI young people, as a priority group. Have I heard that correctly?

Mr Boyley: That is correct, Senator.

ACTING CHAIR: Great. Thanks very much. It sounds like a successful outcome. Thank you.

Mr Boyley: Thank you.

ACTING CHAIR: Senators, moving on, we're still in outcome 2. Senator O'Neill.

Senator O'NEILL: Can I go to eating disorders straightaway. This I just a bit further from where we got to the other day. Just to be clear, there are the eating disorder clinics that have been announced in the ACT and in WA. Is it correct that the $5 million that the repatriation general hospital has received is part of that $63 million that's supposed to be funding the six centres?

Ms Edwards: Senator, the other day we talked about this a little bit. At one point I said, 'I'm not sure about that figure,' and I wanted to check it. I have since checked it. I can give you a full profile.

Senator O'NEILL: Fantastic. Thank you very much.

Ms Edwards: There's a total of $70.2 million, as we talked about. The $63 million is the relation to residential eating disorder centres, and then there was the $7.2 million, which related to the Butterfly Foundation, both to oversee the residential eating disorders and for the national Eating Disorders Coalition.

Senator O'NEILL: And that was two amounts of $3.9 million or something, was it?

Ms Edwards: It is $3.6 million for each of those, so $7.2 million in total. There are seven residential eating disorders facilities in total. Earlier we talked about this a little with Senator Urquhart. The seventh is the project that is already underway on the Sunshine Coast. There was an initial investment previously announced—not part of this budget announcement—of $1.5 million for it. It has now been confirmed that, of the $63 million, there will be an additional $4.5 million for that project on the Sunshine Coast. Then we have the South Australian repatriation hospital centre. That was $5 million. We talked about the hospital facilities already being there, so it's not a capital project in the same way as some of the others.

Senator O'NEILL: So no capital at all?

Ms Edwards: It's a smaller amount because we're working in an existing hospital. I wouldn't want to say definitively that there wouldn't need to be adjustments or some sort of capital work in there, but primarily it's to allow that to be conducted in an existing facility.

Senator O'NEILL: Can I just go back to the Sunshine Coast. Is the additional $4.5 million for the services that are provided there, not for capital works?

Ms Edwards: It's part of the global whole, so the total amount now is $6 million.

Senator O'NEILL: If you can provide on notice any further breakdown, that would be helpful.

Ms Edwards: Yes. Going back to South Australia, that one is provided in this financial year. Then there's the Western Australian Peel Health Hub that we talked about the other day also. That is $4 million as part of a larger announcement of $25 million for that facility. Again, as part of something else, it's a smaller amount to allow for an eating disorders residential facility trial to occur at that residence.

Senator O'NEILL: So let's just be clear about that. Did you say it is part of the $25 million?

Ms Edwards: It's part of a larger $25 million commitment.

Senator O'NEILL: For Peel health?

Ms Edwards: For the Peel Health Hub.

Senator O'NEILL: How much is for eating disorders?

Ms Edwards: Four million dollars. So, of the total seven, three are accounted for. There are four more centres as part of the measure. Two have been announced. The ACT was discussed the other day. My terrific staff were absolutely correct—that is $13.5 million to be provided through the PHN in the ACT. Today we've had the announcement of the facility in Hobart, also to be provided through the PHN. There is little additional detail on that centre at this stage. That leaves two to be announced—they have not yet been announced—in two other locations. But, as we discussed the other day, it is intended that virtual all states and territories will be represented.

Senator O'NEILL: So New South Wales is still missing.

Ms Edwards: New South Wales is missing, Victoria is missing and the Northern Territory is missing.

Senator O'NEILL: But there are only two to go?

Ms Edwards: Yes, there are three spots. In one of those the additional eating disorders services will be provided through a different avenue.

Senator O'NEILL: Given the fact that there has been an announcement today in Hobart by the PHN, there must be some details about the funding allocation for that—otherwise you would have to think that the government are just making it up as they go.

Ms Edwards: So there is $10 million in Hobart through the PHN. I don't have the phasing for that at the moment, as opposed to the global phasing for all four centres.

Senator O'NEILL: Let me go back to the $10 million. That is entirely allocated to an eating disorders clinic in Hobart?

Ms Edwards: Through the PHN, yes.

Senator O'NEILL: It's not going to be shared with any other mental health element?

Ms Edwards: It's an allocation for an eating disorders facility in Hobart.

Senator O'NEILL: It is certainly larger than the $5 million in SA. You explained that that is because it's embedded in the hospital.

Ms Edwards: Correct.

Senator O'NEILL: There is $6 million for the Sunshine Coast one and $4 million for the WA one.

Ms Edwards: Which is also embedded within a larger campus.

Senator O'NEILL: And the ACT is $13.5 million.

Ms Edwards: Correct.

Senator O'NEILL: Is that embedded within another campus or is it a complete standalone?

Ms Edwards: My understanding is that that is a new facility to be worked through.

Senator O'NEILL: And is the $10 million an indication that this is a new facility or is it going to be co-located with the hospital or something?

Ms Edwards: We need to talk to the PHN, but I would expect it to be a new facility, although of course integrated with services. I don't have information, nor do I think we've decided on the actual location.

Senator O'NEILL: To be clear: the additional $4.5 million that's going to the Sunshine Coast is part of the $63 million?

Ms Edwards: Correct.

Senator O'NEILL: That's good. What's the cost over the forward estimates for the Hobart eating disorder clinic? Do we know when the funds will drop?

Ms Edwards: That's the phasing I don't have at the moment. Earlier I read into the record the phasing of the whole of the $54 million for those four centres—the ACT, Hobart and two unannounced—plus the additional money for Sunshine Coast. I've put that on the record; I can do it again, if you like, but it will be there for you to see. I don't have a breakdown of that and I don't think I can easily do that quickly.

Senator O'NEILL: Can I express some concern that we're not clear about when this money is to drop. That's a quantum of $10 million that people in—I've got two Tasmanian senators here, Senator Polley and Senator Urquhart, and I'm very mindful of them being aware of the scale of the illness there and people's need for access to services. We've seen on many occasions in the budget documents that money is not coming; it's projected out over five years. I would be desperately despairing for the people who need this service if there's a $500,000 allocation for next year and we're not going to get the project off the ground until five years down the track.

Ms Edwards: I can tell you that there's an $18 million allocation across all four centres to go through the PHNs.

Senator O'NEILL: The reason you're telling me 'all four' is that they're the ones that were announced?

Ms Edwards: Earlier, before you were here, we had quite a long discussion about eating disorders with Senator Urquhart. I wasn't wanting to use up time having it again but I can tell you the full phasing, if you'd like.

Senator O'NEILL: I think I might need to hear that to ask my next questions. I'm sorry; I haven't read the transcript.

Ms Edwards: The reason they're in different buckets is that some are through the PHNs and some are not, and some are through different processes. The South Australian one is all in the current financial year—the $5 million. For the Western Australia Peel Health Hub, the $4 million that pertains to the eating disorders facility as part of the full grant to Western Australia is in the last years of the forward estimates, because it's to be done later on after they've done the initial work on that commitment—so in 2021-22 or potentially in 2022-23.

Senator O'NEILL: That's a long way away for somebody who's got an eating disorder right now.

Ms Edwards: It is, but it's part of a bigger project and they need to do the other work to set up the facility. Let's remember: this is only one element of our eating disorder strategy. The residential facility trial is an important part but the big thing we've done this year, which is about to happen, is the new MBS item that allows the 40 treatments. You're absolutely right; we need to act now, and we want to do that. This is a particular project which will happen in different phasing as we try things out.

In relation to the five other sites, including the one that is already under the planning and preparation session, $18 million of that is in this current financial year to flow to the PHNs very quickly to start the work. I don't know what we've estimated to be the split but I'd be hesitant to lock it in, because it will depend a bit on which PHN has

which plans and what needs and how we can get on the ground quickest. But that's $18 million in the current financial year.

Senator O'NEILL: So, $18 million of exactly what quantum there? Is it $18 million of the $63 million in total or $18 million of—

Ms Edwards: Of the $54 million. The balance of the $54 million happens in later financial years—so it's a large amount up-front.

Senator O'NEILL: When do you expect the rest of the $54 million to drop?

Ms Edwards: In 2021-22, and beyond. It's important to note that one of the aims is to allow the eating disorder clinics to bill Medicare; that's one of the things the minister has been very clear about. That MBS item will feed in. You will arrange for the facility to try the residential, and then you will allow billing to happen in that, so it's not as though this is the only funding going through into those processes. I've almost got to the end of what I can tell you today, given it's all so new; I just wanted to fill you in on what I didn't have the other day.

Senator O'NEILL: That is quite helpful. Of what is left, we've still got, as you said, two more to drop—

Ms Edwards: Correct.

Senator O'NEILL: in the race between New South Wales, Victoria and the Northern Territory. How much is the quantum of what remains?

Ms Edwards: I can't tell you that, because I don't know exactly how much. Obviously $13.5 million plus $10 million is $23.5 million—

Ms Beauchamp: $26 million.

Ms Edwards: There's $26 million.

Senator O'NEILL: Still to be announced?

Ms Edwards: Still to be announced.

Senator O'NEILL: I'm not asking you to name them today, although I'd really love to. Can you give me the phasing of the 26 going forward?

Ms Edwards: No, I can't. I expect it to be $13 million each for two facilities, but it has not yet been announced and I can't tell you the locations today; I'm sorry.

Senator O'NEILL: So there are three that are $13 million: the ACT and the two that are yet to be announced. They've got a similar allocation, so are they of a similar design?

Ms Edwards: I think they're to be designed. As we mentioned the other day, we want to try different approaches in different places. That's why we're going to the PHNs, who have the needs assessments.

Senator O'NEILL: The five centres that we were discussing the other day—five of these eating disorder clinics—are they coming out of the Community Health and Hospitals Program?

Ms Edwards: Yes. Of the full amount, all except for the South Australian facility are from the Community Health and Hospitals Program through one way or another. And the South Australian repatriation hospital is from a separate measure in the budget, which is the community mental health measure 'Prioritising mental health—caring for our community'.

Senator O'NEILL: What number is that?

Ms Edwards: It's page 103 of Budget Paper No. 2. The measure goes over the page.

Senator O'NEILL: That's right: that was the only one we could actually find on budget night that was in there, as I recall. The money for the supplement of $4.5 million to Sunshine: where's that from?

Ms Edwards: From the Community Health and Hospitals Program.

Senator O'NEILL: I just wanted to be clear on that. Of this $63 million, how much is new money?

Ms Edwards: The entirety of the Community Health and Hospitals Program is the additional $1.25 billion announced by the Prime Minister, which is additional to the Health portfolio, not from some existing health program. The same is the case for the 'Prioritising mental health' measure—at least, in relation to this measure; I don't know all of those ones intimately.

Senator O'NEILL: Have any contracts been signed?

Ms Edwards: No—except for the $1.5 million that may have gone to the Butterfly Foundation for the trial in Sunshine Coast. It was announced some time ago. But not of this money, no.

Senator O'NEILL: Are there agreements to that trial through the PHNs?

Ms Edwards: In relation to the PHNs, I imagine we'll do either a variation to existing contracts or new contracts. That will go to the PHNs. That's a relatively straightforward process with the PHNs. The South Australian one will go through an intergovernmental agreement. With the Western Australian health hub one, I can't recall whether or not it's through intergovernmental agreement, but it will be worked up as a funding agreement one way or another.

Senator O'NEILL: At this stage are there any states that have signed up to these eating disorder centres?

Ms Edwards: Signed up in a legal—

Senator O'NEILL: Yes, in a legal sense.

Ms Edwards: We have not got any funding agreements in place as yet, no.

Senator O'NEILL: Okay, but do you have one with the Queensland one?

Ms Edwards: I think I do. I might just get someone to check that and come back to you.

Senator O'NEILL: Great. If you could provide that on notice, to give us a sense of the shape of that contract, that would be interesting.

Ms Edwards: If we have done it, it will be on our website and I can find you the link.

Senator O'NEILL: Thank you. So the only one that's potentially been signed is the Sunshine Coast one that's already advanced because it was the first one that came out on a trial?

Ms Edwards: Yes, because the budget was eight days ago.

Senator O'NEILL: Do you expect any of the contracts to be signed prior to the election?

Ms Edwards: I'm not privy to when the election is going to be.

Senator O'NEILL: Sometime before the end of May, we assume. Are you working on getting contracts signed with regard to the—

Ms Edwards: We are progressing all of the various funding arrangements announced in the budget, and they take varying times. Whether they're intergovernmental agreements or contracts and so on, they do tend to take some time.

Senator O'NEILL: 'Some time' could be anything to anybody. Are you talking weeks, months, days to get these signatures? Is it possible that they could be signed by the end of this week?

Ms Edwards: Highly unlikely.

Senator O'NEILL: Next week?

Ms Edwards: A project agreement with a state and territory can be done reasonably quickly, depending on its priority with all the other things going on. Generally speaking, a grant takes longer because of the important accountability processes that happen. We'd be wanting to get these out to the PHNs and the states by the end of the financial year.

Senator O'NEILL: Will your action with regard to signing these documents continue when the government moves into caretaker mode?

Ms Edwards: The caretaker rules will apply, so we wouldn't be entering into any significant contract, but we would continue as in the ordinary course to work with stakeholders and so on on preparing the materials.

Senator O'NEILL: Does the quantum that we've been talking about in each of these cases constitute a significant amount? Could these be signed?

Ms Edwards: Amount is only one of the factors that are taken into account. I wouldn't be able to answer the question aligning these against the caretaker principles right now. We'd have to seek advice from central agencies on a whole variety of things.

Senator O'NEILL: So to be clear for me, because I haven't been through this process from opposition before, it's possible that these contracts we've been talking about could be signed in the caretaker period prior to the election or signed post the election.

Ms Edwards: It's possible that some things could be signed during the caretaker period, either because they fall into those contracts which are non-contentious and so on or because there's consultation, or they would be signed following the caretaker period, when a government is formed.

Senator O'NEILL: Thank you. That's quite helpful.

Senator SIEWERT: Can I follow up on some of the questions asked about headspace last week.

Ms Edwards: In the hope I know more than I did on Friday, which I fear is reasonably unlikely.

Senator SIEWERT: Let's have a go. I've got some questions on the planning for the mental health workforce as well, so I may interweave these questions. How confident are you that you will have the staff required for the new headspaces? During our remote, regional and rural inquiry—I will come back to the workforce for rural, regional, remote—it was very apparent that there are just not enough staff and that one of the factors is lack of staff for mental health services across the board.

Ms Edwards: Yes.

Senator O'NEILL: And short contract terms.

Senator SIEWERT: And short contract terms, exactly, which I want to come back to also. It's all very well to come out and announce the new headspaces, but how confident are you that you're actually going to have the staff to ensure that the services are there?

Ms Edwards: I will answer mental health workforce issues in relation to headspace, and CMO may jump in at some point in relation to workforce issues. The key thing to note, of course, is that the announcement was for these new centres and satellites, which we talked about the other day, and also for a large amount of money to help what we characterise as reducing waiting lists.

Senator SIEWERT: Yes, I want to come to that too.

Ms Edwards: The key document that we talked about, which hadn't been released—I didn't want to steal headspace national's thunder—is their survey *Increasing Demand in Youth Mental Health*, which you may or may not have seen. It was released on Friday night by headspace national. It's on their website but is a bit tricky to find.

Senator O'NEILL: Perhaps you could table it now, because I definitely have not read it.

Senator SIEWERT: Yes.

Ms Edwards: I can after I finish talking, because I've only got one copy. If you search for 'increasing demand in youth mental health' it comes up, but 'waiting lists' does not. That's the trick. I will table it after I finish talking about it.

Senator O'NEILL: Thank you.

Ms Edwards: It covers both the data and information that headspace has gleaned by doing a survey of the managers of services across the nation. I mentioned the other day that, when we figure out how we're going to use that $152 million over seven years to reduce waiting lists and increase capacity, we'll be using this as not the only but a key document. It is very helpful. It does raise exactly the issues you're talking about, Senator Siewert. You will want to look at it properly, but the key actions include talking about workforce. We know that that's a key issue. One of the things we have with that money is that it can be used in the way that we work out, with headspace national and with PHNs and with centres and satellites, the best way to do that. That could include workforce-building activities if that's the way we go.

Senator SIEWERT: You mean some of the money could be used for that?

Ms Edwards: Yes, some of the money. How could we use this $152 million for services? You will remember that an amount of something like $30 million was announced at MYEFO for a similar purpose. We gave that money out to all the centres. We haven't decided to do that at this point, although that would be one of the options. But we are going to take some time—it doesn't start immediately—to think about what's the best way actually to ensure that headspaces have reduced waiting times and reduced waiting times for the people who need them most. This will be a key document about that.

At the same time, you would recall that we have announced funding for a mental health workforce strategy. That is working. One of the key things that will do is factor into the medical workforce strategy, which the CMO is responsible for, noting that that is medical workforce, and what we'll be looking at is medical workforce and also non-medical workforce and so on. But they need to sit together very carefully. So we're very closely working in with what happens first in terms of psychiatrists, GPs and so on but also how that flows through. Professor Murphy might want to comment on it.

Senator SIEWERT: I'll come back to that shortly.

Ms Edwards: So, yes, workforce is a constraint.

Senator O'NEILL: I haven't seen that strategy that you've just mentioned either, the mental health workforce strategy.

Ms Edwards: It doesn't exist yet. We've got some funding to do it. We're starting some work on it. It'll be done in conjunction with the medical workforce strategy which is also being developed.

Senator SIEWERT: Can you remind me how much money was allocated?

Ms Edwards: To the mental health workforce strategy, $1 million.

Senator SIEWERT: Can you remind me when that was allocated?

Ms Edwards: I think it was MYEFO, but one of the very clever people back there will confirm that to be the case or not.

Senator SIEWERT: Last night I read the response—which I will note, and thank you—to the Senate inquiry. It came out yesterday, or the day before. I read it on the plane anyway. It went into my head yesterday, whether or not it was yesterday that it came out. I know it was just in the last couple of days. Thank you for that. I'll come back to the strategy. I want to go back to headspace. If somebody can tell us when that announcement was made, that would be useful.

Ms Edwards: For the workforce strategy, $1 million was allocated in MYEFO. I also note, Senator O'Neill, that the contract with the Sunshine Coast was recently—my text message says 'negotiated' but I think they mean we have it in place.

Senator O'NEILL: And that's just happened recently?

Ms Edwards: It happened recently.

Senator O'NEILL: Does that mean this month or last month?

Ms Edwards: Someone else might send me another text.

Senator O'NEILL: They might do that. Thank you very much.

Senator SIEWERT: Thank you to whoever just put this on my desk. Unfortunately I'm not a speed reader, so I'll probably come back to you with more questions on it.

Ms Edwards: I'm sure there's next estimates.

Senator SIEWERT: I'm sure we can get through some of the issues now. Going back to the workforce and the issues around staff in the centres, do I understand that you're working on the medical side of things, the broader mental health strategy, this document and then, through all of that, you're hoping there'll be enough staff? Is that the point?

Ms Edwards: This document tells us a lot about what it is we need to do to make sure that the demand is being met. In headspace, we've got a large bucket of money to play with there, to make sure we actually make some inroads. So that'll be a big play there. We know that workforce is a constraint, so we have to look at whether we make some investment specifically in this context for that workforce, and that will be guided by what we know from headspace and others, but also what we're learning in the course of doing the medical workforce strategy. I might add we're also doing an Aboriginal and Torres Strait Islander health workforce strategy. So we need to make all of those things work together. The short answer to your question is: workforce is one of the constraints, we're aware of it—particularly in regional and remote areas, as you would have read in the response—and that's something we'll be taking into account when we figure out how to apply this additional funding. One of the things we're really pleased about out of the budget announcements is we're not just opening up new centres and satellites; we're actually putting in extra funding to make sure they can do what they need to do in those locations. But I haven't got the plan for it yet, because we want to make sure we do it carefully in an evidence based way.

Senator SIEWERT: Obviously the issues around staffing or the lack of workforce go beyond just headspaces?

Ms Edwards: Correct.

Senator SIEWERT: It's across the board, rural and remote et cetera. So we've got $1 million to develop the strategy. What is the timeline for the development of the strategy?

Ms Edwards: I think it was over a year, with the Mental Health Commission.

Senator SIEWERT: We have that. We have the work that's being done on the medical—

Ms Edwards: As I say, we're very keen for them not to be on separate tracks. We need to be building—

Senator SIEWERT: Yes, I understand that. Presumably that will feed into the medical side of the mental health workforce?

Ms Edwards: Yes. The medical workforce strategy will probably be the really key one for medical staff in mental health. We will then wrap other mental health staff—and also specifically Aboriginal and Torres Strait Islander mental health staff—around that.

Senator SIEWERT: In terms of funding the strategies, you're saying some of that might come out of the 152?

Ms Edwards: I'm saying that what we learn about what we can do to boost workforce will inform how we end up spending the 152.

Senator SIEWERT: But then is there not going to be needed an extra injection of funding to actually fund the rest of the mental health workforce strategy?

Ms Edwards: There may well be, and that would be something that we consider in due course.

Senator SIEWERT: So there's not money floating around in any other buckets that you could use for that? It's going to need a new allocation of resources?

Ms Edwards: We'd have to have another look. It depends what it comes up with.

Senator SIEWERT: There's the money to invest in the waiting lists. I don't think that we really got to the bottom of the waiting lists last week.

Senator O'NEILL: No, we didn't.

Senator SIEWERT: From the evidence that we got from the committee hearing and also from the anecdotal evidence that you get, there's a lot of waiting; and there's no formal waiting list for some. But what we also are hearing—and you are fully aware of this—is basically the headspaces actually have to deal with severe, rather than what they were originally intended to do. So waiting lists at the moment will also be quite difficult if people aren't even really getting—

Ms Edwards: You don't want a traditional one to 1,000 waiting list; you want to manage it. It is important to note the announcement of the continuation of EPS funding, but also the continued PHN severe youth mental health funding is important. We need to make sure there that funding is picking up—to the greatest extent we can—those more severe people who are fronting up to a headspace, which is primarily designed as a primary care mild-to-moderate. That's a key issue. In terms of the waiting list, this document does have a lot of information. They did ask me the other day not to tell you in advance, which is why I didn't—but I can give you a summary of some of the key—

Senator SIEWERT: It would be useful now in the context of the discussion that we're having, rather than us having to come back with questions on notice, given timelines.

Ms Edwards: My people have drawn out of this report when they saw it earlier some key things. The average waiting time for a young person to attend an intake session is 10.5 days.

Senator SIEWERT: How do they work that out?

Ms Edwards: I think you might have to go back to headspace national. The contract for the Sunshine Coast was signed on 2 April.

Senator O'NEILL: Thank you very much.

Ms Edwards: I have a very great team.

Senator O'NEILL: Absolutely. Thank you for that.

Ms Edwards: The typical time for a first therapy session—this is a very interesting thing we'll have to think very hard about—varies considerably, from one day in some places up to 99 days in others, which obviously is at the extreme end. We've got a very lumpy situation, so as we think about how we use those additional funds and how we roll out the new centres, we'll have to really take that into account to make sure that we're servicing where is most needed.

Senator SIEWERT: Do we have an idea of that? I understand what you've just said.

Ms Edwards: We do, but what we do is continue to talk to headspace national, and I hope that, without breaching any confidentiality from their survey, they will be able to help direct us and so on. That's why it's a really collaborative process of where we go from here—to make sure, as you say, we're getting into the right places with the right strategies, whether they be workforce or just increased capacity or something else, and also that we're actually making sure the right people are at the front of the queue, which is always an issue. So, for one person, waiting for three days for an initial therapy session is a very major problem because they're really in distress; for another person, waiting two weeks may be absolutely appropriate.

Senator SIEWERT: Exactly. The evidence we heard—also the discussion we were having during the inquiry and elsewhere—is that we understand the person that's in crisis needs help straightaway. But then people aren't getting support, so then build up into crisis and into being severe.

Ms Edwards: One of the interesting things in the report—which is really their business, but just to draw it to your attention—is some of the things they're doing to try and manage the waiting. There are things like phone check-ins, group programs, peer support activities—other things you might be able to do to help quite a lot of the people who are waiting, either because they may not necessarily need an intense therapy session straightaway and so on, and also it means you can start making sure we have service provision and more and more opportunities to pick those people who really need to be escalated up the queue.

Senator SIEWERT: Yes. The other thing that I've certainly seen—I'm Senator O'Neill has, because she's been to a lot more than I have managed to get around to—

Senator O'NEILL: I clocked up my 43rd one on Monday morning. I went to Parramatta.

Ms Edwards: So 102 to go.

Senator O'NEILL: Yes, I'm very excited about that, frankly. It's amazing.

Senator SIEWERT: As I'm sure Senator O'Neill will verify, there are different levels of service in different headspaces, according to location and funding et cetera. Some are able to do what you've just said, and the evidence we've received is that some aren't.

Ms Edwards: That's another thing we have to lock at—capacity, how we support services and satellites to do it as well as it can be done. We have seven years of funding for this, which is an extremely exciting thing for a public servant to be able to say. We can continually improve this based on evidence and talking with our stakeholders over a significant period of time.

Senator SIEWERT: This is probably a politically incorrect to question to ask.

Senator O'NEILL: That wouldn't be like you, Senator Siewert.

Senator SIEWERT: Unlike me! We've got varying reports of the capacity of some of the headspaces, which also goes to the question you've just asked. Will there be an assessment done of the various services to make sure that they're performing at the best they can perform?

Ms Edwards: All headspace services are required to meet the benchmark and be accredited by headspace national. We really rely on them to make sure—and I think they do a good job of that. I would be very loath to say there are some that weren't meeting that standard, because I'm sure they are. Within that, of course, different services need different levels of support at different times, and we are certainly happy to work with headspace national and with the services and the PHNs to make sure we try and help with some of the capacity issues. Some services may go through periods of difficulty—key staff leave or some sort of event happens in a community which means there is a higher demand and so on. So, yes, that is one of the things we're really keen to do now we've got this very broad network of headspace services across the whole of the nation to work with them to have them all work as well as they possibly can.

Senator SIEWERT: You've seen the evaluation. I'm not saying anything that's not there on the record. But it's then how you make sure they're all able to offer—

Ms Edwards: We will be wanting to evaluate the whole of the program again over the course of the coming years too.

Senator SIEWERT: I realise you have to keep flexibility, because they're place based services, and they're meeting the demands of the community.

Ms Edwards: Correct.

Ms Beauchamp: And, of course, utilising the e-headspace service too, so looking at where there are not clinicians and suitable capability face to face. I think headspace is looking more at using that online facility too.

Senator SIEWERT: I understand there's more evidence—

Senator O'NEILL: The efficacy of that.

Senator SIEWERT: of the efficacy.

Ms Beauchamp: Yes.

Senator SIEWERT: We got up to the waiting list from one day to 99 days.

Ms Edwards: I am just looking at my little summary. The typical time varies from one to 99 days. The average time for a therapy session is 25.5 days. The average time for a first intake session is 10.5 days.

Senator SIEWERT: And the average time is 25.

Ms Edwards: And 25 per cent of centres have a wait time of one month, and 20 per cent have a wait time of over 35 days. That gives us immediately a place to focus on. We will have to talk to headspace about locations

and privacy and so on. The typical waiting time for a subsequent therapy session ranges from two to 30 days, bearing in mind that the period of time between therapy sessions may depend a lot on what the therapist thinks is required. Waiting two weeks or a month may become, 'Come back and see me next month. It may be fine.'

Senator SIEWERT: I'm pre-empting. You're telling me the next point. I take your point entirely. Is that figure then broken down into a better understanding of wait verses need?

Ms Edwards: Probably not on what we've got at the moment, but that will be the next step of analysis. The average waiting type for a second therapy session is 12.2 days. That's quite good when you think about how therapy works. It could well be that, in lots of places, once people have the first therapy session, they will get into a course of treatment which sounds, on the face of these figures, effective. We've probably got the intake issue that we need to work out—the issue we have just been talking about. We really do rely mostly on headspace national to do a lot of this analysis and give advice. We work with them about the funding and the PHNs, who know their communities. It's a work in progress, but it's great to have this data source to start with—noting it's a survey of what managers think. We may need to try triangulate with some other hard data, if we can find it.

Senator SIEWERT: Do I take it you had access to this—

Ms Edwards: Before.

Senator SIEWERT: when you were determining funding—well, in making recommendations and providing advice, you did have access to this?

Ms Edwards: We've been aware of this issue and we've had access to this for some time.

Senator SIEWERT: So you weren't operating in the dark?

Ms Edwards: No. We've told you many times—and this is absolutely the case—that we work very closely with headspace and centres and PHNs on this all the time.

Senator SIEWERT: Thank you. The next piece of work that you're going to be undertaking is getting a more thorough understanding of this to help make allocations?

Ms Edwards: One of our next pieces of work—yes.

Ms Beauchamp: And we're putting in the range of services to manage that demand, whether they're interim services or drop-in services on the same day. Absolutely prioritising need too is going to be a key part of that. I think it's a combination of supply and demand.

Senator SIEWERT: You just talked about the drop-in. The services that are the drop-in services, or on-the-spot treatment—

Ms Edwards: The adult mental health services?

Senator SIEWERT: How's that going to work?

Ms Edwards: I'm not sure. I think we might be at cross-purposes. What are you asking?

Senator SIEWERT: You just talked about the drop-in services. That's different to the on-the-spot services that the budget papers also talked about.

Ms Edwards: Are we still talking about headspace?

Senator SIEWERT: Yes. Are you also making provision for on-the-spot services in headspace?

Ms Edwards: Yes, we are. That's one of the things that headspace already does as a way of trying to make sure that they keep these lists under control. Some of them do walk-in and drop-in sessions. You can see on page 11 of this they talk about how they ask them about walk-in and drop-in sessions and 85 centres offer this method. So that's something they are going to have some real insights about. The extent to which that's a good way to use your resources to help work—I think that remains to be seen exactly the extent to which we—

Senator SIEWERT: You are still looking at that?

Ms Edwards: We're still looking at that. It is one of the things they already do in the centres to manage, and we'll work with them to see how effective that is compared to other methods.

Senator SIEWERT: When you're working on this process are you going to be looking at ways that you have KPIs in place for them, given that there's such a strong focus on managing the waiting list? I'm not knocking that at all. Are you going to then be putting in KPIs, so that you have a more immediate—

Ms Edwards: I think that's—

Senator SIEWERT: up-to-date—

Ms Edwards: a very good idea as we work through the funding agreements to—

Senator SIEWERT: You will be putting KPIs in place?

Ms Edwards: We will definitely be putting KPIs in place. It sounds like a very sensible thing to factor into the KPIs. I haven't seen where the teams have got to on that yet. They may be way ahead of me and have it in there—

Ms Beauchamp: In terms of any program management, you would need to put in measures and monitoring, but then also do evaluation, which you won't necessarily get from activity data, but we'll be doing both.

Ms Edwards: I'm not across the detail of where we've got to yet as to whether we've incorporated that or not.

Senator SIEWERT: But it will be? Is that what I understand?

Ms Edwards: It certainly sounds like a—

Ms Beauchamp: Good program managers, yes.

Senator SIEWERT: I want to bounce back—I apologise—to the staffing issue.

Ms Edwards: Yes.

Senator SIEWERT: Have you done any rough calculations about the level of staff that will be required for the level of funding that has been committed?

Ms Edwards: The costing process builds up a model using how many staff you expect. I imagine we have some estimates. We will have to work through how it should actually work in practice to make sure we meet the need. So, yes, we've had a think about it, but I wouldn't want to be locked in to the work we've done so far.

Senator SIEWERT: You can't provide any information on notice—

Ms Edwards: We're still talking about headspace aren't we?

Senator SIEWERT: Yes.

Senator O'NEILL: Preliminary work only?

Ms Edwards: We would have used what we know about staffing of headspaces to work up costings.

Senator SIEWERT: Are you able to provide details on notice of some of the—

Ms Edwards: The assumptions?

Senator SIEWERT: The assumptions, yes.

Ms Edwards: I think they count as budget in confidence documents.

Senator O'NEILL: Can you check?

Ms Edwards: I'll take it on notice. We might be able to provide you some general information about what sort of assumptions we make.

Senator O'NEILL: That would be good.

Ms Edwards: But I'm not sure.

Senator SIEWERT: In terms of the consultation about the whole process—I will ask them for both, as it'll save me asking again for the adult centres—for the expansion of the headspace services, and then for the adult centres, who was consulted in developing up the initiative?

Ms Edwards: We can take that on notice.

Senator SIEWERT: Thank you. I think I have done all my headspace questions.

Senator O'NEILL: In the interests of time I will try and chunk through these quite quickly. Can the department confirm how much funding each satellite headspace site will receive for the forward estimates and how much funding each full headspace site will receive over the forward estimates?

Ms Edwards: The answer is: I'm not sure. I will take it on notice to provide you what we can. We've got a whole stack of breakdowns. Exactly the status of them I'm not sure. I could take it on notice.

Senator O'NEILL: I am just try understand—

Ms Edwards: You mean of the whole 145?

Senator O'NEILL: We would love the detail of the whole 145, but there are announcements coming out about satellites and full headspaces now and it is pretty impossible to understand exactly what it is that's being committed.

Ms Edwards: I would like to take it on notice.

Senator O'NEILL: What about just the new measures in the budget?

Ms Edwards: Perhaps I could see whether somebody could give us an indicative amount of what a centre of a certain type costs compared to a satellite of a certain type and give you indicative numbers today.

Senator O'NEILL: That would be good. I think they are emerging in media releases, but I can't quite see them clearly, so that would be helpful.

Ms Edwards: There have been announcements over the last couple of days. I think now there are only seven locations left to be announced of the 30.

Senator O'NEILL: Do we have a lie of the land of where the satellite services are?

Ms Edwards: I have a list of 16 announced satellites and seven announced centres. You want to know those?

Senator O'NEILL: Read the satellites for me.

Ms Edwards: Emerald, Queensland; Esperance, WA; Lilydale, Victoria; Maryborough, Queensland; Ocean Grove, Victoria; Pakenham, Victoria; Port Lincoln, South Australia; Rosebud, Victoria; Sale, Victoria, Sarina, Queensland; Whitsundays, Queensland; Whittlesea, Victoria; Northam, WA; Burnie, Tasmania; Batemans Bay, New South Wales; and Armidale, New South Wales.

Senator O'NEILL: How many was that—16, with four remaining?

Ms Edwards: Correct.

Senator O'NEILL: How much funding are the 20 satellite sites receiving in total?

Ms Edwards: I just don't have it set out in that way.

Senator O'NEILL: Is each satellite funded to the same quantum?

Ms Edwards: I think so. Somebody will text me if I have read all of this wrong, I'm sure. The expected funding for a satellite would be about $1.5 million over four years, and about $3.5 million for a centre.

Senator O'NEILL: $1.5 million for each satellite site and $3.5 million for a headspace centre?

Ms Edwards: Yes.

Senator O'NEILL: There is a significant difference in the investment, because there is a significant difference in the size and the services that are provided, correct?

Ms Edwards: Yes, there is. I have slightly more information that my crew have just sent me. A headspace centre is roughly $912,000 a year once up and running. There are establishment costs. A satellite is roughly $380,000 per year once established. That's a bit less than half the cost, so yes, there is a differential.

Senator O'NEILL: We know the headspace brand is a very significant part of the destigmatisation and opening up access for young people. On what basis was the satellite model of 20 advanced?

Ms Edwards: We talked about this the other day. They all have to be assessed by headspace national as meeting the brand and service standards. The decision is to apply the funding available for the greatest possible reach of these services for young people. Satellites are a way to have a much greater reach. An assessment is made of how many centres and satellites in order to make the funding stretch as far as it possibly can across Australia.

Senator O'NEILL: Headspace are responsible for their brand. Who made the decision to distribute it 10-20?

Ms Edwards: The government made the decision.

Senator O'NEILL: The decider is not the implementer. There's quite a gap there. That's important to note. Headspace did not say to the minister, 'Give us 20 satellites and 10 headspace centres.'

Ms Edwards: No. I am sure headspace national would want a thousand headspace centres. They should come and keep talking to us about that. We have made a major investment to have a strong national platform. Satellites are a good way of making the reach go further.

Senator O'NEILL: Communities that get a satellite should understand the difference. Can I go to the budget.

Senator Scullion: Just briefly, I was interested, when we were reading out, since you're sitting next to Senator Polley: places like Burnie are unlikely to get a whole centre.

Senator O'NEILL: Labor has committed a whole centre.

Senator Scullion: To Burnie?

Senator O'NEILL: To Burnie.

Senator Scullion: Okay. They may well have.

Senator O'NEILL: Yes.

Senator Scullion: But the reason—

Senator SIEWERT: It's desperately needed. That's why.

Senator Scullion: There are a number of small places that wouldn't normally get a centre like that, and we think that the advice from headspace is good advice. I have to say, having spent most of my time, as I am sure you'd appreciate, in regional and rural Australia, that having two types—one that suits much smaller communities—by head of population is very important.

Senator O'NEILL: I don't know if it's all by head of population, but I can certainly—

ACTING CHAIR: Senator Scullion, just to be clear, the headspace model with the satellite elements is a model that's endorsed by headspace?

Senator O'NEILL: It's a decision of government, Minister.

Senator Scullion: No. It is a model that is endorsed by headspace nationally. That's a fact.

ACTING CHAIR: Right.

Senator SIEWERT: It's either that or nothing. What would you take?

Senator Scullion: The answer to the question in regard to 'How many did you roll out? Was that a decision?—that's always going to be a decision by government.

ACTING CHAIR: Of course, yes.

Senator Scullion: So the model is an endorsed model of headspace. I think it's very important that we have such an organisation that we can work so closely with. The numbers of satellites that roll out are, in fact, a matter for government.

ACTING CHAIR: What I mean is that headspace has made submissions to government that include the satellite arrangements. Is that right?

Ms Edwards: I just got a message to suggest that the department didn't get a submission from headspace for satellites but that there might have been some discussion with the minister directly. So can I take that on notice? I don't have the full information on the extent to which headspace discussed satellites generally.

ACTING CHAIR: Coming from a big state like Western Australia with a small population, I can absolutely understand the point that you make—that satellite provision might be a very viable way to provide access to mental health services.

Ms Beauchamp: Particularly in regional areas. I think Ms Edwards read out all the locations. They are particularly providing access for kids living in regional areas.

Senator O'NEILL: I was in Northam yesterday, in the seat of Pearce. Labor has committed a full headspace to that community. Emerald was another one that you read out that has satellite from the current government, but Labor has committed a full headspace to that community. So, clearly, there is a dispute about what's right in each community.

ACTING CHAIR: It's not a surprise that Labor might have a different approach to the government on some of these matters in some places.

Senator O'NEILL: Yes.

ACTING CHAIR: It's hardly a revelation. Anyway, questions?

Senator O'NEILL: I've got more. In the 2019-20 budget, there's $6 million over two years from 2019 towards the establishment of the Ocean Grove health and wellbeing hub. Is this funding on top of the $111 million for headspace centres?

Ms Edwards: Can you refer me to the measure? Do you have the page from Budget Paper No. 2?

Senator O'NEILL: I do not have it.

Ms Edwards: I know I've seen that one, but I—that's in addition.

Senator O'NEILL: So the $6 million over two years towards the establishment of the Ocean Grove health and wellbeing hub is in addition to the $111 million for headspace centres?

Ms Edwards: Yes.

Senator O'NEILL: It doesn't include headspace funding at all?

Ms Edwards: The headspace funding is in its own measure on the following page.

Senator O'NEILL: So the $6 million is for other things, and the headspace that's being delivered there—my understanding is that's satellite as well?

Ms Edwards: In Ocean Grove?

Senator O'NEILL: Is that on your list—a $1.5 million investment?

Ms Edwards: Yes.

Senator O'NEILL: Okay. That's another one where we're putting in a full headspace—where Labor is going to have a different model.

Ms Beauchamp: That $6 million is separate—

Ms Edwards: In addition.

Ms Beauchamp: to the $263 million that's been provided to headspace services over the longer term there. That's an additional—

Senator O'NEILL: So the $6 million is the hub. That's separate.

Ms Beauchamp: Yes.

Senator O'NEILL: $1.5 million is part of the headspace centre spend.

Ms Edwards: Yes.

Senator O'NEILL: Thank you. Also, in the 2019-20 budget, there was $1.8 million in the 2018-19 year to contribute to the youth hub and health and wellbeing facility in the Mornington Peninsula to support youth mental health and welfare services. Is this funding also on top of the $111 million for headspace services?

Ms Beauchamp: That's correct.

Senator O'NEILL: What's the standard funding for satellite headspaces over the forward estimates? Is it $1.5 million? Is that correct?

Ms Beauchamp: Yes.

Senator O'NEILL: Over four years?

Ms Beauchamp: Yes.

Senator O'NEILL: How will that be distributed? Is it $380,000 per year? Is that the split?

Ms Beauchamp: I think I read to you just a moment ago what we thought it was per year. That is $380,000 a year.

Senator O'NEILL: Thank you. And the standard funding for a full headspace is $912,000 per year?

Ms Beauchamp: Operational funding.

Senator O'NEILL: Once it is up and running.

Ms Beauchamp: Yes.

Senator O'NEILL: And that is $3.5 million, which will be delivered over four years.

Ms Beauchamp: Yes; $3.6 million.

Senator O'NEILL: Have any agreements been signed with PHNs or state governments regarding these centres?

Ms Edwards: The headspace centres?

Senator O'NEILL: Yes.

Ms Edwards: The headspace centres all go through the PHN. The mental health schedule renewal for the PHNs is happening now. It's well advanced. In fact, that was the question I meant to come back to you on, Senator Siewert, about the longer term funding. That now moves onto a three-year rolling contract. So, as long as deliverables are met, it continues to be three years continuously. It rolls out a further year each time. That's one of the big reforms we have in the PHN programs. All the headspace funding goes through that way.

Senator SIEWERT: That was an issue in one of the responses to the rural, regional and remote mental health inquiry recommendations. Can I check: it is not just for headspaces though, is it? My reading of that—

Ms Edwards: No; it's the whole of the mental health schedule. It's actually the core schedule for the PHNs, the mental health schedule and I think the AOD one as well.

Senator O'NEILL: So that will provide a little more certainty for workforce planning and retention, which will get rid of some of the big problems that were reported?

Ms Edwards: Yes; and it is the alcohol and other drug schedule as well.

Senator SIEWERT: So PHNs should not then be saying to organisations delivering these services that they can only give them one-year contracts should they at all? I am not accusing them, but this was a really big issue that came up.

Ms Edwards: Not unless there is some other reason that you might want to keep them for only one year—some sort of performance issue. But not because their funding is running out, no.

Senator O'NEILL: Back to the PHN signing contracts: how many have been signed?

Ms Edwards: The new headspace money doesn't start yet. The standard mental health schedule is in negotiation now.

Senator O'NEILL: Have any PHNs signed?

Ms Edwards: I don't know the answer. I'll that it on notice, unless someone tells me—which they probably will in a moment.

Senator O'NEILL: Okay; fantastic.

Ms Edwards: Again, this is not the budget money; the budget money is yet to be done. This is in terms of the existing mental health schedule, and this will be added into that as we go forward.

Senator O'NEILL: We had a discussion a little while ago about the signing of the contracts. Does your answer about continuing the negotiations and potential signing during caretaker period apply in this case as well?

Ms Edwards: To the PHNs?

Senator O'NEILL: Yes.

Ms Beauchamp: We continue to negotiate. If contracts haven't been signed during caretaker, there is a range of options to progress those, including consultation. Of course, our focus would be ensuring continuity of service and addressing the waiting times as well.

Senator O'NEILL: We've discussed on a number of occasions the workforce challenge of not having continuity of a contract. How many contracts are set to expire at the end of this financial year—so that people might now only have 11 weeks of work ahead of them?

Ms Edwards: Just before we get to that, I'm reading what I have in front of me that the team has already provided. The mental health schedule has been offered to everyone, but not all the contacts have been executed. But, as I recall, this is one where we specifically provided them a deed of undertaking that we would do it. So those schedules are about to be executed will continue. The new money for headspace will be done later as a variation.

Senator O'NEILL: How many are you talking about there in terms of the negotiations that you just referred to?

Ms Edwards: They've all been offered the contracts but none of them are executed.

Senator O'NEILL: The number? All PHNs?

Ms Edwards: Yes; 31.

Senator O'NEILL: I just wanted to be clear. So all 31 PHNs have been offered a contract?

Ms Edwards: Yes.

Senator O'NEILL: Which will achieve what outcome for them and their workforce right now?

Ms Edwards: It will begin the three-year rolling arrangement where it continues on. As long as they meet the deliverables in a year, they will get an extra year. So they will always have three years funding.

Senator O'NEILL: How quickly do you expect them to be resolved?

Ms Edwards: Well, as soon as they get them back to us.

Senator O'NEILL: So everyone has received it?

Ms Edwards: Yes.

Senator O'NEILL: What date were they sent out?

Ms Edwards: Some have signed—I don't know the answer to that.

Senator O'NEILL: Okay. So, I'm interested in: when it was sent out, and how many already signed it and returned it. I want to get a sense of the certainty of the continuity there or how vulnerable it really is still.

Ms Edwards: It's entirely in their hands to return it to us.

Senator O'NEILL: But each one of them has the offer?

Ms Edwards: Yes.

Senator O'NEILL: So some of them could be signed prior to the election?

Ms Edwards: Yes, some have been already.

Senator O'NEILL: Of the 31, do you know how many?

Ms Edwards: The little dots are going on my phone, so I suspect—

Senator O'NEILL: I'll go to my next question.

Ms Edwards: Poor team! They'll be cross at me for not knowing more.

Senator O'NEILL: Last week Minister Scullion said remote areas are where satellites are likely to be. Are all the satellites being established in remote areas?

Ms Edwards: I read out the list.

Ms Beauchamp: I think you read out the list all bar four, I think.

Senator Scullion: I recognised by the sound of all those on the list that most of them were from relatively peri-urban or remote areas. Pass me the list: Emerald—

Senator O'NEILL: Is not remote

Senator Scullion: Well, sorry, I don't know if you have been there, but it's pretty remote.

Senator O'NEILL: I have, but it's not.

Senator Scullion: Well, I lived there for a while and I can tell you: there's not a lot there. Esperance, Lilydale, Maryborough—Maryborough's probably getting to less remote—Port Lincoln, Sale, Sarina, Whitsundays and those sort of places, Burnie, Batemans Bay—

Senator O'NEILL: Burnie's not remote.

Senator Scullion: Armidale.

Senator O'NEILL: Armidale's not remote.

Senator Scullion: Okay, is that like a metropolis? When we talk about remote, it's very remote next to Sydney. Everything's relative, and so those people who live in Armidale—

Senator O'NEILL: I thought there was a fairly arbitrary difference between regional, rural and remote. We use those words for a reason because they're quite different, aren't they?

Senator Scullion: Armidale sees itself as regional Australia. They would say they're in regional Australia—I'm not trying to pick hairs here but—

ACTING CHAIR: Much of regional Western Australia is actually remote.

Senator POLLEY: The regional crown—the jewel in the crown really.

Senator O'NEILL: And Sale.

Senator Scullion: I don't think any of them would consider themselves—or I wouldn't consider any of them—remote because I understand what that is: very remote and remote. These would all be in regional areas, but they're smaller centres.

Senator O'NEILL: Can you shed any light on why a full headspace was not determined necessary or satisfactory for these areas, some of which are quite large regional areas, and they're being offered a satellite. Burnie's a perfect example, because I've got Senator Polley sitting here right beside me—

Senator POLLEY: A huge area to pull from.

Senator O'NEILL: The distance and travel and costs of petrol et cetera, and we're talking about young people—14 to 20—in places with no transport. The need is great: high levels of unemployment, lots of anxiety registered in the schools. Is the determination of whether you get a satellite or not how far you want to spread the money or based on the actual determined need of the community?

Ms Edwards: It's a very large investment in new headspace services and the money's been allocated in a way in which we can have the greatest possible reach. Over time some of those satellites get upgraded to centres. That may well happen as we continue on the headspace journey over coming years. At the moment, this is a very major expansion and the idea is to expand it to 30 locations across Australia, not to a smaller number. Satellites are an effective way of providing a service to young people, and certainly our indications are that they work well. We'll be evaluating and monitoring them. I'd be interested to hear what you tell us at various estimates, but they're a good way of getting the headspace model out to people quickly and easily with less cost on bricks and mortar and more money on service delivery. So the assessment is this is a good way to—

Senator O'NEILL: Well, $3.5 million for service delivery, as opposed to $2.5 million, means it's a different mode of service delivery.

Senator Scullion: It may well be that they're simply servicing a smaller number of people. headspace national have said that this is a model they endorse. Obviously, it's not about quality, because I trust headspace national. But some of these smaller centres are servicing a smaller population base. Some of them say, 'We're running four days out of five,' but in the future, as that population client base builds, they can move to five days out of five. Some of these satellites, in the future, have a capacity—and it's an anticipated capacity—to be able to move to being a full centre. But the most important thing is that headspace national have endorsed the process of the provision of services of the satellites.

Senator O'NEILL: I think there's some rollout also.

Senator SIEWERT: I will use the example of Devonport. We were in Devonport, as you know, for the Senate inquiry. That's certainly where some of my concerns were raised about satellites. I'm not having a go at headspace about satellites.

Senator O'NEILL: They're doing a great job, but—

Senator SIEWERT: They're working with small amounts of money.

Senator O'NEILL: Exactly.

Senator SIEWERT: But we definitely got feedback that need was not being met. Then, when we went to St Helens, you know the evidence we got there: the level of support that they could operate over Launceston was very low because of the distance. Having said that—

Senator POLLEY: They're different communities.

Senator SIEWERT: Exactly. So there are concerns there about the satellites for those very reasons, because they're not meeting the need at the moment.

Ms Beauchamp: We've gone through some of the waiting list challenges and, obviously, the previous conversation on workforce and the capacity for the sector to absorb capability and workforce when you're talking about mental health nurses, psychologists and the like. It's got to be a very deliberate process of rolling out. We've looked at absolutely long-term funding beyond the forward estimates as well to make sure that there is capacity and workforce to manage both supply and demand. There's no use dumping in a new headspace service if you can't get the skills and expertise required to support the young kids who need it.

Ms Edwards: The bottom line is that this is a major expansion of headspace. The earliest one I have is in 2011-12 with $34.5 million, and now, in 2019-20, we're investing $115 million in services. That's a huge expansion. We know there's demand. We've continued to listen to senators, committees, headspace and everyone else about that demand and how best to manage it. But this is an enormous expansion. We're pretty confident that having satellites is a good way to reach a lot of people quickly and to have services set up quickly. I mentioned that, as far as I was aware, headspace hadn't asked for these, but I've got no reason to think they're not very happy with the process. I've taken on notice what they think about it and whether they've made some sort of comment. I think we should all be happy that, over the coming years, we're going to have an enormous headspace network we're going to have to get to work well. The distinction between satellites and centres is really not the main game. It's about what services we provide to young people. If there's a place like Devonport where the satellite's not doing it for the young people, of course we're interested in the views and the evidence about how to do that better. But it's not simply a matter of more money or the satellite service. We think we need to proceed with what we've got and work on the challenges we've been talking about.

Senator O'NEILL: Can I just ask about the adult mental health centres quickly. The funding quantum is $114.5 million over five years from 2020-21 to trial eight centres. Could you please break that down over the forward estimates for me.

Ms Edwards: Yes. This funding starts in 2020-21. Obviously, these are new things. We're going to have to work on them. It's $13 million in 2020-21, $13 million in 2021-22 and $28.5 million in 2022-23, which would be a standard phasing for a developing program.

Senator O'NEILL: Okay. Is the $10.5 million walk-in mental health centre in Launceston one of the adult mental health centres in the budget?

Ms Edwards: Yes.

Senator O'NEILL: Can the department confirm where the centres will be located?

Ms Edwards: There'll be one in each state and territory, but the locations other than Launceston have not yet been announced.

Senator POLLEY: Why was Launceston chosen? What were the criteria for choosing Launceston as the location? Is it anything to do with the electorate of Bass?

Ms Edwards: I think we've just been talking about the great need in regional Tasmania for mental health services, but it was a decision of government. It's a trial, and we're trying a variety of metropolitan and other centres—yet to be announced. But Launceston is obviously a very important regional area with a lot of need, and we'd be very interested to see how we develop the design for that centre and then evaluate how it's gone.

Ms Beauchamp: I think we mentioned on Friday that the rollout of this funding doesn't start until 2020-21. We'll be undertaking a quite extensive consultation process, design process and modelling process. I think a proportion of that funding—over $2 million—has been allocated to that consultation and design process.

Senator O'NEILL: Will you change the places that are being announced, as the sites occur, if the data changes? Once you start the trial process—it sounds like it's pretty arbitrary at the moment, about the selection of places, where it is going to occur.

Ms Edwards: Then we'd be running trials. So we'd allow the trial to run its course, and then evaluate to see what we do next.

Senator O'NEILL: The selection process where you actually run the trial is informed by what data?

Ms Edwards: The selection of the locations is a matter for government in consultation with the PHNs. We are having one in each state and territory, with a mix of metropolitan, outer-metropolitan and regional.

Senator O'NEILL: Has each PHN been invited to put forward data?

Ms Edwards: My notes are that we have been consulting with the PHNs on this, but I don't have any further information about it. I can take it on notice—the nature—

Senator O'NEILL: Did you select PHNs to consult with, or did all PHNs have the opportunity to ask for one of these?

Ms Edwards: I'd have to take on notice the process. All I've got is that we've been talking to PHNs about it.

Senator SIEWERT: We identified the PHNs that will have them?

Ms Edwards: No, all I have indicated is that there will be one in each state and territory, and there will be announcements as to the PHN region.

Senator O'NEILL: Do you expect the government to announce all eight sites prior to the election?

Ms Edwards: I don't know.

Senator Scullion: We don't know when the election is.

Senator O'NEILL: Are you preparing any documentation for the government around this?

Ms Edwards: No.

Senator O'NEILL: Minister?

Senator Scullion: No. We wouldn't be doing this within the context of an election. I'm just letting you know that we are not doing this within the context of an election. These conversations with these sites have been around for a while, and the announcements will be made when the announcements are made.

Ms Edwards: When I say that we are not preparing any information, I mean we're not providing information about where they should be or anything like that. Obviously, with, for example, the Tasmanian one we were talking about before, our communications team were involved in doing some of the rollout of the communications material. But we are not preparing any information about announcing things—when or where.

Senator O'NEILL: The selection of the sites at which these were announced, including the one that has just been announced in Launceston, is a decision of government?

Ms Edwards: Yes.

Ms Beauchamp : That's correct.

Senator O'NEILL: Based on what, Minister Scullion?

Senator Scullion: In consultation with the PHNs, as we've indicated.

Senator O'NEILL: With all PHNs.

Senator Scullion: No. There is a selected PHN because the decision was to have one of these in each state and to have a slightly different demographic in each state.

Senator O'NEILL: How many PHNs have you communicated with about this?

Senator Scullion: Exactly the same number as there are outcomes. We'll take that on notice.

Senator O'NEILL: So you have selected the places where it is going already, and then you talk to the PHN, but it is not based on any data?

Senator Scullion: That's not true. As the officer has indicated, we have provided, in discussions with PHNs—

Senator O'NEILL: Eight of them or 31 of them?

Senator Scullion: that have assisted in selection of the process.

Senator SIEWERT: So you have picked the PHNs that they'll be going to?

Senator Scullion: Yes, we have. We have discussed it with PHNs—and we haven't discussed things with PHNs where they aren't going.

Ms Edwards: We have obviously provided a lot of data to the minister and to the government about the need for mental health services, including, as we talked about the other day, the number of mental health related hospital emergency department presentations. It is actually trying to unpack that number and see how we deal with that, which is one of the things the trial is about. It is about how we make sure people who don't need to go to an emergency department have somewhere else to go and it is also about how we attract to a separate place those people who may be intimidated by going to an emergency department. There is a lot of data about mental health need, and we know it is very great all over the country. This is a way of trying a different model of providing mental health services. So we will have it in the community, not at emergency departments.

Senator O'NEILL: To be clear: the government has approached eight PHNs for consideration of participating in the adult mental health centre trial?

Ms Edwards: I don't think that we said anything about approaching PHNs.

Senator O'NEILL: Minister Scullion did.

Senator Scullion: As I have indicated, we'll take that on notice—the exact number. But, as the officer indicated, this was in consultation with some PHNs. As to the exact number, I will have to take that on notice.

Senator SIEWERT: Can we be really, really clear. I thought I was clear when I asked the question. You have eight PHNs that you have now said will get a hub, a centre?

Ms Beauchamp: There are eight sites where the trial will take place. We have 12 months to consult with all stakeholders and parties in terms of the design, including consultation with PHNs on those sites.

Senator SIEWERT: Where they'll specifically go. There are eight PHNs the you're already aware will get them, and then you're going to work out where they're going to go in that PHN?

Ms Edwards: There are announcements pending as to which PHNs. But the design and the way it's done, all those sorts of things, are still to be determined because, as the secretary says, funding doesn't start for a year and a half.

Senator SIEWERT: But you've made a commitment to the particular region that the PHN—

Ms Beauchamp: The government's made a commitment to eight sites.

Senator O'NEILL: And is in discussion with eight PHNs, based on the minister's evidence.

Ms Beauchamp: The government's made a commitment to eight sites, and those eight sites have not been announced.

Senator O'NEILL: Right. We understand that. We're waiting for the announcements. It looks like they're coming soon, because negotiations are already underway with eight PHNs. But not all 31 were invited to participate or put a bid in. Is that correct?

Senator Scullion: I'll have to take that on notice. I'm not absolutely sure about that. Right at this moment I can't provide that information. We will take that on notice, though.

Senator SIEWERT: We know one will be WA, because they only get one PHN.

Senator O'NEILL: Yes, one PHN for WA.

Senator Scullion: Yes, you're pretty right.

Senator SIEWERT: So there are seven other sites.

Senator O'NEILL: Could the department please provide information on how much each centre will cost?

Ms Beauchamp: I think we did. Obviously, we've provided indicative information on the sorts of costings for this, and they probably will vary from site to site. But I think on Friday we were saying that it probably would be evenly spread. The $114.5 million will be spread evenly amongst the eight.

Senator O'NEILL: For each site then, what is it, roughly?

Ms Edwards: It'll be more or less evenly spread. But, yes, roughly—

Senator O'NEILL: $114.5 million divided by eight?

Senator SIEWERT: Whatever that is.

Senator O'NEILL: $14 million, $15 million?

Ms Beauchamp: I think we said there was a range of between $10 million and $14 million.

Senator SIEWERT: Yes.

Senator O'NEILL: Okay. Have any agreements been signed—no—with PHNs or state governments regarding these centres?

Ms Edwards: No.

Senator O'NEILL: No. Will there be any integration with the state governments at all, or is it solely going to be provided through the PHNs? Have you had any discussions with the states and territories?

Ms Edwards: We haven't had any discussions, but, obviously, we'll want to take into account how the models integrate into the mental health system, and health systems as a whole. We've talked about the relationship with emergency departments run by state governments, and also other community mental health bodies. That will be one of the things we'll need to talk about with PHNs, and then their actual service provider, to ensure that there is integration with appropriate services. But we haven't had those discussions yet.

Senator O'NEILL: But the department hasn't approached the state to discuss—

Ms Edwards: Not yet.

Senator O'NEILL: the embedding of this within their system?

Ms Beauchamp: No. We've got a good 12 months to do that—

Senator O'NEILL: Okay.

Ms Beauchamp: and one of the indicators might be avoidable hospital admissions. So we'd be working very closely with the states and territories around the design of those, and the sorts of target groups that we'd be looking at.

Senator O'NEILL: Minister Scullion, at this point in time, are you aware of any discussions with the states about where this would go? Are you aware of the PHN discussions? Are there any other discussions with the states?

Senator Scullion: Not that I'm aware of, but I'll take that on notice and check.

Senator O'NEILL: Okay. My final question on this is: could contracts be signed with PHNs prior to the election?

Ms Edwards: We don't when the election is going to be.

Senator O'NEILL: Before the end of May. Could contracts be signed before the end of May?

Ms Beauchamp: There's a lot of work going on to progress these, and the funding doesn't flow until 2020-21. So we'll be working throughout the caretaker period and the like in terms of the design and other elements of these centres.

Senator O'NEILL: Do you think it's likely that you would be able to get signatures on contracts for this newly emerging model in the next six to eight weeks?

Ms Edwards: I think it's unlikely that that'd be at the top of our list, given the funding doesn't flow until 2020-21.

Senator O'NEILL: Okay, thank you.

ACTING CHAIR: Okay. I'm going to call a private meeting, Minister and Secretary, just so that we can chart the course for the next outcomes.

Proceedings suspended from 18:24 to 18:28

ACTING CHAIR: Minister and Secretary, I can report that we're going to have a five-minute suspension now. Following the suspension, Senator Siewert has a few questions further, in regard to mental health, in

outcome 2; we will proceed to some questions in outcome 3; and then there are some questions in outcomes 4 and 5. This is in anticipation of concluding early. That's the reason for our five-minute suspension now and not proceeding to a dinner break. Unless there's any strong objection from you or officials, we might proceed on that basis, if that's okay.

Ms Beauchamp: I think I can speak on behalf of officials and say that's absolutely fine!

ACTING CHAIR: Great. Excellent.

Senator SIEWERT: I can hear the cheering from next door!

ACTING CHAIR: We'll suspend now.

Proceedings suspended from 18:29 to 18:37

ACTING CHAIR: We will continue in outcome 2.

Senator SIEWERT: I want to go to issues around borderline personality disorder and how that's being included in our mental health funding and approach. You're looking at me fairly blankly.

Ms Edwards: We are waiting for the CMO to return to the table. This is about borderline personality disorder?

Senator SIEWERT: Yes.

Ms Edwards: Our mental health services, by and large, other than, say, eating disorders, don't cater for what particular diagnosis or condition a person would have in most instances, so our mental health services would cater for people with borderline personality disorder.

Prof. Murphy: I think, with public mental health services in the states and territories, their strong demand is for psychotic illnesses—schizophrenia and the like—so they don't have a lot of capacity to treat those conditions. Personality disorders are one of the most difficult things to treat and they're very, very hard to manage. One of the challenges in the mental health workforce is that the public mental health services are very much focused on the most severely disabled people, who've got psychotic illnesses, and they do treat severe reading disorders as well. For major mood disorders and personality disorders, they do get access to outpatient treatment, but they're not given the same priority, in the main, as psychotic illnesses.

Senator SIEWERT: That's why I'm asking, because the evidence that I've seen is that up to 10 per cent of suicides, for example, are people with personality disorder issues. So we're talking about a significant cohort of people, and I understand that data the organisations have here in Australia tallies with international evidence. So we're talking about a significant issue here that seems to me to be flying under the radar, hence my asking about it.

Prof. Murphy: I think it's a broader issue than just personality disorders. There are obviously major depression and anxiety disorders. One of the challenges that I'm trying to address in the workforce strategy is to broaden the focus of public mental health services. One of the reasons a lot of good doctors don't go want to go into mental health is that the role models—what they see in the public hospital—are at the most severe psychotic end of the spectrum. We need to broaden the training, and we're looking at broadening it with, perhaps, private mental health services, which do see a broader range, because they've got the capacity to do that. But public mental health services, adult mental health services, are very constrained in what they can manage. So we do need to try and get the right workforce and broaden their remit into those areas such as major mood disorders and personality disorders.

Senator SIEWERT: How will we do it? I'll go back to the 10 per cent number represented in suicides globally. I understand that's relatively new research. I'm wondering whether that's been picked up and whether, Professor, you've had a look at it or whether the department has.

Prof. Murphy: No, I haven't studied it.

Ms Edwards: I haven't, although some of my team may be picking up on that stuff. When we talk about suicide, as you know, it's obviously a very serious issue.

Senator SIEWERT: Yes.

Ms Edwards: We think about suicide in relation to any of the people who may end up making that choice, including those who are mentally ill—traditionally in depression and schizophrenia and so on. But also there may be people who wouldn't have a mental illness diagnosis at all, and then you might have this group in the middle. So the work we're doing on suicide needs to cater for the full cohort who might find themselves in that circumstance, so it's something we'll take away to think about how we deal with that. Perhaps you could help us find the research.

Senator SIEWERT: I'm happy to send you the information.

Ms Edwards: That would be great.

Senator SIEWERT: That would be very much appreciated, if you could take that on notice. I appreciate what you've said, but 10 per cent, I would say, is a significant proportion.

Ms Edwards: Agreed.

Senator SIEWERT: If we're not targeting our response to address that specific cohort, that's a large group of people that we're letting down.

Ms Edwards: We may have to see whether the responses we are putting together cater for that group or whether they need something specific to them.

Senator SIEWERT: What's been suggested to me is that it doesn't.

Ms Edwards: I hear that.

Prof. Murphy: I think they are the most difficult group for psychiatrists to manage. Unlike with depression and psychosis, there are no ready pharmacological treatments that help. They often are resistant to psychotherapeutic interventions, and they often need very long-term support. So I think it is very much an area where we need to do better, but it's a very difficult area to improve in.

Senator SIEWERT: I'm aware of that. I remember we were talking about this a number of years ago, and that was exactly the same response that we were getting. I'm not having a go—

Prof. Murphy: No. Sure.

Senator SIEWERT: but it seems to me there is this group that are treated as a hard group and that we need to be starting to lift our awareness.

Prof. Murphy: Yes.

Senator SIEWERT: My understanding is that the NHMRC guidelines, for example, are quite old now. I'm wondering, Professor, if you're aware of whether there's any talk of refreshing those guidelines or any move to refresh them.

Prof. Murphy: I'm not aware of any move. I'm on the NHMRC. I haven't had any word of that. I would have to take that on notice to be absolutely sure.

Senator SIEWERT: That would be appreciated. Has there been any money allocated to look at an evaluation and audit of the current guidelines? Are you aware of that?

Prof. Murphy: I'm not aware of any, but again we can—

Senator SIEWERT: Could you take that on notice?

Prof. Murphy: Yes.

Senator SIEWERT: Have you had any consultation with people who have BPD? Have they been engaged in any of the consultation processes that the department has been undertaking in investment in mental health?

Ms Edwards: I'd have to take that on notice. I'm not aware of any.

Senator SIEWERT: Can you take on notice whether there has been any consultation?

Ms Edwards: Yes.

Senator SIEWERT: Also, could you take on notice whether you have looked at the data on the number of deaths from suicide to see whether in Australia we're seeing that same global 10 per cent figure, which is what I'm being told? There are a lot of people who think that's being reflected here. Is there any work being undertaken at all to have a deeper look at those deaths from suicide?

Ms Edwards: In relation to borderline personality disorder?

Senator SIEWERT: Yes.

Ms Edwards: Not that I'm aware though, although obviously we are moving now to refine in a big way the data we collect.

Senator SIEWERT: Yes. There is funding available for that, isn't there?

Ms Edwards: I know that we don't necessarily know the diagnosis status of people who have committed suicide. That's something that we've talked about a bit. Perhaps the next step after that is to think about it by category of diagnosis, knowing that that is not always an easy thing.

Senator SIEWERT: No.

Ms Edwards: It is something that I haven't heard, but it is something we should take into account as we continue to refine the data.

Ms Beauchamp: We should look at it as part of the suicide research fund—the $12 million.

Ms Edwards: And also the information thing we're working up with AIHW, which is about recording real-time information. I should have a think about whether we can incorporate any known diagnosis and so on within that so that we can start to get a picture of which and whether mental illness plays a role.

Senator SIEWERT: That would be very useful, thank you. In terms of working with PHNs and GPs—and, Professor Murphy, I take on board what you've said about there being very little known—are you aware whether there is any work being done on clinical treatment pathways?

Prof. Murphy: I'm not. I'm not directly involved in the mental health program and the PHNs. I'm not aware of any.

Senator SIEWERT: I realise that I'm probably straying into the next section. In terms of the MBS and the 10 Better Access visits, the government has announced that it has increased it for eating disorders, which is very welcome.

Ms Edwards: Yes.

Senator SIEWERT: Has there been any consideration of any other disorders for which that might be useful? Of course, I'm at the moment thinking about BPD.

Ms Edwards: We will have to direct that to the MBS team, because obviously they have all the clinical committees that would have considered these things.

Senator SIEWERT: Right. But you're not aware?

Ms Edwards: I'm not, no.

Ms Beauchamp: We had a discussion this morning on the special dementia care units, but I'd have to ask the CMO. We're looking at specialist residential wraparound care, so I guess that's another model for someone who has a particular diagnosis around dementia. I'm just looking at the CMO: is that a mental illness?

Prof. Murphy: There's an interesting definitional debate about whether dementia is a mental illness. There are people with predefined mental illnesses who enter aged care. Dementia is a broad neurological degeneration. Most people would see it as distinct from mainstream mental health disorders.

Senator SIEWERT: I know I'm going to get pinged any second because I'm stretching the friendship here, so I'll ask my last question. Professor, you made a comment about practitioners not having a lot of expertise in this area. Is there any work being done on this? Following that through, how do we get the clinical pathway? It seems a bit of a catch 22. How do we get work done on clinical pathways et cetera and get GPs and PHNs involved if we don't have the clinicians who are developing expertise?

Prof. Murphy: There is expertise, but the challenge is that a lot of psychiatrists leave the public sector because it is so dominated by acute psychosis. In the private sector the casemix is entirely different. They're often looking after mood disorders, personality disorders and the like. So there's expertise there but it's not being applied to the public system, which is focused on meeting the most severe end.

Senator SIEWERT: We've just been talking about the significant representation in suicide deaths. It is potentially a severe disorder.

Prof. Murphy: It can have severe consequences, but in terms of the people who present to a state or territory adult mental health service, they are focusing the people who are floridly psychotic and self-harming and the like. But I agree. And they tend to manage personality disorders in an outpatient setting, but they probably don't have a lot of capacity to provide regular counselling sessions and consultation sessions, whereas in the private sector, for those who are lucky enough to be able to afford the private sector, there's much better access.

Senator SIEWERT: And, as you know, there are many, many people who can't. Perhaps you could take the questions I've asked on notice, and then I'll follow it up next estimates. Thank you.

[18:50]

ACTING CHAIR: That concludes outcome 2. We're moving to outcome 3.

Senator WATT: I have some questions for Sport Australia. It might be that some of them can be answered by the department. On Friday at estimates we were asking about the measure on page 92 of budget paper 2 involving $33 million over two years from 2019-20 to implement reforms as part of the government's response to the review of Australia's sports integrity arrangements. Ms Beauchamp, I think you told us that funding was primarily for setting up the governance arrangements for the new bodies mentioned in the legislation. And Mr Boyley added

that it was to establish Sports Integrity Australia. The explanatory memoranda of the bills so far introduced to the parliament to implement those aspects of the government's response all claim no financial impact or no net cost to government. Forgive me for that preamble; I'll get to questions in a tick. Ms Beauchamp told us on Friday that the figure that's mentioned in the budget papers has been a provision provided for previously and that in terms of the consolidation of activities and any machinery-of-government change the expectation would be that that would be done on a cost-neutral basis, but she also said that that the $33 million in funding was for the whole package, particularly around the governance arrangements and the consolidation of activities. Could you please clarify exactly what it is that's being paid for with that $33 million? Is the consolidation of activities cost-neutral, or isn't it?

Mr Boyley: I do have a table here that talks about how that $33 million is made up. In 2019-20 it will be $15.9 million in total that is drawn across a range of agencies—the Australian Criminal Intelligence Commission; ASADA; the Department of Industry, Innovation and Science; Sports Integrity Australia, which is a to-be agency; and the National Sports Tribunal. And it has a stage 2 component which relates to match fixing. Sports Integrity Australia itself, though, is not funded until 2020-21. The splits are: in 2019-20, a total of $15.9 million, and in 2020-21, a $17.2 million allocation. That totals up to $33 million.

Senator WATT: Is that something you could table?

Mr Boyley: Yes, I can do that.

Senator WATT: That'd be great. Thanks. Is the consolidation of activities that's being undertaken here actually cost-neutral? It's sounding like there are some costs involved.

Ms Beauchamp: The legislation—and I'm not too sure of the level of detail Mr Boyley's got—normally in a machinery-of-government change there would be costs absorbed by departments. But there are actually extra services in these arrangements for athletes, in terms of access to appeal mechanisms and other things, other investments, particularly in the ASADA side of the sports integrity arrangements. So, there are extra services, support and legislation, but the actual consolidation of functions should not cost the government or the taxpayer any additional funding.

Senator WATT: But the bottom line is that there is going to be a cost to government of implementing the response to the integrity review—

Ms Beauchamp: Yes.

Senator WATT: as is indicated by those figures.

Ms Beauchamp: Yes.

Senator WATT: And the first stage of that response is being implemented through the bills currently before the parliament and one more yet to be introduced?

Mr Boyley: I have some additional information on the specific pieces of legislation, all of which have been introduced. That is a correction from what I led you to believe last week—I thought there was still one to come. But I can run you through those four, if you'd like to know where they are up to? Or would you like me to table it?

Senator WATT: If you've got it in a table form, that might be useful, because we haven't got a lot of time.

Mr Boyley: I'm happy to table. What I can table is my information on the financial aspect and the legislation—certainly on the first three items. That's absolutely fine. I'm happy to do that.

Senator WATT: Doesn't it sound, then, that the explanatory memorandum attached to these bills are misleading, in the sense that they claimed no financial impact or no net cost to government?

Mr Boyley: With the other information—you'll see it on the table when it comes up to you—there is a note that Sports Integrity Australia will be supported by around $22 million per annum from current ongoing appropriations, which is where the machinery of government items bring with them costs that will be used for the new entity. I know I'm sounding obtuse with respect to the answer that I'm trying to give you, but it's not a simple case of new money coming in to start a new entity.

Senator WATT: I'm not saying that the entire—

Mr Boyley: It is drawing—

Senator WATT: I'm not necessarily saying that the entire $33 million is new. But it doesn't sound like it's actually cost neutral.

Mr Boyley: As the secretary indicated, I think it's probably those new functions that are not in current existence where there's additional services being provided. The tribunal, for example, doesn't exist now in any form; it can't be pulled from another part of government.

Senator WATT: Yes.

Mr Boyley: I think I'm agreeing with you.

Senator WATT: It's just trying to reconcile that with what the explanatory memoranda says.

Mr Boyley: Understood.

Senator WATT: On Friday, Mr Boyley, you took on notice questions about the measure on page 93 of budget paper No. 2 involving $4.5 million over six years from 2018-19 to develop a sport industry growth plan, among other things.

Mr Boyley: Yes.

Senator WATT: In particular, there was a query I made about the $0.5 million in 2023-24. Do you have any more detail about that funding available?

Mr Boyley: That is the one question that I took that I haven't got any additional information on. I thought that as I was walking in today! I was thinking, 'I wonder what the chances are of the 2023-24 half a million coming up are,' and you've caught me out! So, no, I don't.

Senator WATT: Okay.

Mr Boyley: Oh, a note has been given to me—we do have some information.

Ms Beauchamp: We do have an officer who can answer that. Ms Musgrave?

Ms Musgrave: I think the particular question you're going to is on page 93?

Senator WATT: Yes.

Ms Musgrave: The $4½ million over six years from 2018-19?

Senator WATT: Yes. I'm just interested in the $0.5 million in 2023-24, given it's outside the forward estimates. What's that for?

Ms Musgrave: With the element of this particular one that talks about the Sport Australia Hall of Fame, the allocation to that is $2.5 million over five years. It's the element that gives half a million dollars a year, with the half million dollars in the fifth year that's outside it.

Senator WATT: It's not normal to do that over five years, though? Usually things get framed over four years, don't they—over the forward estimates?

Ms Musgrave: It's not unheard of. The vast majority is done over the forwards, but some things go for longer years, they just don't appear in the budget papers, because they only go to the four.

Ms Beauchamp: Some of the measures that we've gone through earlier today do talk about funding over seven years—seven years, five years; it varies.

Senator WATT: So it's for the hall of fame?

Ms Musgrave: Yes.

Senator WATT: Very briefly, can someone explain exactly what the Sports Industry Growth Plan is and what you hope it will achieve?

Ms Musgrave: I think Mr Boyley spoke about it a bit on Friday. Do you want to say what you said on Friday?

Mr Boyley: It is the creation of a strategy to build a sport industry for the country, very shortly. It's utilising the skills and the model that are used by the Department of Industry, Innovation and Science portfolio in a range of other areas of emergent industries, whether that's the food and agribusiness sector, medtech or a range of others. There's a multispoke model. The first part is building a strategy around what a growth centre could be filled out with or how it could be approached. That is used to build a plan, and then it's effectively implemented. It looks at the impact of export in that industry, the workforce that's required for the industry, the economic impact that could be expected if investment is made by government or focus is given to the creation of that industry in terms of economic productivity—from that sort of angle, but obviously tying in sport as a discrete industry; how do we grow that?

Senator WATT: On Friday you mentioned a specialist company that would receive some funding to work on this growth plan. What company is that?

Mr Boyley: We haven't selected one yet.

Senator WATT: Is there going to be an open tender?

Mr Boyley: There would be a procurement in line with the Commonwealth Procurement Rules. I would expect that to be an open tender. There's been no discussion as to any particular company involved, to my

knowledge. I was simply highlighting that we would use specialist services from the market to do that. As I say, there may be a valid reason why a restricted tender would be used. I'm not aware of any. I haven't seen any case. That's the only hesitation I have in answering a question that's based upon a formulation of an approach to market that I haven't had yet. My expectation is that, in the ordinary course of business, it would be an open tender. But that's not to say that there is not something put to the relevant delegate that a restricted tender be used for a particular reason under the Commonwealth Procurement Rules.

Senator WATT: On Friday you took on notice some questions around if and when the department was consulted or became aware of $15 million in funding to the Adelaide Crows football club. Do we have an answer to that one now?

Mr Boyley: I knew of it before the announcement. I can't pin down the exact time frame, but it was beforehand. I wasn't involved in any formal process around that approval, but I was aware of it before the announcement.

Senator WATT: Moving on to the community sport infrastructure grants program, there was an answer to a question on notice from the last estimates—I don't know if I've got the number here, but it could be 277—that outlined the assessment process for this grants program. Are you familiar with the one I'm referring to?

Ms Palmer: I can provide some detail on how the grant program was established and the grants assessed if you would like.

Senator WATT: I think it is 277. Does that pretty much set out the process?

Ms Palmer: Yes.

Senator WATT: It talks about the number of applications, dates for opening and closing applications, that kind of thing.

Ms Palmer: I can provide some detail around how the guidelines were established and then how the applications were assessed.

Senator WATT: I might come back to that. I've got some specific questions in the meantime. But you can confirm that the information in the answer that you provided to that question on notice is correct?

Ms Palmer: Yes.

Senator WATT: So Sport Australia filters the applications for eligibility, assesses them against criteria and then passes them on to a panel to do the same sort of assessment?

Ms Palmer: Yes.

Senator WATT: They're ranked and recommended with a ranking order by the panel, which is endorsed by you, as the CEO of Sport Australia?

Ms Palmer: That's right.

Senator WATT: And endorsed by the board?

Ms Palmer: Yes, that's right.

Senator WATT: And then given to the minister for review and approval?

Ms Palmer: Yes.

Senator WATT: And that's the only stage of the process at which the minister or her office is involved, under the agreed process for assessing and approving these grants?

Ms Palmer: Yes.

Senator WATT: Have the minister or her office provided an opinion, suggestion or direction or asked to be consulted regarding any of these grants at any time before the stage at which they would ordinarily be involved?

Ms Palmer: No.

Senator WATT: Have any other ministers or members of the government or Liberal or National candidates provided an opinion, suggestion or direction or asked to be consulted regarding any of these grants before they have been approved and announced?

Ms Palmer: No.

Senator WATT: Not your knowledge?

Ms Palmer: Not to my knowledge, no.

Senator WATT: So you can guarantee that at no time, other than at the agreed stage at which recommendations of grants for approval go to the minister, has the minister or her office or any other member of

the government, or a Liberal-National candidate, had any input or sought to have any input into the assessment and approval process for these grants?

Ms Palmer: Not to my knowledge, no.

Senator WATT: I asked you about this last week, I think. I think what you told me was that the minister did reject some grants that had been recommended for approval.

Ms Palmer: Yes.

Senator WATT: How many?

Ms Palmer: I can't give you the detail. I can take that on notice. But I can give you an example of the type of thing that would occur. One in particular is related to the Malvern Bowling Club. In the space between the bowling club applying for the grant and us selecting them for recommendation, they received a grant for the same project from another government department, so the minister asked us to reconsider a recommendation on that, to fill that gap. That type of thing does occur from time to time.

Senator WATT: Yes. I think you told me last week that the minister had not approved any grants that were not recommended.

Ms Palmer: No. The minister only approved recommended grants, yes.

Senator WATT: You don't know the number of grants that the minister rejected that had been recommended?

Ms Palmer: No. This is subject to the National Audit Office audit through the process. I expect that that process will uncover all of the details around that. We received and processed 2,000 applications over a period of weeks, so it's quite a complex, detailed process. That audit, I think, will give us the information we need around that step.

Senator WATT: If you can't give me a precise number, are we talking double figures?

Ms Palmer: I don't know. I'm sorry. I'll have to take that on notice.

Senator WATT: Okay. Last Friday, you took on notice a question about whether the minister—sorry. Since we last spoke, you're not aware of any other projects that have been approved for funding that had not been recommended for funding?

Ms Palmer: No. In particular, the question I believe you're referring to is not related to our grant program.

Senator WATT: That was the one at the Bayside football club?

Ms Palmer: Yes, that's right.

Senator WATT: So you've had a look at that since I've asked you about it?

Ms Palmer: Yes.

Senator WATT: I remember you looked genuinely shocked when I raised that with you the other day.

Ms Palmer: No, that is absolutely not part of our program.

Senator WATT: So whatever it is that the member for Bonner is out there promising is not something that's being funded from your department?

Ms Palmer: It is not related to us at all.

Senator WATT: What I'm told is that the member for Bonner told this local soccer club that he'd secured $580,000 in funding for the club and that it could be in the club's bank account on the following Monday. I understand what you're saying—that it's not one of your grants—but is that even possible under any grants program you're aware of?

Ms Palmer: I'd have to refer that to the department. The ceiling for our grants was $500,000, so it's not possible from our—

Ms Beauchamp: As a department, we'd normally go through a due diligence process around the recipient of the grant and make sure we've got a funding agreement in place.

Senator WATT: I think you said that you had not received an application from this particular club for a grant for the facilities that it's now received.

Ms Palmer: I don't believe so, no.

Senator WATT: How many applications did you receive?

Ms Palmer: Just over 2,000.

Senator WATT: How many did you recommend?

Ms Palmer: Of 2,056 applications that were received, 456 were successful. Of those, 224 were in round 1 and 232 in round 2.

Senator WATT: When were the round 2 ones announced?

Ms Palmer: Round 1 was officially awarded on 21 December 2018. Round 2 grants were awarded on 4 February 2019.

Senator WATT: I think you told me that the budget had approved a new bucket of funding for these types of grants?

Ms Palmer: That's right.

Senator WATT: Have any announcements been made out of that funding?

Ms Palmer: No. I think we clarified last week that they were given to the minister, and she has now approved those.

Senator WATT: She has?

Ms Palmer: Yes; that's right.

Senator WATT: I don't think she had approved them as at last—

Ms Palmer: No, she had not.

Senator WATT: When did she approve them?

Ms Palmer: My apologies; she hasn't approved them as yet.

Senator WATT: She'd better get her skates on, Nige!

ACTING CHAIR: Is that a sporting reference?

Senator WATT: I suppose it is. I hadn't thought about that.

Senator Scullion: I'm sure she's working on that as we speak.

Senator WATT: I'm sure she is. Has the department made recommendations?

Ms Palmer: We have provided the recommendations to the minister, yes.

Senator WATT: How many grants have you recommended? Are we calling this round 3?

Ms Palmer: Yes, it is round 3.

ACTING CHAIR: Please don't steal the minister's thunder, Ms Palmer!

Senator WATT: I'm sure Ms Palmer's not going to announce them.

ACTING CHAIR: I don't know where your questions are going to go.

Ms Palmer: I'm sorry; I'll have to take it on notice. I don't know how many we have recommended. It would be for the full value of the budget, though.

Senator WATT: I would appreciate it if you could let us know this evening the number you've recommended.

Ms Palmer: We will, yes.

Senator WATT: Would that use up that entire bucket of funding that's been made available?

Ms Palmer: Yes.

Senator WATT: How much was that again?

Ms Beauchamp: It was $42.5 million this financial year.

Senator WATT: Do you know whether Bayside United Football Club has applied for any other grant administered by Sport Australia or the department?

Ms Palmer: No, I don't—not to my knowledge.

Senator WATT: You're not saying that they haven't, just that you're not aware?

Ms Palmer: No.

Senator WATT: Without wanting to steal the minister's thunder, can I assume that this particular club is not one of those for whom a grant has been recommended in round 3?

Ms Palmer: Unless they had already applied by the closing date, no.

Senator WATT: When I popped back to Brisbane yesterday I noticed that the local member, the member for Brisbane, had popped out to the Grange Thistle Football Club yesterday morning and made an announcement of funding for facilities. My understanding is that that club had made an application for funding under this program.

I'm sure that the fact that the member for Brisbane made this announcement had nothing to do with the fact that the Deputy Leader of the Opposition was going to make an election commitment at that club two hours later! Do you know whether the Grange Thistle Football Club has at any point been recommended for funding under this program?

Ms Palmer: No, but I can take that on notice and provide an answer reasonably quickly.

Senator WATT: It may be that that funding is coming from outside your department—

Ms Palmer: It could be, yes.

Senator WATT: in the same way that the other one is. But I'd be interested to know. I suppose what I'm asking is: has the department recommended that the club receive funding?

Ms Palmer: No. It's the role of Sport Australia to recommend—I don't know. I can check to see if they applied as part of the process. We may have recommended, but I don't know whether that's the case or not.

Senator WATT: Can you come back to me on that, please?

Ms Palmer: I'll take it on notice.

Senator WATT: Last Friday, Senator Scullion told us that he believed that the member for Mayo was aware of a grant to the Yankalilla Bowling Club before the Liberal candidate for Mayo announced funding for the club under the program. Ms Palmer, I think you told us that Ms Downer, the Liberal candidate, had not made any written representations to Sport Australia advocating for that grant to be awarded; is that correct?

Ms Palmer: Yes, that's correct.

Senator WATT: Did she make any other representation—by phone, for example?

Ms Palmer: No.

Senator WATT: I'm not sure if you've seen it, but there was an article published on the website of *The Advertiser* newspaper on 24 February in which Ms Downer was quoted as saying she was 'instrumental' in advocating for the grant. But you're saying she hasn't ever made any representations to your agency for that grant?

Ms Palmer: I am aware of the media reports, but from our records, no, we have not received or had any communication.

Senator WATT: There've been a number of questions raised—and I touched on this last time—about the number of unelected Liberal and National candidates announcing grants under this program before elected members have been notified of a successful grant in their electorate and in some cases letters that elected members have eventually received to notify them of grants have been undated. Is it normal practice to send notification letters that are undated?

Ms Palmer: Sport Australia is not involved in notifying anyone except for the applicants for the grant. That's our role and our role would stop at that point.

Senator WATT: Who prepares those letters?

Ms Palmer: I'm not sure.

Senator WATT: Is it the department that does it?

Ms Beauchamp: No, we haven't prepared those letters. Without having seen them, either, I'm not too sure what letters you're referring to.

Senator WATT: These are letters that have been sent to elected members notifying them of successful grants under this program.

Ms Beauchamp: It'd be very unusual for a department to send out those sorts of letters.

Senator WATT: You wouldn't even prepare drafts?

Ms Beauchamp: No.

Senator WATT: So that's presumably been done in the minister's office?

Ms Beauchamp: I don't know what letter you're referring to, so I can't make assumptions about the letter. Sorry.

Senator WATT: I don't know if I've got a copy—I'll see if I do. The member for Macquarie, Ms Templeman, was informed of a grant made to a local organisation. She was informed via an undated letter from the sports minister, which was received on 19 February 2019. But no-one in the department knows anything about these letters and no-one in Sport Australia does either?

Mr Boyley: No.

Ms Beauchamp: I'm certainly not aware.

Unidentified speaker: I'm not aware either.

Senator WATT: The member for Braddon, Ms Keay, was informed of a grant in her electorate only after the Liberal candidate made an announcement. She was informed via an undated letter from the sports minister, which was received during the week of 18 February. That letter wasn't prepared by anyone in the department or Sports Australia?

Ms Beauchamp: Certainly not aware of any such letter being prepared in the department.

Senator WATT: So you don't know where that was done. Minister, would you agree that it sounds like it had to have been done in the minister's office?

Senator Scullion: As a matter of course I can only reflect on my own portfolio. We don't rely on the department to inform the members.

Senator WATT: Those types of—

Senator Scullion: It's done through my office. You have some specifics about the date on which the letter arrived, but do you have any context about the comparative between the date it arrived and the actual date of the announcement?

Senator WATT: The general practice is for these kind of things to be handled by ministers' offices?

Senator Scullion: Only in my own experience. I don't have any experience with this particular portfolio. One of the things, as I've indicated last time we met, is that quite clearly some of these are candidates and the candidates have very close relationships with a sporting group. If the sporting group is actually informed, whether it's informally or otherwise, they may go towards the candidate if they know them better than the local member. That's just something that happens from time to time.

Senator WATT: I understand the Department of Health was conducting a survey about the value of hunting and sports shooting—the National Recreational Hunting and Sports Shooting Survey 2019.

Mr Boyley: Yes.

Senator WATT: How did that survey come about? Whose decision was it to conduct that survey?

Mr Boyley: Bear with me, Senator.

Ms Beauchamp: From my recollection, we'd been having discussions with Minister McKenzie. There had been state based assessments and analysis of the value of shooting as a sport to jurisdictional economies, and she was interested in what was a national view.

Senator WATT: So it was the minister's decision to conduct that survey?

Mr Boyley: It was the minister's request for the survey to be done.

Senator WATT: You probably saw that it was reported in the *Herald Sun* on 8 April that this survey was 'secretly pulled' from the department's website after the tragic events in Christchurch. Is that true?

Mr Boyley: I've seen the report. The survey was never hosted by the department. The survey that is being discussed was taken down by the company that was undertaking the survey without direction or contact from the department. It was hosted on a website that they controlled and it wasn't one that the department, either under a .gov.au domain name or anything else, controls. So we didn't ask for them to do that. We understand the report says that it did, but that was news to the department.

Senator WATT: Have you gone and confirmed that, since this was reported?

Mr Boyley: That they took it down?

Senator WATT: Yes.

Mr Boyley: No.

Senator WATT: So do you know whether it's planned to put that survey back up at some point in the future?

Mr Boyley: No. The survey has closed. It was a consultation period. On 22 March, the department was informed by the company that had undertaken the survey that it would cease at the close of that business day. So it actually closed on 22 March.

Senator WATT: Right.

Mr Boyley: So it was planned to be a time-limited consultation, and the information I have is that it ceased on the 22nd.

Senator WATT: Does the department share Senator McKenzie's view, which she expressed at the time of the survey being launched, that shooting is 'an incredibly accessible sport' and that participants in shooting should 'bring your curious 12-year-old'?

Senator Scullion: I'd certainly agree with that.

Senator WATT: Okay, and—

Senator Scullion: My children started their shooting sports at seven years old, actually. They were all supervised. It's like golf—the earlier you start the better you are at it. There should be no surprise with that.

Senator WATT: So does the department share that view?

Senator Scullion: I'm not sure. You'll have to ask them.

Ms Beauchamp: I think it's an Olympic sport, and so we do support accessibility to Olympic sports through Sport Australia.

Senator WATT: So you support the idea that people should bring their 'curious 12-year-old' to learn shooting?

Senator Scullion: Why wouldn't they?

Senator WATT: I'm asking the department.

Senator Scullion: Perhaps you can put some context around it. Why would you not want to be a Michael Diamond? Why wouldn't you want to be a Suzy Balogh? These are great, proud Australian Olympians.

Senator WATT: Sure.

Senator Scullion: Why wouldn't you want to bring your 12-year-old? It seems like an odd question. You wouldn't ask about tennis, would you?

Senator WATT: Probably not.

Senator Scullion: So I just wondered why you're asking it about this wonderful Olympic sport.

Senator WATT: Well, I think you'd agree that there's a lot of community interest in matters around gun use since recent events.

Senator Scullion: No, I wouldn't. I assume you're not associating our Olympic elite sportspeople with—and I take it you're talking about—those tragic circumstances that happened in another country?

Senator WATT: Does the department agree with Senator McKenzie when she says that 'cultural dialogue' around shooting is being 'hindered'?

Ms Beauchamp: I'm not sure what that means, so I haven't got a view, and it wouldn't be appropriate to express a personal view.

Senator WATT: This survey, I understand, has been circulated by members of the gun lobby, with descriptions like:

So if you want to help us demonstrate to all Australians just how valuable shooting is, please complete the survey …

and: 'How much money is shooting worth?' and: 'Your answers will help show that our industry is vital and strong and an important contributor to the prosperity of our nation.' Is shooting a billion-dollar sport, as I think has been claimed?

Mr Boyley: I'm not sure. I haven't got that information, I haven't seen any material on it and I haven't done any research on it, so I'm not sure.

Senator Scullion: Certainly, Senator, if you look at the multipliers provided by a very extensive survey that was conducted by the Victorian government about the impact of hunting and shooting on the economy—particularly in the regional areas—a billion dollars is certainly something that wouldn't be out of scope. That's one of the reasons that this survey was conducted.

Senator WATT: Do you think that priming people to answer the survey in that way—'your answers will help us show that our industry is vital and strong and an important contributor to the prosperity of our nation'—undermines the reliability of the survey results?

Senator Scullion: Probably in no way more than it would have if it were a golf survey.

Senator WATT: I'm asking the department.

Senator Scullion: I understand who you're asking. I'm just giving you an answer, Senator.

Senator WATT: But what does the department have to say about that?

Mr Boyley: Senator, the survey calls for feedback from interested parties. That includes people that take part in recreational shooting and sporting shooting. The study itself is being done to determine the economic impact—positive or negative—for the economy. I would expect that the company undertaking the study exercises expertise to take into account any bias of any results that may or may not come in as part of the survey.

Senator WATT: Were you saying that this survey really has nothing to do with the department whatsoever?

Mr Boyley: The department has procured the survey and it is the recipient of the survey. We're the customer.

Senator WATT: But it has been placed on another website?

Mr Boyley: No. The survey was open for consultation on a website called SurveyMonkey. It's used by hundreds of thousands of organisations.

Senator WATT: Yes.

Mr Boyley: We didn't host it via a departmentally managed website to do consultation. SurveyMonkey was used by the company. That's quite standard in seeking community input into these sorts of things.

Senator WATT: Are there other Department of Health surveys that have been opt-in in the way this one has been and circulated by vested interests in the way this one has?

Mr Boyley: Senator, when you say 'opt-in'—it's certainly not a mandatory survey. We don't do mandatory surveys on people. Every survey we would do would have an element of opt-in. As for whether it has gone out to particular—we engage with stakeholders that have an interest. That's part of gathering stakeholder feedback.

Ms Beauchamp: We've procured the impact assessment, and the methodology has been up to the provider to gather that information. They've seen fit to use a survey as part of developing the report that's due to us in terms of assessing the economic health and wellbeing impact of shooting in Australia.

Senator WATT: What steps were taken to ensure that respondents only answered once and that they answered truthfully?

Mr Boyley: I would need to take that on notice, Senator. I don't—

Senator Scullion: Senator Watt, are you somehow suggesting that this demographic is untruthful or dishonest?

Senator WATT: No.

Senator Scullion: Well, why the question?

Senator WATT: What other survey is there that you'd like to compare this to?

Senator Scullion: An automated survey on road use. You pick your phone, and they say, 'I encourage you to participate in this survey if you're a car owner.'

Senator WATT: Has the department funded a survey for people who are fans of motoring?

Senator Scullion: This is the same as any other survey. We want the sector to be aware of it.

Senator WATT: I'm asking the department.

Senator Scullion: If it were a golfing survey, in *Golf Australia* you'd say 'participate in this survey'.

Senator WATT: Have you funded a survey about golf?

Ms Beauchamp: We fund various surveys. In terms of methodology, the consultant has chosen to use a survey. We can take on notice the efficacy of that survey in terms of the report that's being undertaken.

Senator WATT: Okay. I understand the survey asked respondents if they used firearms and whether they had a valid firearms licence. Did any respondents indicate that they use firearms but do not have a valid firearms licence?

Mr Boyley: The survey's being undertaken by a third-party company. The report hasn't been delivered yet. I haven't got that information. The department hasn't got that information. We could seek that information from the company as part of the delivering up of their report. But I'm—

Senator Scullion: That demographic, those people who do not have a valid firearms licence and are using firearms, is people who are too young to own a firearms licence but would use a firearm in the company of someone who was licensed, which would make that completely lawful.

Senator WATT: Understood.

Senator Scullion: It's great to have your interest in that, mate.

Senator WATT: Understood. I suppose what I'm focusing on is people who might be using firearms in an unlawful manner. I take your point that there might be an exception for people under a certain age in certain

circumstances. Does the department have any plan to deal with information that it receives through this survey that some shooters may be using guns without a valid licence?

Ms Beauchamp: We've procured a report to look at the impact analysis of shooting as a sport in Australia. If we become aware of, or are in receipt of, information which indicates illegal behaviour, we would be obligated to report it—if we had specific information on which to do so.

Senator WATT: Final question: the appointment of Mr Hugh Delahunty to the board of Sport Australia, which is one of the barrage of appointments we're seeing from the government in its final days—what was the process for his appointment? Was he recommended? Was it a decision of the minister?

Ms Beauchamp: It was a decision of the minister, and it went through the normal process of where significant appointments go through our cabinet.

Senator WATT: So there was no selection process other than the decision of the minister?

Ms Beauchamp: There was a process the minister put in place to look at advice from not only the department but also a group that sought expressions of interest from a range of different people.

Senator WATT: And did he express interest?

Ms Beauchamp: I'd have to take that on notice.

ACTING CHAIR: That concludes outcome 3. We thank officials for their patience.

[19:31]

ACTING CHAIR: We now move on to outcome 4.

Senator SIEWERT: I have a very quick question around medical benefits and the review?

Ms Beauchamp: MBS review?

Senator SIEWERT: Yes. I wanted to ask: has the review considered any other disorder in terms of any consideration of better access? Sorry, I should have said: in terms of, for example, for eating disorders, extending the 10 visits to 40 visits? Have any other disorders been considered?

Mr Weiss: The task force has broken up its primary care work into a range of reference groups. One of those reference groups is the Mental Health Reference Group. In terms of work that's most closely aligned with the work that the task force did around eating disorders, that's probably the most closely aligned.

Senator SIEWERT: And what are you considering there?

Mr Weiss: The Mental Health Reference Group has some draft recommendations that are currently the subject of public consultation. That consultation process started in February and will close on 17 May.

Senator SIEWERT: Okay. The ongoing work you'll be doing is based on that consultation process—is that correct?

Mr Weiss: Yes. The way the task force works is that it breaks its work down into specialised areas—in this case, mental health. It will develop some draft recommendations and put those draft recommendations out for public consultation. All the feedback received during that consultation process will then be considered by the Mental Health Reference Group and the task force ahead of them finalising their recommendations to the government.

Senator SIEWERT: So I should go and look at what's gone out for public consultation. Is that what you're telling me?

Mr Weiss: It will be there for another month and a bit.

Senator SIEWERT: Fantastic.

Senator WATT: I've just got some questions about the MBS fee structure for non-VR medical practitioners. You might start by reminding me what VR stands for!

Ms Shakespeare: Vocationally registered.

Senator WATT: How many non-vocationally registered medical practitioners were not enrolled in one of the other medical practitioner programs by 31 December 2018?

Ms Beauchamp: That would be a workforce issue, sorry.

Mr Hallinan: I think the total headcount number is 1,086, but they were practitioners who had billed one item through the preceding year. For regular billing practitioners, it is somewhere in the order of 300 to 400.

Senator WATT: And you're talking there about those who were not enrolled in one of the other medical practitioner programs by that date?

Mr Hallinan: That's correct, yes.

Senator WATT: Is it correct that those practitioners will therefore be billing the lower value MBS items?

Mr Hallinan: They had been previously. So they were—

Senator WATT: They had not been?

Mr Hallinan: They had been. They would be a non-specialist general practitioner or a generally registered medical practitioner who is accessing a Medicare provider number through a workforce program of some description. They wouldn't have been eligible for a 100 per cent rebate schedule or the A1 level rebates, because they hadn't enrolled in an Other Medical Practitioners program.

Senator WATT: Can you provide state and modified Monash model breakdown of the location of those practitioners?

Mr Hallinan: I can do that on notice.

Senator WATT: Sure. You don't happen to have a state breakdown that you can table?

Mr Hallinan: I'll just check. Actually, I can give you both.

Senator WATT: Given that we're running out of time, is that something you could table?

Mr Hallinan: Yes, I can do that. In fact, it's a question on notice from the last hearings, which you might already have—SQ19000282.

Senator WATT: Okay.

Mr Hallinan: I'll just clarify my earlier evidence. I said it is 1,086; it is 1,061.

Senator WATT: Thanks. Will this impact on the ability of communities to attract GPs in areas of workforce shortage?

Mr Hallinan: The closure of the OMPs programs or the number of practitioners?

Senator WATT: Yes.

Mr Hallinan: Those practitioners themselves will, depending on where they are, have access to a rebate schedule that's slightly higher than they had access to previously. The A2 level rebates were somewhere around 60 per cent of the A1 tiered rebates, and the new non-vocationally recognised rebate structure is set at around 80 per cent of the vocationally recognised rebate structure.

Senator WATT: I don't know whether this is a Health question or a DHS question. I'm just interested to know about the instances of Medicare numbers being sold on the dark web. There have again been some reports of this. Is that something you have knowledge of?

Ms Shakespeare: I think that was investigated by the Department of Human Services.

Senator WATT: Okay. I might leave that one for tomorrow. On private health insurance: why is it cheaper to buy gold products than silver at some health funds?

Ms Shakespeare: The pricing of a particular policy will relate to the services that the policy covers and other factors decided by the private health insurer.

Senator WATT: I realise it is a decision of theirs, but doesn't that seem a little odd to the department that insurers would be offering higher service level policies for a cheaper price than lower service level policies?

Ms Shakespeare: Intuitively, it would not seem that that would be the case, but we would have to look at the particular examples and what was covered under the silver policy compared with the gold that was perhaps making it more expensive for the insurer to price.

Senator WATT: I'm not sure if you have seen the comments from Mr Russell Schneider, who is a former private health insurance lobbyist. He has said that people who opt for products, excluding pregnancy, are self-selecting into products with older people more likely to need hip replacements and that that's pushing up the price of silver products. Is he correct?

Ms Shakespeare: I'm not familiar with the comments by Mr Schneider. I will just check with my colleagues.

Senator WATT: Leaving aside whether or not you know about his comments, to the department's knowledge is it correct that people who opt for products excluding pregnancy are self-selecting into products with older people, who are more likely to need hip replacements and things like that, and that's pushing up the price of silver products?

Ms Shakespeare: Joint replacements are also one of the categories under gold-tier policies.

Senator WATT: So that doesn't sound right to you?

Ms Shakespeare: No, it doesn't.

Senator WATT: Is the department aware of instances of some top-cover policies rising in their premiums by over seven per cent on 1 April, which is four times the inflation rate and twice the 3.25 per cent average the minister claims is occurring?

Ms Shakespeare: The average is an average. It's the average across all policies. It's an average across all of the insurers and all of the policies. There are individual differences between policies and insurers.

Senator WATT: So you're aware that there are some of the higher level policies where the premium is increasing by over seven per cent?

Ms Shakespeare: I'm not personally familiar with individual policy increases. We could investigate that on notice for you if you like.

Senator WATT: Someone in the department must keep track of those things, though.

Ms Shakespeare: Because we have a premium assessment round, we examine each premium application for each policy for each insurer, and that occurred last year.

Senator WATT: And you'll be doing that again at some point in the future?

Ms Shakespeare: Yes. Each year there's a premium around to meet the requirements of the Private Health Insurance Act.

Senator WATT: Does the department believe that it really is easier to compare policies as a result of these changes, since funds still differentiate by charging co-payments and excesses?

Ms Shakespeare: Information about each policy in a standard form is available, which includes information about not just the types of services covered but also whether there are excesses on the policy and options around excesses and co-payments. There's information that's being provided, through the private health insurance reforms, to consumers to help them compare different policies which may have variables, including different levels of excess and different levels of co-payment. This is very similar to insurance products outside health. There are many insurance products that offer people the choice of different excess levels.

Mr Henderson: As part of the reforms, there's also funding provided to the Private Health Insurance Ombudsman to enhance the website PrivateHealth.gov.au, which also has a lot of information to allow consumers to compare the products.

Senator WATT: Does the department have any information about how many people have opted for the new higher excesses and taken up discounts for young people?

Mr Henderson: No, we don't have the numbers of those who have opted for the higher excesses, but we do have the number, based on our WikiNote desktop review, of insurers that will be providing the option for the higher excesses. I can provide you with those stats.

Senator WATT: Again, is that in a form you can table?

Mr Henderson: Not really. Off the top of my head—

Mr Weiss: We know that, of the 37 insurers in total, there are 27 insurers who are offering those higher voluntary excesses.

Senator WATT: Right. And what about the point about younger people?

Mr Weiss: Fifteen insurers are offering discounts for under-30s.

Senator WATT: But you don't have any figures on the number of people who have taken up those options?

Mr Henderson: No, not at this stage.

Mr Weiss: No.

Senator WATT: When will they become available?

Mr Henderson: We get a lot of information through when we do the premium round submissions, which will be later on this year.

Senator WATT: On another topic—this is about payments to GPs for chronic disease matters—how much will GPs be paid to treat people over the age of 70 who enrol with them under the $448 million budget measure on chronic disease?

Ms Shakespeare: The government received advice from the expert advisory group that was established, chaired by Steve Hambleton, to look at some of the suggestions around patient enrolments that had come out of the General Practice and Primary Care Clinical Committee of the MBS Review Taskforce. In that advice, it was

suggested that the payment level should be between $100 and $200 per patient per year. So we will need to work with the expert advisory group, moving into an implementation phase and having other experts working with general practice around setting the payment levels, but the idea is to have the payment amounts in that range between $100 and $200 per year per patient. But we'll have to work through how much of that is through an enrolment payment and how much is through ongoing payments.

Senator WATT: When is it anticipated that the measure will start?

Mr Weiss: On 1 July 2020.

Senator WATT: Do you have a breakdown of how much you expect to be spending in total each year?

Mr Weiss: Yes, we do. We have estimates for each year. The estimates that we have are $448.5 million in total. Of that, it's $12.3 million in 2020-21, $132.0 million in 2021-22 and $304.2 million in 2022-23.

Senator WATT: Thanks. Finally, I think you've got a website that's going to be starting listing out-of-pocket fees for doctors.

Ms Shakespeare: Yes.

Senator WATT: When is that intended to start?

Prof. Murphy: The work of our committee that's planned probably won't go live until the next calendar year. We don't know exactly when, but there's a lot of work to be done to make sure it's accurate and curated and all the right information is there. But it will be sometime in the next calendar year.

Senator WATT: Is it true that it is going to be voluntary for doctors to participate?

Prof. Murphy: Yes, but we intend to use a lot of peer pressure and PR campaigns to make it pretty difficult for a doctor not to be part of it—so communication to consumers from private health insurers and other means to say, 'There's no reason why your doctor shouldn't be transparent with their fees.' The colleges and the AMA and everyone will try to push their members to do it. So there initially might be some slowness in taking it up, but I think peer pressure would probably achieve full compliance.

Senator WATT: Why would you make it voluntary?

Prof. Murphy: To make it compulsory was discussed. It would require some sort of legislative basis to do that, and government was of the view that they would try to do it as a voluntary measure in the first instance. But, if voluntary doesn't bring about the desired impact in the first couple of years, that is an option.

Senator WATT: What information do you have expect patients will end up receiving from that website?

Prof. Murphy: Basically, the intent is they receive about 80 per cent of the fee structure of that. So, if you're an orthopaedic surgeon who does mainly hips, you will get all the information about what a hip will cost and what the consultation fees are. It won't cover every eventuality, and clearly the private health insurance funds will have some impact into what people get back, but the idea is that it will be sufficient information to give them a broad estimate of their likely costs and to compare specialists with like specialists.

Senator WATT: Thanks. I have one last quick thing for outcome 4.

ACTING CHAIR: There's always one last quick thing.

Senator WATT: There's always one quick thing. Thank you. I know you've been pretty generous. It's about diabetes. It's to do with diabetes medication. A spokesperson for the minister has stated that 'legal and regulatory issues are preventing the government from listing the flash glucose monitor FreeStyle Libre on the National Diabetes Services Scheme. The government announced in November 2018 its intention to list Freestyle Libre on the NDSS on 1 March 2019 under the expanded funding available for continuous glucose monitors for a certain cohort of type 1 diabetes patients with higher clinical need'. Has the government communicated those regulatory concerns to the manufacturer and distributor of the device?

Ms Platona: Yes, we have, and we have had continuous engagement with the sponsor of this product, Abbott, since 2016.

Senator WATT: What are the regulatory concerns that prevent it from being listed?

Ms Platona: We have to reach a cost-effective price to enable the subsidisation to occur. Those price negotiations had not been completed by 1 March. Those negotiations are ongoing.

Ms Shakespeare: The government announced its intention to list this product on the NDSS, subject to successful price negotiations with the sponsor of the product. To date those price negotiations have not been successful.

Mr Hallinan: Earlier I gave some information about question on notice No. 282. That was a misread by me of the brief. I've got the information here that you requested, so I'll table that instead.

Senator WATT: Great. Thanks.

[19:52]

ACTING CHAIR: As there are no more questions for outcome 4, we'll move on to outcome 5.

Senator SIEWERT: Can I go to the issue of transvaginal mesh—the inquiry and some follow-up questions about the recently released action plan. First, in regard to the action plan—I've read it and have notes written all over it—it obviously clearly recognises that there are ongoing issues in terms of devices. Is that a fair comment to make?

Dr Skerritt: I think, globally, the differences between device regulation and medicines regulation have come to the fore. So many issues with medical devices are only found three, five, six, eight years after the device has been implanted and therefore regulators globally are introducing a wide range of additional measures, with their governments providing enabling legislation—such things as registries, mandatory reporting of adverse events and requiring companies to report a wider range of adverse events. It's not a coincidence that regulators are all moving in the same direction globally.

Senator SIEWERT: I'll go through my questions, but I do want to follow up the registry issue though. With transvaginal mesh, there's obviously recognition that there are issues there, and the TGA has taken some steps on that. It's still available. There are a number of calls now basically for mesh to be used only under research conditions now. Have you considered that issue?

Dr Skerritt: We've considered that issue at considerable length and we've also looked at the approach of regulators globally and consulted with clinical groups. There are now many fewer meshes on the market than there were before. There are 14, only, remaining on the market. The balance of international evidence on mesh suggests that for use in stress urinary incontinence the single-incision slings are no longer considered favourable, as far as benefit versus risk is concerned. Every surgical procedure and every implantable medical device has both benefits and risks. The consensus of clinical evidence globally is that they're no longer considered favourable—similarly for transvaginal implantation of meshes for pelvic organ prolapse. On the other hand, there's a view that there is still a favourable benefit-risk for mid-urethral slings for stress urinary incontinence and also transvaginal meshes if applied surgically through the abdomen rather than through the vagina. A similar view has come out very, very recently from the British, through the National Institute for Health and Care Excellence, or NICE. There are some procedures where there is a positive benefit-risk, but, globally, regulators, including TGA, are making a quite clear message that all meshes carry some degree of risk, informed consent is absolutely critical—I think that came through in a Senate inquiry—and involving clinicians who are skilled in the procedures and discussing alternatives to mesh with the patient at length before the procedure is also important.

Senator SIEWERT: Thank you. You didn't quite answer my question, but I'm taking what you said as the answer, saying, no, you don't think it should just be used or then—

Dr Skerritt: The current evidence is that there is still appropriate use in a very limited number of conditions.

Senator SIEWERT: You're aware that other countries have put in place pauses on the use of mesh.

Dr Skerritt: The British—the English, actually—have a so-called pause on the use of mesh, but, as I indicated, their much more detailed guidance from NICE, which is the institute of clinical excellence there, actually did not say mesh should be not used.

Senator SIEWERT: But it is on pause, and I think—

Dr Skerritt: It can be used under certain circumstances.

Senator SIEWERT: What are the circumstances?

Dr Skerritt: Again, with additional clinicians supervising the procedure, with express informed consent. But you are right, there is a general pause in that jurisdiction in the UK.

Senator SIEWERT: Given the circumstances where we have a large number, a known number, of women who have had mesh implanted with serious consequences for many and that, in my opinion, we've had a flawed process in the way the decisions were made over those devices, would it not be best now to err on the side of caution and pause?

Dr Skerritt: That is a decision for every implantable medical device, because all of them have some association with adverse events. The overall clinical view is that in these specific conditions, in certain patients, under informed consent, they still have a place in surgery.

Prof. Murphy: The urogynaecologists would be very concerned if they couldn't use mesh in these highly specified circumstances because you would be denying the potential benefit to the very small number of women who would benefit from using these devices. They have expressed strongly the view that the problems mainly occurred with inappropriate use, and in that restricted circumstance I think we would find that you might be disadvantaging a small number of women who could benefit.

Senator SIEWERT: Could you not use it under the special access scheme process?

Dr Skerritt: Mesh can be used under the special access scheme, but it is better both for the clinician and for their patient to realise that for these particular highly specialised uses—and often mesh is now used only when initial alternatives such as a natural tissue surgery have failed—it is available as a regulated product on the register.

Senator SIEWERT: How do you know it has only been used in those circumstances?

Dr Skerritt: If a mesh were used for another procedure, it would be malpractice. It would be against the guidance of the clinical colleges and it would be against the recommendations of the safety and quality commission, and they're credentialling specific. So there would be many, many situations where it would be seen as malpractice. Maybe if it was a patient who had gone through many failed operations and this was seen as the only option for them, and they were going in with full, informed consent—and, of course, off-label use of medicines and devices is not breaking the law. But there would be few clinicians, indeed—and few patients, hopefully, indeed—who would in this day and age use meshes other than for those narrow set of indications.

Senator SIEWERT: Can I go to the issue of the registry, the reporting, and then the follow-up, which also came up in the government's response to the inquiry. There is a strong argument, which I'm sure you have heard—and you yourself also just raised the issue—about things coming up seven or eight years down the track. One of our recommendations—I think it was 12 or 13—

Dr Skerritt: It was 11.

Senator SIEWERT: yes—is about doing an audit backwards.

Dr Skerritt: Retrospectively.

Senator SIEWERT: Now, that was only—

Dr Skerritt: Noted.

Senator SIEWERT: noted, not agreed to. Can I ask why it's only noted? And, given that you've acknowledged the need to be able to look back from now on, shouldn't we be looking back to where we know there has been harm caused?

Dr Skerritt: In an ideal world, you would have a system where you could look back 20 years, since the first meshes were implanted, and be able to track all of them. The reason why it was 'noted' by the federal government was that it is beyond their powers to do so. In other words, the Commonwealth government, the federal government, does not run the individual hospitals. The public hospitals, as you know, are run through states and territories, and the private hospitals are even one step more removed.

Senator SIEWERT: They do give them lots of money; they have lots of levers. I hear what you're saying, but there are a number of ways to achieve an end.

Dr Skerritt: It doesn't matter what area; when it is beyond the powers and the control of the government, they cannot agree to a recommendation that they cannot enforce because it has to be through states and territories.

Senator SIEWERT: Therefore, is the Commonwealth talking to the states and territories about doing this very thing?

Dr Skerritt: Yes. The minister actually wrote, in October 2018, to all the state and territory health ministers, emphasising the importance of the set of recommendations writ large, but also highlighting in this case that looking retrospectively at meshes, going up to 20 years back, will require the cooperation of states and territories. It will be hard for many of the states and territories to do this because, especially in some states, records are not there for the full 20 years. They might be on handwritten theatre cards in some private facilities. So, sadly, obtaining a complete picture of every procedure that's been done since 1998 or 1999 is going to be impossible. But the minister has written to his state and territory counterparts asking them to do as much as they can.

Senator SIEWERT: Have the states responded?

Dr Skerritt: I can't answer that. I haven't seen. We can take that on notice.

Senator SIEWERT: Could you take on notice which states have responded, and—

Dr Skerritt: And what was said.

Senator SIEWERT: the nature of the response?

Dr Skerritt: We can, Senator.

Senator SIEWERT: Okay. That would be appreciated. Is the government considering an investment to enable the research—to help the states actually do that following-up?

Dr Skerritt: Not to my knowledge. The investment that was announced was on a prospective registry of meshes for urogynaecological and related purposes. But I don't believe that there's been any announcement of any retrospective work. I've not heard of that.

Senator SIEWERT: Okay. Thank you. I've got a couple of other questions, but I did promise to keep to a time frame, so I will put them on notice.

ACTING CHAIR: Thank you, Senator Siewert. Senator Watt.

Senator WATT: Let's bring it home! On a similar issue—I don't think these have been covered by Senator Siewert—in relation to the government's announcement on 5 April about $2.3 million to improve the safety of pelvic floor surgery, is the $2.3 million announced provided for in the budget?

Dr Skerritt: I don't believe it was a specific budget measure, so I don't have details of which outcome it will fall under, unless others are aware.

Mr McBride: It wasn't a budget measure, Senator. It will be funded from departmental.

Senator WATT: It was not a budget measure?

Mr McBride: No.

Senator WATT: It'll be funded from departmental resources?

Mr McBride: Yes.

Senator WATT: How is that funding going to be distributed over the three years? I think it was an announcement over three years.

Mr McBride: It was over three years. That hasn't been determined. Presumably there'll be set-up costs, so most of it will be front-loaded, but they're the things we will start working through with the states.

Senator WATT: Is the first year of funding the 2019-20 financial year?

Mr McBride: That's the objective.

Senator WATT: Is the $2.3 million for capital costs or for the operation of the registry?

Mr McBride: It will be set-up costs, so it will possibly be a combination of the two.

Senator WATT: Set-up costs as in capital to set up a registry?

Mr McBride: If necessary.

Senator WATT: And also operational costs?

Mr McBride: Correct.

Senator WATT: But there has been no real breakdown yet of that into capital and operational?

Mr McBride: I think, when we were working through this, we did some initial calculations, but I don't have them with me, sorry.

Senator WATT: Could you take on notice whether you did some initial costings?

Mr McBride: Certainly.

Senator WATT: Is any other funding beyond that $2.3 million going to be required from departmental resources?

Mr McBride: This starts the registry. In parallel with this, we're doing the broader clinical quality registries strategy and consultation on that. Funding beyond those first three years will be influenced by how we land on the broader clinical quality registry process.

Senator WATT: Okay. Are any of the costs going to be recovered from industry, such as device manufacturers?

Mr McBride: Not of the $2.3 million ongoing. Part of the consultation on clinical quality registries will be exploring cost recovery. But at this stage the set-up costs will be borne by the Commonwealth for this particular registry.

Senator WATT: When do you expect the registry to be operational?

Mr McBride: I don't think we specified a time, but it will be in the next calendar year.

Senator WATT: These last ones are for the TGA. Obviously the TGA's doing some consultation regarding the review of chemical scheduling in relation to cosmetic and fragrance ingredients?

Dr Skerritt: Yes, we are.

Senator WATT: Something with which I have no familiarity whatsoever!

Dr Skerritt: We've done some targeted consultation on that. It arose from a commitment with the medicines and medical devices review to look at the scheduling system. We have done a thorough look at medicine scheduling, and this is the final piece in that puzzle.

Senator WATT: So the consultation has begun or finished?

Dr Skerritt: This is very process oriented. It's really about, for example, whether groups of chemicals or fragrances that have a similar use—for example, hair dyes—should be considered as a group for chemical scheduling purposes rather than on an ad-hoc, one-on-one basis. The stakeholders that have been consulted with to date have mainly been those involved in putting in submissions, because it's largely about administrative processes around chemical scheduling and also looking at whether there are other sources of evidence that the committee should take into account when they make a recommendation to the decision-maker about scheduling. It's pretty arcane stuff.

Senator WATT: Who was actually consulted?

Dr Skerritt: I don't have the list in front of me. I'm happy to take that on notice. I know there are a couple of dozen other organisations and groups, ranging from other parts of the department through to industry groups and other stakeholders interested in chemicals. We can take that list on notice.

Senator WATT: Yes. Do you have any idea roughly how many groups?

Dr Skerritt: As I said, I think it was somewhere between 20 and 40. I don't think I've seen the actual list.

Senator WATT: When were consultations opened and closed?

Dr Skerritt: Again, I'd have to take those dates on notice. It was a consultation over the last couple of months.

Senator WATT: I understand that the consultation closed around 5 April. Does that sound about right?

Dr Skerritt: I wouldn't be surprised. We had a number of consultations that closed in budget week, because it's generally not good practice to half do a consultation and then potentially have the system move into caretaker mode.

Senator WATT: Ah, so you were expecting an election straight after the budget.

Dr Skerritt: I will know least of anybody in this place.

ACTING CHAIR: 'Potential', I think, was the key word, not 'election'.

Dr Skerritt: That's right.

Senator WATT: So that explains why it was a relatively short consultation period?

Dr Skerritt: It was a consultation period of about four to five weeks. Targeted ones tend to be shorter than full public consultations, because the people who are written to are generally people—organisations and individuals—who are well across the issues and are therefore well placed to provide information at short notice.

Senator WATT: Was information about the consultation available to the public?

Dr Skerritt: I believe some of the stakeholders talked about it to the public but, as I said, because this is largely process oriented, the consultation was targeted. That goes along with probably seven or eight other consultations during the process. The majority of consultations we carry out are full public ones, but, if it is a targeted one mainly saying to industry stakeholders, 'Is there a benefit in doing, say, a cluster of reviews twice a year rather than being open for applications on, say, hair dyes and so forth all around the year?' then really it's those stakeholders who are most affected. When it's more about industry process and so forth, we tend to do them as targeted consultations over a shorter period of time.

Senator WATT: I think I'm down to my last four questions. Let's rip through them. In 2014, the federal government considered and rejected bypassing of its NICNAS agency—NICNAS is the agency, isn't it?

Ms Beauchamp: Yes, NICNAS.

Senator WATT: And is there another one, AICS?

Dr Skerritt: Yes. That's the Australian Inventory of Chemical Substances.

Senator WATT: That sounds right. How do we say that? 'Aysis', or 'Accus'?

Dr Skerritt: No, I think 'Aysis' is one of those agencies we don't talk about.

Senator WATT: It's a bit more secret. Yes, exactly.

ACTING CHAIR: Certainly not in the community affairs estimates.

Senator WATT: That's right. So in 2014 the government considered and rejected bypassing of those two agencies or bodies for assessment of new chemicals in cosmetics. When and why has the government changed this policy?

Dr Skerritt: I'll start off. Brendan may care to answer that. Actually, the responsibilities for regulating chemicals, especially those in cosmetics, have been shared between three parts of government for some years, and it's been a bit of a mess. NICNAS have had responsibility earlier on as a cosmetics product regulator, even though they're a substance regulator. TGA has responsibility for regulating the scheduling of chemicals that are in cosmetics, and broad cosmetic safety is actually the responsibility of particular consumer safety standards under ACCC. So I think that, quite appropriately, cosmetics stakeholders were saying, 'This is a mess; you've got three regulators.' And so, with the reforms to NICNAS focusing on their role as a substance regulator, a specific cosmetics standard was actually seen to be unnecessary. So the roles and responsibilities are a lot clearer now. We regulate cosmetics to the extent that we exclude some products from being therapeutic goods where otherwise the claims that those products would make would make them a therapeutic good. It's quite clear what our role is in scheduling of substances within chemicals, and of course NICNAS continues its role as the regulator of substances in cosmetics. So what's actually happened is that this document called the Cosmetics Standard, because effectively it duplicated bits and pieces of other regulatory regimes, has been allowed to lapse.

Senator WATT: Given that the Industrial Chemicals Act has just passed into law—or at least the amendments to that act—after years of consultation, why is a government body suggesting changes that undermine that act?

Dr Skerritt: The changes proposed by TGA in this discussion certainly do not undermine that act in any way, shape or form. It's a system that's been in place for 50 years for scheduling of chemical substances. Essentially the consultation relates to process improvements in terms of how chemicals are scheduled for access, for use as pesticides, cosmetics or whatever. I don't understand how that could be seen as relating to, never mind undermining, the act.

Senator WATT: The Minister for Health has established a set of criteria for the adoption of international standards in risk assessment. Why is the TGA proposing the use of standards developed by an industry body, being the International Fragrance Association?

Dr Skerritt: No decision's been reached, but I should emphasise that the approach on using international standards does not mean that they have to exclusively be drafted by government groups. Any international assessments of products, provided that they are science based, can be considered. This is an input to a broad range of scientific inputs that go to a committee that provides advice to a decision-maker. So, it is not about a rubberstamping of a particular position. But I think it's important to emphasise that regulators do not have an exclusive ability to make science-based decisions and to conduct science-based evaluations.

Senator WATT: My understanding is that the International Fragrance Association standards do not apply to new chemicals. So, why are their standards being considered?

Dr Skerritt: As I've said, the scheduling of chemicals not only involves chemicals—in fact, that's often only a small part of it—but also looks at access existing chemicals that have been in trade for decades if not 100 years. So, if there is evidence around an existing chemical that is science based and is able to be validated and so forth, then the expenditure of resources to duplicate that work seems unreasonable. So, for existing chemicals it's important to use as wide a range of quality validated sources of information as possible.

Senator WATT: Finally—and I suppose it's a question broader than outcome 5—every hour that goes by we're seeing more and more appointments being made by the government to bodies, in particular former Liberal and Nationals politicians. Minister, can we expect any further appointments in this portfolio tonight or early tomorrow morning?

Senator Scullion: What I can assure you is that these appointments have come to bear in the usual way. There are some conventions around this, that these are usually appointments, depending on what level, of cabinet or of government. One of the reasons this government has been so successful is that we've provided advice. Many of these boards are in fact led by people with a great deal of experience, and I don't think that's particularly different from anything that those opposite would have done.

ACTING CHAIR: Thank you, Minister. That's really a whole-of-portfolio corporate matter question, and we don't go backwards.

Senator WATT: Always forwards! Onwards and upwards.

Ms Beauchamp: I was just going to make a statement, because I think the next time we meet, at the next Senate estimates, I won't have Minister Scullion next to me supporting the department and indeed the portfolio. I just offer my thanks for his interest in the portfolio and certainly his passion. On behalf of the department I wish him well post his ministerial and parliamentary service.

Senator WATT: Hear, hear!

ACTING CHAIR: Would you like to make a final comment, Minister?

Senator Scullion: I will just say that we're all very lucky here that we get to work with I think quite a remarkable Public Service. Everyone's got their Irish joke and everyone's got their Public Service joke. I reckon the Irish ones should stand! But we are very lucky to have such a remarkable Public Service, and I'd just like to put that on the record.

ACTING CHAIR: That concludes the committee's examination of the Health portfolio. I thank the minister, the secretary, the Chief Medical Officer and officials for their attendance, and Hansard, Broadcasting and the secretariat staff. Senators are reminded that written questions on notice should be provided to the secretariat by 18 April 2019. Officials are reminded that answers to questions taken on notice should be returned to the committee by 30 May 2019. These dates have effect notwithstanding a prorogation of the parliament. The hearing is adjourned.

Committee adjourned at 20:20