



COMMONWEALTH OF AUSTRALIA

Proof Committee Hansard

SENATE

COMMUNITY AFFAIRS LEGISLATION COMMITTEE

Estimates

(Public)

THURSDAY, 25 OCTOBER 2018

CANBERRA

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SENATE

COMMUNITY AFFAIRS LEGISLATION COMMITTEE

Thursday, 25 October 2018

Members in attendance: Senators Carol Brown, Cameron, Faruqi, Gichuhi, Leyonhjelm, Lines, McAllister, McCarthy, Patrick, Siewert, Singh, Dean Smith, Steele-John, Urquhart, Waters, Watt.

SOCIAL SERVICES PORTFOLIO

In Attendance

Senator Fifield, Minister for Communications and the Arts

Department of Social Services

Executive

Ms Kathryn Campbell CSC, Secretary

Ms Roxanne Kelley, Chief Operating Officer

Mr Nathan Williamson, Deputy Secretary, Social Security

Ms Liz Hefren-Webb, Deputy Secretary, Families and Communities

Ms Helen McDevitt, Acting Deputy Secretary, Disability and Carers

Cross Outcomes

Ms Roxanne Kelley, Chief Operating Officer

Mr Andrew Harvey, Chief Finance Officer, and Group Manager, Finance and Services

Mr Anthony Seebach, Chief Counsel and Group Manager, Governance, Legal and Assurance

Mr Adrian Hudson, Group Manager, Corporate Services

Mrs Tracey Bell, Branch Manager, Communication Services

Mr Iain Scott, Group Manager, Strategy and Design, Community Grants Hub

Ms Margaret McKinnon, Group Manager, Operations, Community Grants Hub

Mr Peter Qui, Chief Information Officer, and Group Manager, Information Management and Technology

Outcome 1: Social Security

Mr Nathan Williamson, Deputy Secretary, Social Security

Mr Shane Bennett, Group Manager, Payments Policy

Ms Emma Kate McGuirk, Branch Manager, Work and Study Payments

Ms Kath Paton, Acting Branch Manager, Families and Pensions

Ms Vanessa Laphorne, Branch Manager, International Policy and Payment Support

Mr Brenton Philp, Group Manager, Welfare and Housing Policy

Ms Allyson Essex, Branch Manager, Payment Conditionality Design and Policy

Ms Mary McLarty, Branch Manager, Payment Structures

Dr Tim Reddel, Group Manager, Policy Office

Mr Philip Brown, Branch Manager, Policy Strategy and Investment

Ms Roxanne Kelley, Chief Operating Officer

Mr Andrew Harvey, Chief Finance Officer, and Group Manager, Finance and Services

Mrs Tracey Bell, Branch Manager, Communication Services

Outcome 2: Families and Communities

Ms Liz Hefren-Webb, Deputy Secretary, Families and Communities

Ms Cath Halbert, Group Manager, Families and Communities

Mr Stewart Thomas, Branch Manager, Housing Programs and Financial Wellbeing

Mr Tristan Reed, Branch Manager, Families and Children

Ms Chantelle Stratford, Branch Manager, Family Safety

Mr Bruce Taloni, Group Manager, Redress and Reform

Ms Selena Patrick, Branch Manager, Welfare Quarantining and Gambling

Ms Sharon Stuart, Branch Manager, Redress Policy and Legislation

Ms Tracy Creech, Branch Manager, Redress Implementation

Ms Kathryn Mandla, Head, National Office for Child Safety

Ms Sharon Bailey, Acting Group Manager, Settlement Services

Mr Leo Kennedy, Branch Manager, Settlement Support
Mr Nathan Williamson, Deputy Secretary, Social Security
Mr Shane Bennett, Group Manager, Payments Policy
Ms Kath Paton, Acting Branch Manager, Families and Pensions
Dr Tim Reddel, Group Manager, Policy Office
Mr Philip Brown, Branch Manager, Policy Strategy and Investment
Ms Roxanne Kelley, Chief Operating Officer
Mr Andrew Harvey, Chief Finance Officer, and Group Manager, Finance and Services
Mrs Tracey Bell, Branch Manager, Communication Services

Outcome 3: Disability and Carers

Ms Helen McDevitt, Acting Deputy Secretary, Disability and Carers
Mr Andrew Whitecross, Group Manager, National Disability Insurance Scheme Market Reform
Mr Paul Miller, Acting Branch Manager, Quality and Safeguards Policy
Mr Thomas Abhayaratna, Branch Manager, National Disability Insurance Scheme Market Oversight
Ms Eliza Strapp, Branch Manager, Program Transition
Dr Nerida Hunter, Acting Group Manager, National Disability Insurance Scheme Transition Oversight
Ms Julie Yeend, Branch Manager, National Disability Insurance Scheme Transition Oversight and Governance
Mr Peter Broadhead, Acting Group Manager, Disability, Employment and Carers
Mr Christian Callisen, Branch Manager, Participation and Assurance
Mr Stephen Moger, Branch Manager, Disability and Carer Policy
Mr Terry Strong, Acting Branch Manager, Disability Employment Services
Ms Flora Carapellucci, Group Manager, National Disability Insurance Scheme Mainstream Linkages
Mr Chris D'Souza, Acting Branch Manager, Integration and Support
Ms Kirralee Thomas, Acting Branch Manager, Integration and Support
Ms Roxanne Kelley, Chief Operating Officer
Mr Andrew Harvey, Chief Finance Officer, and Group Manager, Finance and Services
Mrs Tracey Bell, Branch Manager, Communication Services

National Disability Insurance Scheme Quality and Safeguards Commission

Mr Graeme Head, National Disability Insurance Scheme Quality and Safeguards Commissioner
Ms Samantha Taylor, National Disability Insurance Scheme Quality and Safeguards Registrar
Ms Miranda Bruyniks, National Disability Insurance Scheme Quality and Safeguards Complaints Commissioner
Dr Jeffrey Chan, National Disability Insurance Scheme Quality and Safeguards Senior Practitioner, Behaviour Support

National Disability Insurance Agency

Mr Robert De Luca, Chief Executive Officer
Ms Vicki Rundle PSM, Deputy Chief Executive Officer, Government, Communications and Stakeholder Engagement Group
Mr Michael Francis, Deputy Chief Executive Officer, Participants and Planning Experience Group
Mr Victor Walter, Deputy Chief Executive Officer, Corporate Services and Chief Financial Officer Group
Mr Ian Frew, Chief Information Officer

Outcome 4: Housing

Mr Nathan Williamson, Deputy Secretary, Social Security
Mr Brenton Philp, Group Manager, Welfare and Housing Policy
Ms Allyson Essex, Branch Manager, Payment Conditionality Design and Policy
Dr Tim Reddel, Group Manager, Policy Office

Mr Philip Brown, Branch Manager, Policy Strategy and Investment
Ms Liz Hefren-Webb, Deputy Secretary, Families and Communities
Ms Cath Halbert, Group Manager, Families and Communities
Mr Paul Menzies-McVey, Branch Manager, National Rental Affordability Scheme Taskforce
Mr Stewart Thomas, Branch Manager, Housing Programs and Financial Wellbeing
Ms Roxanne Kelley, Chief Operating Officer
Mr Andrew Harvey, Chief Finance Officer, and Group Manager, Finance and Services
Mrs Tracey Bell, Branch Manager, Communication Services

Department of Human Services

Ms Renee Leon PSM, Secretary

Outcome 1

Mr John Murphy, Deputy Secretary, Payments Reform Group
Mr Mukul Agrawal, Chief Citizen Experience Officer
Mr Mark le Dieu, General Manager, Business Transformation Division
Ms Lisiane Barao Macleod, National Manager, Digital Projects Branch
Mr Barry Jackson, Deputy Secretary, Service Delivery Operations Group
Ms Bridget Brill, General Manager, Operations Management Division
Mr Chris Horsley, General Manager, Service Delivery Strategy Division
Mr David Mole, Acting General Manager, Face to Face Services Division
Ms Jennifer Rufati, General Manager, Smart Centres, Indigenous and Intensive Servicing Division
Mr Bruce Young, Acting General Manager, Child Support Smart Centres Division
Ms Rebecca Cross, Deputy Secretary, Integrity and Information Group
Mr Robert Hanlon, Acting General Manager, Information, Debt and Appeals Division
Mr Jason McNamara, General Manager, Integrity Modernisation Division
Mr Craig Storen, General Manager, Customer Compliance Division
Mr Damian West, General Manager, Business Integrity Division
Mr Mark Morrison, Acting National Manager, Data Strategy Branch
Ms Catherine Rule, Deputy Secretary, Programme Design Group
Ms Maree Bridger, General Manager, Child Support and Redress Division
Ms Rosemary Deininger, General Manager, Participation and Disability Division
Mr Gavin Matthews, General Manager, Older Australians Division
Ms Melissa Ryan, General Manager, Families Division
Ms Susan Cartwright, National Manager, National Redress Scheme Branch
Mr Brendan Moon, National Manager, Multicultural and Rural Programmes Branch
Ms Amanda Cattermole, Deputy Secretary, Health and Aged Care Group
Ms Susan Black, General Manager, Health Service Delivery Division
Mr Paul Creech, General Manager, Aged Care and Industry Programmes Division
Ms Kirsty Faichney, General Manager, Health Programmes Division
Mr Andrew Wood, Chief Operating Officer
Mr Ian Fitzgerald, General Manager, People Policy and Operations Division
Mr Robert Higgins, General Manager, Corporate Operations Division
Mr Mark Jenkin, Chief Financial Officer
Ms Michelle Kelly, General Manager, Audit Division
Ms Annette Musolino, Chief Counsel, Legal Services Division
Ms Julia Pickworth, General Manager, Governance and Strategic Policy Division

Ms Cathy Sear, General Manager, Communications Division
Ms Jenny Teece, General Manager, People Services Division
Ms Linda Young, General Manager, Onboarding Taskforce
Mr Charles McHardie, Acting Chief Information Officer

Committee met at 09:01

CHAIR (Senator Gichuhi): I declare open this meeting of the Community Affairs Legislation Committee on 25 October 2018. The Senate has referred to the committee the particulars of proposed expenditure for 2018-19 for the portfolios of Health and Social Services, including the Department of Human Services. The committee may also examine the annual reports of the department and agencies appearing before it. The committee has fixed 6 December 2018 as the date for the return of answers to questions taken on notice. Senators are reminded that any written questions on notice should be provided to the committee secretariat by 1 November 2018.

Under standing order 26, the committee must take all evidence in public session. This includes answers to questions on notice. I remind all witnesses that in giving evidence to the committee they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to the committee, and such action may be treated by the Senate as contempt. It is also a contempt to give false misleading evidence to the committee. The Senate, by resolution in 1999, endorsed the following test of relevance of questions at estimate hearings. Any questions going to the operations or financial position of the department and agencies which are seeking funds in the estimates are relevant questions for the purposes of estimates hearings. I remind officers that the Senate has resolved that there are no errors in connection with the expenditure of public funds where any person has discretion to withhold details or explanations from the parliament or its committees, unless the parliament has expressly provided otherwise. The Senate has resolved also that an officer of a department of the Commonwealth shall not be asked to give an opinion on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted. I particularly draw the attention of witnesses to an order of the Senate of 13 May 2009 specifying the process by which a claim of public interest immunity should be raised.

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)

Witnesses are specifically reminded that a statement that information or a document is confidential or consists of advice to government is not a statement that meets the requirements for the 2009 order. Instead, witnesses are required to provide some specific indication of the harm to the public interest that could result from disclosure of the information or the document.

I remind officers that their opening statement should be brief. Officers may seek to incorporate longer opening statements into the committee *Hansard*.

Department of Social Services

[09:06]

CHAIR: I welcome Senator the Hon. Mitch Fifield, representing the Minister for Social Services, and officers of the Department of Social Services. Minister, do you wish to make a statement?

Senator Fifield: No, thank you, Chair.

CHAIR: We will begin with questions for cross-portfolio.

Senator WATT: Thanks, Ms Campbell and Minister, for coming along today. I have a few questions about your most recent annual report. It states:

The department is also investing in data analytics by building internal capability, seeking collaboration opportunities and ensuring strong links between policy and analytics projects.

How much is budgeted for this process?

Ms Campbell: The people who can answer that are in outcome 1. If we're okay to jump to that, and then will we go back to cross-portfolio?

Senator WATT: Yes.

Ms Campbell: Thank you.

Dr Reddel: The Department of Social Services is participating in a range of cross-government data analytical initiatives, as well as building on our existing data assets, including how we're building our capacity to access and analyse administrative data through the social security system; how we build on the four longitudinal studies that we manage as part of the National Centre for Longitudinal Data; emerging program data through our data exchange system in terms of understanding the performance and outcomes of the services that we fund; and, in addition, the analytical capability through the priority investment approach, where we look at the long-term and lifetime costs and outcomes for people in the welfare system.

As I mentioned, we are part of a range of initiatives across government, principally the Data Integration Partnership for Australia initiative. We are participating in a number of projects as part of that, as part of an emerging social welfare and health analytical unit that we are collaborating on with the departments of health and education, looking at a number of projects and initiatives where we can start to join up data across the Commonwealth around those agencies but increasingly looking at how we can look at other data sources. Then, more broadly, we are working through initiatives with state governments where we can start to look at how we access and work with state government datasets to look at outcomes—particularly for children who are leaving the child protection system, for example—and how we start to understand their pathways. They're some examples of how we're trying to look at how we understand and access our data assets more effectively and then building a capability of how we use that data ourselves and across government to understand our services better.

Senator WATT: Thanks, Dr Reddel. Do you know how much is being budgeted for this?

Dr Reddel: The DIPA initiative, the Data Integration Partnership for Australia, is a cross-government initiative. We have received funding principally for enhancements through our data exchange program. I think that's in the order of \$29 million for capital works. There's a pool of money that we access for some of those projects that I've mentioned, and we're in the process of applying through a cross-government process to access those services.

Mr Williamson: Because there are a whole range of initiatives that we're undertaking, we don't have a single budget, as per your question, so we can be funded through initiatives such as the Data Integration Partnership for Australia. Sometimes we are funded through budget measures—the extension of the longitudinal surveys a couple of years ago is an example of that—and other times it's through our own internal resourcing that we would fund these capabilities. But we don't have one figure as such.

Senator WATT: Can I just take you to table C-2 in the appendices of the annual report—hopefully, someone's got one there.

Ms Campbell: Can you give us the page number.

Senator WATT: If I had it, I would—let's see if I can telepathically get someone to send it to me!

Ms Campbell: We'll work through it as well.

Senator WATT: No worries—I'm going to take a punt that it's at the back.

Ms Campbell: I hope so—advertising and market research?

Senator WATT: The question that I'm going to be asking you is about some evaluations that have been conducted and paid for. I don't know if that's—

Ms Campbell: I think we've got it on page 181.

Senator WATT: Page 181, it is? Okay. So table C-2—I note that in the financial year just gone Orima Research company was paid \$298,092 for three research projects, including what you have to recognise was a fairly widely criticised evaluation of the cashless debit card. Was Orima awarded the other two contracts following the completion of their cashless debit card evaluation which attracted so much criticism?

Ms Campbell: We don't have with us the sequence of when those contracts were commissioned. We can have a look while we're answering questions and see whether someone back in the department can give us the dates on which each of those was commissioned.

Senator WATT: That'd be fine. On page 105 and 106 of the annual report, you refer to expenditure on consultancies and in particular that there were 60 new consultancy contracts entered into in 2017-18. Of those 60 new consultancies, how many are for—it says staff members—individuals?

Ms Campbell: I'm just checking to see whether we've got that data. We could probably take you through each of the 60. I will ask Ms Kelly to come—

Senator WATT: I probably don't need a long, long list—it might be handy to get a list on notice of the 60, if that's possible. I'm keen to understand how many are for individuals as opposed to organisations and companies.

Ms Campbell: Senator, we'll see what we can do during the day to get that information for you.

Senator WATT: Thank you. And on page 106, table 3.4.4 shows the total expenditure on consultancies in 2017-18 was \$21 million—that's total consultancies for the department overall?

Ms Campbell: For the department, not the portfolio, Senator.

Senator WATT: Which would include—

Ms Campbell: NDIA, DHS, Australian Institute of Family Studies. It may have included anything we had for the Quality and Safeguards Commission, because it was still part of the department at that stage, but not the other agencies.

Senator WATT: So this is just DSS?

Ms Campbell: Yes.

Senator WATT: \$21 million—that's obviously several million dollars higher than the previous two financial years. Is there a reason for that significant increase?

Ms Campbell: Ms Kelly might be able to outline that for you.

Ms Kelly: The increase in the expenditure is largely attributed to the Aboriginal and Torres Strait Islander study and the personal safety survey as part of the national campaign on violence against women.

Senator WATT: For each of the last three financial years—2017-18, 2016-17 and 2015-16—of the APS employees that left the department, how many jobs were not filled?

Ms Campbell: We can talk about staff numbers. When we talk about jobs that are not filled, often we're funded for a program that may terminate. Therefore, naturally that job wouldn't be filled, because there would no longer be a requirement for it. I don't think we break down by that level of specificity.

Ms Kelly: No, we don't.

Ms Campbell: We can talk to you about staffing numbers over the three years.

Senator WATT: Why don't we start with that and see where we get to.

Ms Kelly: In terms of this year, our total full-time equivalent numbers, as of 30 September, are 2,277. Our ASL for this year is 1,855. During September and October, we've had around 300 staff in the Department of Health transfer to the department as part of the grants administration function. We anticipate our ASL will be finalised in the MYEFO, and we anticipate we'll be sitting at around 2,100, but that will be finalised shortly. In comparison to what is recorded in the annual report, our total head count was 2,259, we've had an increase of 271 this year. In terms of our broad attrition rate, we are sitting at around a 13 per cent turnover for 2017-18 financial year. A total of 371 employees left the department, of which 303 were ongoing and 68 were non-ongoing employees.

Senator WATT: So you don't have any way of working out separations, resignations, departures or however we want to put them. Of those, how many were then filled with the replacement as opposed to not?

Ms Kelly: I haven't got that information here.

Senator WATT: Could you take that on notice for me? It was for the last three financial years.

CHAIR: We will now go to Senator McAllister.

Senator McALLISTER: I wanted to ask some questions about the 2016-17 budget measure about the investment approach to welfare—the Try, Test and Learn Fund.

Ms Campbell: Can I just clarify, Chair, are we going to move to outcome 1, because that's kind of where those things are at.

CHAIR: Yes. We have 45 minutes for cross-portfolio and corporate matters. We are trying to contain the very specific cross-portfolio, and then all other questions can be fitted as much as possible to the other outcomes.

Ms Campbell: Questions on the Try, Test and Learn Fund are probably better asked under outcome 1, which is where it lives, but we can bring the officers in—we have them ready—if that's what you would like to do.

Senator SIEWERT: Which program in outcome 1?

Ms Campbell: We can do it now, if senators want to.

Senator SIEWERT: There will be other people who'll have questions on the Try, Test and Learn Fund, so you'll have to repeat it if people turn up in the right program.

CHAIR: It's better if we can fit the questions in when the other members are here.

Senator McALLISTER: Chair, I'm very happy to take advice about which program item I ought to be considering. I'm conscious that I don't know how this committee works and whether you observe strictly the program breakdowns within outcome 1.

CHAIR: I do plan to be within time frames.

Senator McALLISTER: No, I'm trying to understand where I ought to ask the question in outcome 1, because I don't want to be put off when we do get to the relevant point.

Senator Fifield: I think the relevant officers are next door. If the questions are of a general nature in this area—

Senator SIEWERT: Can I put an alternative proposal?

Senator Fifield: I was just going to say, if the questions are of a general nature in this area, then officers are happy to assist. If the committee desires to go according to a more strict outcome based approach, then, obviously, we'll comply.

Senator SIEWERT: I think there are a number of questions that are sort of overarching outcome 1 questions. Could we start at outcome 1?

Ms Campbell: Maybe 1.1? If we started with those, over ones that went across a number of payments, that might help—

Senator SIEWERT: Yes.

Ms Campbell: because we'll have everyone for outcome 1 at the start of outcome 1.

CHAIR: Yes. And if I may clarify: when I'm in an outcome, like when we are in outcome 1, I'm happy to take any questions; I won't be very strict on the subheadings; it's just the bigger—

Senator McALLISTER: Terrific.

Senator Fifield: That makes sense.

CHAIR: So, Senators, if we have any specific—

Senator WATT: We don't have any other cross-portfolio—

Senator McALLISTER: No multiple cross-portfolio—

Senator SIEWERT: I have a cross-portfolio one, on which you can then tell me to go to the relevant program. I've got a number of questions that, in theory, probably go to DHS. However, having said that, some of them relate to policy. So I suppose what I'm flagging is: can we have a discussion around policy?

Ms Campbell: Yes, we can.

Senator SIEWERT: And then you can tell us on some of the individual issues—

Senator Fifield: So the policy of administration as opposed to the administration of policy?

Senator SIEWERT: Yes. So I'm just flagging that one. I've got a question around OCI as it relates to its implementation, and, in fact, a question to which I appear to have received a different answer, on notice, from you, Minister, to that which was given to me in the chamber. It relates to the implementation of debt recovery as to vulnerable people. I asked a question in the chamber of Senator Fierravanti-Wells around the program and received what I think is a different answer. In other words, the ultimate answer I got from Senator Fierravanti-Wells was that there had been a change in approach, and the program had been suspended, and that 300 letters had been sent out. And it coincidentally stopped on the day I put a question in on notice. That could be coincidence. However, the response I got from you, Minister, was: no, there had been no change.

Senator Fifield: Was this a response to a question on notice?

Senator SIEWERT: A question on notice.

Senator Fifield: So it was a response from me on behalf of the minister?

Senator SIEWERT: Yes. So I'm wondering: (A) why I've got a different response, and what the real response is, and (B) is it a change of policy, and (C) do I ask here or of Department of Human Services?

Ms Campbell: Can I just ask: was Minister Fifield answering on behalf of Minister Keenan?

Senator SIEWERT: He was answering on behalf of the minister for human services.

Ms Campbell: I think that Human Services might be better equipped to answer your question. When we talk about policy—so the policy of recovering debts—how it's done on the ground and particularly which cohorts, it's one for human services.

Senator SIEWERT: That takes me to the point about: why isn't the department involved in whether you should be recovering, and the approaches that are taken to the most vulnerable people in our community? Why is that not a policy approach for DSS?

Ms Campbell: The general division of—and how it has been, for some time—responsibilities between Social Services and Human Services is that the actual application on which cohorts and what treatments are applied to each cohort is a matter for Human Services. I don't think we have had discussions with Human Services on this matter because it's about how it's delivered on the ground.

Senator SIEWERT: No, it's not, I'm sorry. It's about how vulnerable Australians are treated, and, if you can't answer or don't think it's appropriate to answer, I'll ask the minister: why is it not a position that the government should look at, in terms of how we treat the most vulnerable members of our community? Since when is that not a policy issue?

Ms Campbell: I'm not sure that it's helpful to talk about policy versus delivery in this space. This is a matter that the government is very focused on. This is a matter that Human Services has paid particular attention to. This is a matter that the minister for human services has paid particular attention to. So the government is focused on this issue. I suppose what we're suggesting is that we're not as well equipped because we are not as much across those issues and those considerations by the minister for human services as the Department of Human Services is.

Senator SIEWERT: So my question is: why not?

Ms Campbell: Because that's the Department of Human Services' role.

Senator SIEWERT: That's not an adequate answer, with all due respect. It is about how we treat and look after the most vulnerable members of our community, and what you're saying is: it is just a process thing, rather than a policy or a position the government needs to look at in terms of looking after people. The response I've had from people is that they are deeply traumatised by the approach that's been taken.

Ms Campbell: I don't accept that that is what I said. What I said is that the government is particularly focused on this cohort. They are very focused on ensuring that people are treated appropriately and that people, the most vulnerable Australians, are given appropriate service delivery and it is worked through. What I was saying was that there are two different agencies, two different departments, involved in this activity. This rests primarily with the Department of Human Services, and they are better placed to take you through some of those issues.

Senator SIEWERT: I won't keep pushing the point, but I fundamentally disagree.

Senator Fifield: We will make sure that Social Services advises Human Services—and, hopefully, Human Services are watching already—so that they're prepared this evening on this matter.

[21:26]

CHAIR: We now move to outcome 1. Senator McAllister, you've got the call.

Senator McALLISTER: I want to ask about Try, Test and Learn. This is a \$7.3 million program out to 2020; is that correct? Sorry; it's more. It's \$96.1 million.

Mr Williamson: Yes.

Senator McALLISTER: It was announced in 2015-16 but it's only recently that the first allocations have got started? It's taken a while to get going?

Mr Williamson: Yes. We've just completed the second tranche.

Senator McALLISTER: Just completed the—?

Mr Williamson: The second tranche closed on 28 September.

Senator McALLISTER: I want to ask about Rewire the Brain. I have the fact sheets that you have provided. I assume that you're familiar with those? Did anyone in the agency give consideration to the possibility that naming a program Rewire the Brain might be patronising or condescending to those that are involved in the program?

Dr Reddel: The overall process for how each of those projects was developed involved intensive co-development and consultation with end users.

Senator McALLISTER: Was this issue considered: whether or not it was patronising to suggest that people involved needed to rewire their brains?

Dr Reddel: I don't have the details of that specific consultation, but the process involved, as I said, intensive engagement with the provider of the program and the people using the program. We're starting to get very high participation across all the projects that have been funded. I don't have specific details of the engagement in that program, but we can certainly look into that.

Senator McALLISTER: Minister, do you think that young people who are receiving student payments need to rewire their brains?

Senator Fifield: I'm not familiar with the background to how that terminology was arrived at.

Senator McALLISTER: I'm asking about you, as a political representative of your community. Do you think that young people ought to rewire their brains?

Senator Fifield: I am not familiar, as I said, with what the background was to the choice of that particular phraseology.

Senator McALLISTER: You don't see any problems with it?

Senator Fifield: Look—

Senator McALLISTER: On first glance?

Senator Fifield: I'm not going to offer a comment on a program that I don't have a deep familiarity with.

Senator McALLISTER: What I might do is table the documentation that the Department of Social Services provided, so you can at least have a look at it. Is that all right? This is just the public documentation.

Ms Campbell: We do have another officer to the table who has more detail on this program.

Senator McALLISTER: This is funded for \$2 million for 240 recipients, so my calculation is that it costs \$8,300 per person. Is that correct?

Mr Brown: It sounds correct.

Senator McALLISTER: It's a neuroplasticity based program. My understanding is that the science about some applications of neuroplasticity is contested and, in particular, a lot of providers make claims that are not grounded in peer reviewed research. Has the department done any investigation to determine whether this program is grounded in peer reviewed research?

Mr Brown: As part of the fairly detailed co-development process that we undertook, following the ideas generation that was undertaken in early 2017—

Senator McALLISTER: Sorry—the ideas generation?

Mr Brown: When the Try, Test and Learn Fund was initially opened, we sought ideas in a number of ways across the country. We then assessed those ideas over a period of time and selected those that showed innovation and the potential to add to the evidence base around what could address long-term welfare dependence. For a number of ideas, we involved a range of experts, as well as possible end users to test out things like the evidence, how it would be implemented and how it would be received—those kinds of things. This one, for example, is targeted to VET students who have been exposed to major trauma, major life events and those kinds of things. Quite a bit of conversation was undertaken in some of the TAFEs in Sydney and in Brisbane, and to my knowledge there was quite a positive response.

Senator McALLISTER: Mr Brown, I asked a question about peer reviewed research and you haven't gone anywhere near that. I would appreciate it if you could turn your mind to that.

Mr Brown: On your question about the research, as part of the process we would do desktop analysis of the research that would have been used to back up the claims.

Senator McALLISTER: Did you? You say you would. Did you?

Mr Brown: We would have done that.

Senator McALLISTER: 'We would have done' is not the same as 'We did.'

Mr Brown: I couldn't answer precisely what we would have done with this particular project. We would have to take that on notice.

Senator McALLISTER: Can you guarantee that this program does rely on peer reviewed research?

Mr Brown: I would—

Dr Reddel: We would need to take that on notice, Senator. Just to add, we did have an expert advisory panel of academics and other experts who reviewed the projects. They were from a range of disciplines and areas of expertise and they passed comment on the projects as they were being developed, and they certainly would have had an opportunity to review this project, as the others did, and they offered comment, which we took on board.

Senator McALLISTER: You're saying that, on that basis, you can guarantee that the program relies on peer reviewed research?

Mr Williamson: We'd need to take that on notice.

Dr Reddel: We'll take that on notice.

Senator McALLISTER: Is it your suggestion, based on this fact sheet, that the reason that young jobseekers have trouble finding employment is their memory or the processing speed of their brains?

Mr Williamson: No, it isn't our suggestion, Senator.

Senator McALLISTER: That's what this program specifically says that you seek to do. You say, 'This includes improvements to their memory, the processing speed of their brains, their social interaction and resilience.'

Mr Williamson: That's correct.

Senator McALLISTER: Is that what you think their shortcomings are? This is your analysis about why they have trouble finding employment?

Mr Williamson: I think the important thing here is that the Try, Test and Learn Fund went out to look at a range of new and innovative approaches. It is deliberately a trial. This particular project is looking into those areas, but it's looking---

Senator McALLISTER: You've only selected a handful and the one you selected seems to suggest that a major impediment to people gaining work is the processing speed of their brain as opposed to—here's another

analysis—the lack of employment opportunities available to them. That would be another reasonable competing analysis about why young people have difficulty obtaining work.

Mr Williamson: And that is why we have a range of projects under the Try, Test and Learn Fund.

Senator McALLISTER: I see. Do you think that \$2 million based on computer training to improve someone's social interaction and general life skills is money well spent, Minister?

Senator Fifield: Do I think that \$2 million spent on—

Senator McALLISTER: That computer based training, which seeks to improve someone's social interaction and general life skills, is money well spent?

Senator Fifield: I'll ask officers to give further context as to—

Senator McALLISTER: You don't have a view, Minister?

Senator Fifield: Senator, what I'm asking is for officers to give further context as to where that \$2 million comes from, and what component of an overall program that is.

Dr Reddel: It's important to note that each of the projects will be evaluated. We've engaged an independent evaluator, the University of Queensland—the Lifecourse Centre—in collaboration with Melbourne University to undertake an evaluation of each of the projects, as well as of the overall impact of the Try, Test and Learn Fund, the tranche 1 project. That's a really important process and that's an ongoing evaluation.

Senator McALLISTER: I am very supportive of evaluation. But there is a threshold test about whether investing the money in the first instance is a good idea. And that is my question: do people think that spending \$2 million on computer based training to improve people's social skills is a good expenditure for the Commonwealth?

Mr Williamson: This project went through the same assessment process that the other projects under tranche 1 went through, and was selected on that basis

Senator McALLISTER: I have some questions about those also. I will turn then to 'Data-driven job opportunities for young carers'. This cost \$2.1 million over 18 months to help 65 recipients—that is about \$35,000 per person. The fact sheet says that:

An online platform will use data analytics and augmented intelligence to match guaranteed job opportunities and training with young carers.

Is it the department's contention that the reason young carers have difficulty finding employment is because they haven't been matched with the right job?

Mr Brown: For this one, there's also some fairly intensive case management work with each of the carers as well, to assist them—talking through their goals, the barriers and those kinds of things as well. I'm not sure where the question was going, but, I suppose going back to Mr Williamson's point, they've all been assessed under the same set of criteria, one of which was a value-for-money proposition as well. We're testing a hypothesis.

Senator McALLISTER: My concern is the emphasis on new and innovative at the expense of sensible. You go to say that:

Augmented machine intelligence has never before been used to profile young carers, and match them with job opportunities and training.

Do you think that there's a reason for this?

Mr Williamson: A reason that it's never been used before?

Senator McALLISTER: Yes.

Mr Williamson: Well, that's what the project is looking to explore: to see—

Senator McALLISTER: I just wonder if the reason it hasn't been used before is that augmented intelligence may not actually add anything at all to the process of assisting young carers obtain and maintain employment.

Mr Williamson: Again, the Try, Test and Learn Fund is looking at different ways of assisting people. We're testing, as Dr Reddel said, a hypothesis, and each project will be evaluated. It is a trial. They are small projects. And we will then be looking to see whether the results of those trials build an evidence base that allows us to build on and, potentially, grow, but also—

Senator McALLISTER: Yes. But, as I pointed out, there is a threshold question about whether the idea is worth trying. So what is it that augmented machine intelligence could possibly add to job opportunities for young carers? Can anyone explain that?

Dr Reddel: There is an emerging literature, Senator, about machine learning and artificial intelligence—

Senator McALLISTER: Yes, I know that.

Dr Reddel: being used in the private sector extensively. And governments are, increasingly, looking at how we can use the opportunities of the data environment that we have, to look at linking people more directly to services and programs that can assist them. That's the fundamental point of this initiative.

Senator McALLISTER: I just wonder if this isn't, essentially, a tech solution that's looking for a problem.

Dr Reddel: It does include case management. It's not just a technological solution. We do involve case management and support for the young carers.

Senator McALLISTER: But case management isn't really innovative, is it? We know case management works. The question is whether or not it's funded. I'll turn to the Y4Y Youth Force: that's \$1.38 million for 80 recipients, so that comes out at \$17,250 a person. The project description is:

A digital platform will connect unemployed former students with short-term employment opportunities in the task-based (gig) economy.

Senator SIEWERT: Deliveroo is one of the examples.

Senator McALLISTER: That's interesting. What are the gig economy providers that the platform is linked to?

Senator SIEWERT: Why do Deliveroo need help and why is this being done by a specialist agency that we pay jobactive to do?

Mr Brown: Basically, it tests whether or not short-term stints in gig economy type roles can be a pathway to other forms of more secure and sustainability employment. With all of these we have consulted with the Department of Jobs and Small Business on this to ensure that it didn't conflict with the jobactive providers and services as well, to see if this was a different methodology that could be applied to get young people a start, a foothold.

Senator SIEWERT: This is the one I particularly wanted to ask about. Do you seriously think that putting up this sort of money to help Deliveroo find workers—I would have thought that was one of the places that young people knew where to go straight up.

Ms Campbell: This isn't aimed at helping Deliveroo. It is aimed at helping some young people who are receiving payments and a different way of focusing that. It's \$1.38 million.

Mr Brown: Deliveroo aren't associated with the project, by the way.

Senator SIEWERT: The media is wrong, then?

Mr Brown: It was an example in the early part. They were explaining the sorts of agencies they might collaborate with and they listed Deliveroo.

Senator McALLISTER: So what gig economy providers is the platform linked to, if not Deliveroo?

Mr Brown: I would have to take that on notice.

Senator McALLISTER: Is it Foodora? They have exited the Australian market once it was found by a court they were not paying their workers correctly.

Mr Brown: For all this, the provider must work with organisations who comply with relevant workplace laws.

Senator McALLISTER: Is there any effort made to ensure that participants will be paid the minimum wage?

Mr Brown: It will depend on the intensity of the work. It goes to a couple of weeks of really intensive training and then targeted training beyond that, where they then might get into employment. If that were the case, they would need to be paid appropriately.

Senator McALLISTER: Is the department making any efforts to secure that, or do you leave that up to the participants?

Mr Brown: It is part of the requirements under the funding agreement we have with the provider.

Senator McALLISTER: Because the Foodora workers had to go to court—

Mr Brown: We would be wanting to check that.

Dr Reddel: We are monitoring each of the projects, including this one, to ensure those requirements are adhered to.

Senator WATT: Was Foodora one of the companies this was linked to?

Ms Campbell: I think we would have to take it on notice.

Senator WATT: I thought someone might know, leaving aside a full list. Does anyone know that?

Mr Brown: I'll have to check.

Senator McALLISTER: Why would you spend money developing an app to link people to the gig economy, because that is actually the whole point of the gig economy? It already exists on an app.

Ms Campbell: Is there more detailed work with the young participants as well?

Mr Brown: Yes. It's not just simply leaving them to do that. It's very much linked to the areas in Melbourne and Hobart as well, so they get support for training and they get support linking them up with those—

Mr Williamson: Training, mentors, peer-to-peer networks. It's not just simply an app.

Ms Campbell: In the material that you provided that's our material, it says that at the outset participants also receive two weeks of general skills training, time management, IT skills, customer service and additional sector-specific training by request.

Senator McALLISTER: I understand that. That is what they would ordinarily get through jobactive, is it not? Isn't that what jobactive is supposed to do?

Mr Brown: This would be more intensive and more targeted.

Senator McALLISTER: You said Deliveroo was not one of the organisations involved. I don't understand how you can rule out Deliveroo but you can't provide us with a full list.

Senator SIEWERT: There's an article specifically outlining the virtues of the program, specifically talking about a partnership with Deliveroo.

Mr Williamson: We will come back to you as soon as we can with the relevant gig economy partners. My recollection is we have previously been asked a question about Deliveroo, and that's why we're able to say they weren't involved.

Senator McALLISTER: Do the participants in this process get insurance? Are they insured?

Mr Brown: They would need to comply with any relevant requirements.

Senator McALLISTER: Who would need to comply?

Mr Brown: The provider.

Senator McALLISTER: The point is that these platform economy providers don't always provide insurance.

Mr Brown: It's a requirement of the funding agreement that any subcontracting arrangement they would undertake would have to comply with the relevant legislation and laws.

Senator WATT: The point is everyone knows that the gig economy is rife with people being engaged as independent contractors who do not qualify for the usual types of insurance and workplace health and safety that employees qualify for. So to simply say that laws must be complied with by providers does nothing to help young people who are being connected into the gig economy. It doesn't provide those protections. If you're the ones administering this program, what are you doing to ensure that people are being insured?

Mr Williamson: Our relationship is with Whitelion for this particular project.

Senator McALLISTER: I don't know if you can hide behind the contract, Mr Williamson. This is a project that is being funded by government. What steps are you taking to satisfy yourselves that Whitelion and all of their partners are dealing with the issues around minimum wages and the other workplace protections, including insurance, both of which are regularly and routinely raised as problems in the gig economy?

Mr Williamson: As Mr Brown said, the grant agreement with Whitelion outlines that they're to be complied with. That's how we do it.

Dr Reddel: We have actively worked to ensure that occurs.

Senator McALLISTER: I'm asking very specifically about the minimum wage and insurance. I'm not asking whether they are in compliance with the limited regulatory arrangements that exist for the gig economy. I'm asking you, as the department, where you are placing participants in a program that you are funding, are you absolutely certain that they are earning a minimum wage and they are properly insured in the workplace environment?

Ms Campbell: I think the officers have answered that the grant guidelines require that the provider be in accordance with the relevant legislation.

Senator McALLISTER: What I'm saying to you is that everybody understands that the legislative and regulatory framework for the gig economy is underdone. There are, in fact, no guarantees around minimum wage, nor are there guarantees around insurance, nor are there guarantees around other forms of exploitation. I'm saying to you that the duty of care for you in funding a program of this kind and putting citizens into a program of this

kind is higher than merely asking people to observe a non-existent regulatory framework for the gig economy. Have you done anything other than ask people to comply with the law?

Ms Campbell: We have asked people to comply with the law.

Senator McALLISTER: And you think that's satisfactory, Ms Campbell?

Ms Campbell: We have asked people to comply with the law.

Senator WATT: Do you have any other programs that send jobseekers into workplace situations where they do not have workplace health and safety protections?

Ms Campbell: My understanding is that our grant guidelines require grant recipients to comply with the law.

Senator WATT: I understand that. I would be horrified if you didn't at least do that. But do you not accept that this is a government-funded and administered program. Surely you owe people some duty to ensure their safety is looked after, whether that is a minimum legal requirement or just a human empathy requirement?

Ms Campbell: My understanding—some of the other officers at the table may wish to comment—is that the grant requirements require laws such as work health and safety.

Senator McALLISTER: Minister, I have a final question for you, although Senator Siewert may have others. This is a \$96.1 million project on innovative approaches to welfare. I think something properly executed could be a good idea. But the evidence this morning is that you're funding computer-based training to improve people's cognitive functioning, augmented machine intelligence to work out what jobs would be good for young carers, and an app that may further drive down pay and conditions by linking vulnerable people to the gig economy. I just wonder if you're satisfied with the evidence that you've heard this morning about these programs?

Senator Fifield: I sit here as the Minister for Communications, representing the Minister for Families and Social Services. I don't sit here as a minister who is sworn to administer this department. Officers at the table have indicated that the purpose and intent of the Try, Test and Learn Fund is to look at new and innovative ways to help people into work. I think officers at the table have heard through your questions a number of issues that you would like further information on, and they have undertaken to do that. It is a decision of government to pursue this approach. Obviously, as a member of government, I support the decision that's been taken to try and assess new ways of doing things.

Senator WATT: That might be right, Minister. I accept you're not the minister for this portfolio. Is what we're hearing a sign that it is government policy—leaving aside which minister—to connect young jobseekers with workplaces where they have no workplace health and safety protections at all? They could be riding a bike delivering a pizza, hit by a car, and they have no protections whatsoever? Is that government policy?

Senator Fifield: Government policy is that those who operate in this area should act in accordance with the law.

Senator WATT: But that is entirely the problem. If you're comfortable, then, that if all that needs to happen is that laws need to be complied with, because of the massive regulatory gap in this field people who work in these types of roles don't have workplace health and safety protections, don't have minimum wages, don't have any limits around the hours they can work—that's okay because that's the law?

Senator Fifield: People should comply with the law.

Senator WATT: It says it all about this government's approach to work—

Senator SIEWERT: We know the law isn't fit for purpose.

Senator McALLISTER: That's all from me.

Senator SIEWERT: Who do I email this article to? There was a *Pro Bono* article on Monday, 2 July 2018 which says:

The partnership between Deliveroo and the federal government to support long-term unemployed, at-risk youth via the gig (or tasking) economy marks an Australian-first, a company statement said.

Ms Campbell: I think someone will now be able to find that article for us with those details.

Senator SIEWERT: Deliveroo obviously think they have a partnership with the federal government through the funding of this program.

Ms Campbell: I would prefer that we were able to read the article in its full context before we are able to answer any questions.

Senator SIEWERT: With your support, Chair, can we come back to this issue once the department's read the article? I do have some of the questions around these programs in outcome 1, around Try, Test and Learn.

Ms Campbell: Have we finished with cross-portfolio now?

CHAIR: Yes.

Senator SIEWERT: In terms of tranche 1, when did those programs commence? The tenders or the announcement of the tender process was some time ago. When did those programs commence?

Mr Brown: Throughout this year there's been a process of negotiating funding agreements with each of the providers and putting in place the implementation arrangements. They have been progressively signed and work and those activities have been commencing across all the programs. Two of the programs are waiting for the commencement of the next academic year before they kick off, because the focus is students. But the rest are now active and clients are now participating. I believe there is a figure of something like 400-odd people now participating in TTL projects across the initial tranche. This is still fairly early days in terms of recruitment, getting those programs going and those kinds of things, but those activities have commenced.

Senator SIEWERT: It's a bit hard to tell when the program's actually started. Could you provide against each of the programs that are funded when they started and when they are expected to finish?

Mr Williamson: Yes.

Senator SIEWERT: I still want to look a little bit further into this particular program because of the sorts of things that you are talking about in terms of what's expected between this program and a jobactive program. They are expected to do training. They are expected to address people's barriers. So why fund a separate program to do what the jobactive provider—if they were doing their job properly—should be doing?

Ms Campbell: These programs are small-scale on innovation, different types of ways of doing it and co-design. They are worked up with people. Mr Brown or Dr Reddel can probably take us through how those ideas came forward and how they were worked up. We're trying to test different ways of approaching it. I understand the jobactive requirements, but these were slightly different variations on some of those issues. They are small-scale with a proper, detailed evaluation to see whether they are worth being rolled out further. That is the general intent. Would it be helpful if we just explained how these ideas were developed and brought to fruition?

Senator SIEWERT: I am conscious of time. Could it be done quickly? I have a lot of questions, and I'm sure everybody else has.

Dr Reddel: I'm happy to run briefly through the process. For tranche 1, Minister Porter announced that he would be open for ideas in 2016.

Senator SIEWERT: Yes, there were some roundtables.

Dr Reddel: We had a policy hack in Melbourne in February 2017 complementing that. We also, through our engagement portal, as well as direct consultations, went out and sought stakeholder ideas based on the principles of the investment approach to welfare in addressing lifetime welfare dependency.

Senator SIEWERT: How many of the programs that were funded in tranche 1 came out of the policy hack? Did you actively approach those people at the groups outside—

Dr Reddel: It was a combination. We got around 400 ideas from those processes, both the hack and the broader engagement. We worked internally to assess some of those ideas, and then we went through a process of culling those down to around 30 or 40 ideas. We grouped some of the ideas—

Senator SIEWERT: Out of the policy hack or—

Dr Reddel: It was across the board, across the process.

Senator SIEWERT: My question was: how many came out of the policy hack?

Dr Reddel: I would have to take that on notice.

Senator SIEWERT: Take on notice, please, how many of the ones that were funded came out of the hack and how many out of you doing—

Dr Reddel: It would be fair to say there was a fair process of development. So the idea that was proposed at the hack or through engagement might not necessarily have ended up being the idea that was funded.

Senator SIEWERT: We took a lot of evidence during the Future of Work campaign around the gig economy and the role it'll play and its interaction with young people. Did you look at any of the academic literature and the evidence that is around already before funding this program?

Dr Reddel: As I mentioned, we certainly engaged through our expert panel. We also looked at relevant research. I would have to look more specifically to answer—

Senator SIEWERT: Could you take that on notice, please. Can you remind me who is on your expert panel.

Dr Reddel: A range of academics and experts, which we're happy to provide.

Senator SIEWERT: Could you take that on notice.

Dr Reddel: I think we might have done that previously, but I'll—

Senator SIEWERT: If you have already given it to us, just point me in the right direction.

Dr Reddel: We'll look at that.

Mr Brown: In addition, it was a requirement of an idea proponent to point to evidence as well. So we were looking for where they had really thought about the evidence, the data and new ideas.

Senator SIEWERT: Could I ask you, then, to provide the evidence that was used for this particular project, please.

Mr Brown: Yes.

Dr Reddel: Yes.

Mr Williamson: Excuse me, do you want me to close off on the Deliveroo question?

Senator WATT: Yes, if you've got that information.

Mr Williamson: While there may have been conversations, no participants of the Y4Y Force Project have worked for Deliveroo as part of the project. There is no agreement between Whitelion and Deliveroo for the project.

Senator SIEWERT: So the comments attributed to Whitelion are—

Mr Williamson: They had some earlier conversations, I think, when they were exploring the project, is my understanding. But there are no participants in the projects with Deliveroo.

Senator SIEWERT: Are they going to be going there?

Mr Williamson: That's not the intention.

Senator WATT: Were you able to find out anything about Foodora?

Mr Williamson: No. We are still looking into that.

Senator WATT: You can come back to us on that. If you have the list of platforms that they have been connected with, that would be useful as well.

Senator SIEWERT: The article says there are 10 people going to the program and they have all indicated they would like to ride with Deliveroo as part of the experience of getting them back to the workforce?

Ms Campbell: We are not the authors of this article. We were not interviewed for this article. The only evidence we have, we have just put on the record.

Senator SIEWERT: Where has that evidence come from, that there's no people working for Deliveroo right now? Did you also say never has been?

Mr Williamson: In this project between Whitelion and Deliveroo, there are no people working for Deliveroo.

Senator SIEWERT: Have there been people working for Deliveroo?

Mr Williamson: I can't go beyond this project.

Senator SIEWERT: For this project, there are none working now. Was there ever?

Mr Williamson: No. There is no agreement between Whitelion and Deliveroo. I can't comment on the article.

Senator SIEWERT: It's bizarre then that a project you funded has claims around who they're working with.

Mr Williamson: I think, early on, Whitelion were speaking to a number of providers in the gig economy and Deliveroo was one of them. I believe there were conversations but no placements.

Senator WATT: On family tax benefit, you'd be aware the government has introduced the social Services Legislation Amendment (Maintaining Income Thresholds) Bill, which has not yet passed the Senate, and there's concern around that. The purpose of that bill is to extend the indexation clause on the family tax benefit higher income thresholds, freeze the PPL and DAPP thresholds, and a few other things that it's seeking to freeze. Can you please break down the savings from these changes by each payment type and for each year of the forward estimates?, I can give the questions I'm going to be asking here to you in case they're easier to answer together. I'm keen to know the savings from these changes by each payment type for each year of the forward estimates, the number of families and children that will be impacted in each year. I'm particularly focused on FTBA supplement and FTBB supplement.

Mr Bennett: If I understand your question correctly, previously, in response to question on notice 18201, we broke down the payments in this bill into three lots and then we broke it down across the forward estimates for you. It was part A, part B, supplement clause, FTB threshold clause and PPL income limit clause, and that was out to 2021-22, broken down to give you the total of 321.9.

Senator WATT: I haven't done the maths here. Does that QON take us through to the existing forward estimates or is that answered last financial year and might therefore miss what is now the final year of the forward estimates?

Ms Campbell: Possibly.

Mr Bennett: It goes to 2021.

Ms Campbell: But you're now looking for that next year. Is that what you're saying?

Senator WATT: Yes, so that gives us three years of what is now the forward estimates, doesn't it?

Mr Bennett: I won't have those figures with me.

Ms Campbell: You've got that question on notice?

Senator WATT: I don't have it before me, but I'm sure I can get access to it.

Ms Campbell: Shall we just go through that then and give you what we've got here? I'm trying to look at what the next years will look like.

Senator WATT: Just before you do that, I take it that the information you gave us in that question on notice is still accurate. There haven't been any changes to numbers or figures?

Mr Bennett: The bill, as in parliament, had a commencement date of, I think, 1 July, so these figures are the best figures that I have available.

Senator WATT: That's 1 July of which year?

Mr Bennett: This year.

Senator WATT: So, even if the Senate were to pass this bill in its next sitting, those figures wouldn't be entirely accurate, would they? But you haven't got anything more accurate that.

Mr Bennett: Sorry, Senator. Because of the way that the pauses were kicking in—remember how we had different commencement dates et cetera—some of the commencement dates were for a period after 1 July. Even for things like the supplement clause that we're talking about, because the supplements are effectively paid at the end of the financial year, the figures I give you should still be a very good source.

Senator WATT: We're going to be here all day, so what I might do is—it sounds like you don't have any more up-to-date figures for the first three years of the forward estimates and those that are already in that question on notice?

Ms Campbell: That's right.

Senator WATT: But what we probably haven't obtained yet is the fourth year of the forward estimates.

Ms Campbell: We probably don't have that, and I'm not sure how quickly we could get that, because we've got to run some models.

Senator WATT: That hasn't been calculated?

Mr Bennett: No.

Senator WATT: While we're talking about other things, could we get someone to have a look at that. If it has been produced, could you provide that; if it hasn't been produced, could you take it on notice. And if there's anything I need different to what you've already given us in the question on notice, I'll come back to you.

Mr Williamson: I can say that it hasn't been produced. It will be done as part of the next economic update. But I think, as Mr Bennett said, there are some of the numbers in what we gave to you. For example, parental leave pay was extending out to 2021. It was only a one-year impact, because there is the already existing measure there. So that number will still be correct, for example.

Senator WATT: What about: in the current year, how many families and children received the FTB Part A supplement and how many of them are single-parent families?

Ms Campbell: Is that for the year 2017-18, which will be paid in the financial year 2018-19? Is that the question?

Senator WATT: Yes, let's do that.

Ms Campbell: I'm not sure we've got it.

Ms Paton: The supplements aren't paid until the end of the financial year, once someone has reconciled their taxation income, so we can't give you that information for this financial year.

Senator WATT: What's the most up-to-date information you've got—2016-17?

Mr Williamson: They can have up to two years to reconcile.

Ms Campbell: What's the last time we've got a full-financial-year number for people paid the supplement?

Ms Paton: The most mature data is from 2015-16, but I don't have that with me.

Mr Williamson: But we can get that for you.

Senator WATT: Can we get someone to bring that back. And, again, if I need anything more recent, I'll let you know.

Ms Campbell: It's because of the time period that people have got to reconcile.

Senator WATT: Okay.

Senator SIEWERT: I think you'll say the specific details go to DHS, but I want to ask an overarching question. Are you aware that there seems to have been a glitch with some of the family tax benefit payments? I'm trying to find out how many, but I'm aware of a number that received erroneous debt notices around family tax benefit. Has that been raised with you as an issue?

Ms Campbell: It hasn't been raised with me, Senator. When you talk about erroneous debt notices, you're not talking about the people who don't put in their salary and, therefore, human services send them a letter saying, 'Unless you put that in, you will have to pay back everything'? That's not what we're talking about?

Senator SIEWERT: No. They got told they got paid a lot more than they had been.

Ms Campbell: At this time of year, human services encourages people to reconcile their salaries for maybe not the last financial year but the financial year before. If people don't put in their income and continue to not put in their income, a debt will be raised for the full amount of the family tax benefit. We do that every year.

Senator SIEWERT: This is different. They were told that they'd received a lot more payment than they actually had.

Ms Campbell: I'm not aware of that issue. We will get someone looking at the moment. Human services, no doubt, will be very much aware of it and hopefully so will we by the time we get there.

Senator SIEWERT: Thank you.

Senator WATT: I have one other set of questions on the family tax benefit.

Senator SIEWERT: I'll wait until you finish that, because I want to put another question on notice.

Senator WATT: This is to do with the indexation freeze.

Ms Campbell: Is this the one before the parliament?

Senator WATT: No. In March 2017, the government rushed through the Social Services Legislation Amendment Act, which, among other things, froze indexation of the rate of FTB for two years from 1 July 2017. How many families were receiving FTB A as at 1 July this year?

Mr Bennett: In terms of 30 June 2018 for family tax benefit part A, it was 1,423,304.

Senator WATT: That's families receiving FTB A?

Mr Bennett: When you say A, because sometimes you can have families that receive both A and B, are you talking about A alone or are you talking about those that get A and can also get B?

Senator WATT: I'm going to be asking you shortly about FTB B, so is it easiest to give me figures for those who get A, those who get B and those who get both?

Mr Williamson: It's easier to include both. People who get A but also could get B is the figure that Mr Bennett just gave you. We can do the same for FTB B.

Senator WATT: That figure, 1.4 million or thereabouts, is families who received FTB A and B as at 30 June?

Mr Williamson: No, it's those that could have received FTB A only or could have received FTB A and be receiving B as well. It's both of those populations.

Senator WATT: So it's FTB A plus FTB A and B?

Mr Williamson: Yes.

Senator WATT: What about the number of families who received FTB B?

Mr Bennett: In terms of recipients who receive FTB B only or both A and B, it's 1,129,047, which is what we would count as the FTB families. We have to be careful, because it's not those two figures added together. As we've said, you've got various combinations. For the purposes of what we treat as the population, it is 1,440,108.

Senator WATT: So there are 1,440,000 or thereabouts families that receive some form of FTB?

Mr Bennett: Correct.

Senator WATT: Within that group, 1.423 million receive A or A and B? And, within that group of 1.44 million, 1.129 million receive B or A and B?

Mr Williamson: Yes.

Senator WATT: Is there no way at all of breaking those figures up further to tell me how many just received A and just received B?

Mr Bennett: I would have to take that on notice, Senator. I might be able to after the break. I don't have that data with me. If it's available, I will come back after the break.

Senator WATT: What I would ideally like to get is the number who get A, the number who get B and the number who get both. Can you see if that's possible?

Mr Bennett: Yes.

Senator WATT: For each of these figures that we've been going through, how many families were receiving the base rate and how many were receiving the maximum rate of FTB A?

Mr Bennett: I will definitely have to take that on notice.

Senator WATT: In doing so, could you provide those figures broken down by state and electorate?

Ms Campbell: I don't know about electorate. I think we can do state.

Mr Bennett: I think we could do state. I don't know about electorate.

Senator WATT: Whatever the next level down is, whether it be region or—in an ideal world, electorate. If that's not possible, something between electorate and state would be handy as well, if that can be done.

Ms Campbell: We'll have a look. Maybe postcode.

Senator WATT: Same questions for FTB B: how many of the families receiving FTB B were receiving the base rate and how many were receiving the maximum rate? Again, if you can break that down by state and electorate or something like that, please.

Mr Bennett: Okay.

Senator WATT: Do you have figures with you as to how many families who were receiving FTB A as at—for your figures, it would probably be 30 June this year, had children aged five or younger?

Mr Bennett: Distribution of FTB A children by age? I have children by age but not children by family, if that makes sense. The figure that I give you totals the total children, as opposed to the total families.

Senator WATT: Sure.

Mr Bennett: You said under five?

Senator WATT: Five or younger, not under five. I don't know if you can do that.

Ms Campbell: I think we've got under five.

Senator WATT: I suppose I'd be after under six, then!

Ms Campbell: We haven't got that.

Mr Williamson: I can do five to 12.

Senator WATT: Let's go with under five.

Mr Bennett: 758,764.

Senator WATT: This is FTB A?

Mr Bennett: Yes. I can go to five to 12 if that's of benefit to you.

Senator WATT: Sure.

Mr Bennett: 1,304,227.

Senator WATT: That's the number of children receiving FTB A as at 30 June this year?

Mr Bennett: Technically, it's the families that receive FTB A, but the children in the families.

Senator WATT: The number of children within those families. Okay. Is it possible to take on notice the number of families?

Mr Bennett: Yes.

Senator WATT: And for FTB B can you give me the figures for the number of children in families that have FTB B as at 30 June this year? Under five?

Ms Campbell: Age of children?

Mr Williamson: We don't have that with us. We would have to take that on notice.

Senator WATT: So, you will come back to me with under five and five to 12, if they're the age groups that apply for FTB B as well?

Mr Bennett: Yes.

Senator WATT: Could you on notice come back to me with those figures broken down by state and, ideally, electorate or, again, some lower-than-state breakdown?

Ms Campbell: We will see what we can do.

Senator WATT: I have a range of other questions on FTB, which I will put on notice. I think there was one follow-up question that Senator Singh had on something I have already asked.

Senator SINGH: I want to go to the pension age issue.

Senator SIEWERT: That is a completely separate issue.

Senator WATT: Sorry. I thought it was something we've already done.

Senator SINGH: I thought we were moving around.

Senator WATT: That's okay.

Senator SIEWERT: Could I briefly put a question on notice, if you can't answer it straight away, going back to Try, Test and Learn? Do you know which other organisations, if it is not Deliveroo, that Whitelion are working with?

Mr Williamson: We have taken that on notice. We will be looking into Foodora, but we also said we would look into—

Ms Campbell: Everything.

Mr Williamson: We have taken that and we will see what we can do.

Senator SIEWERT: For that specific project?

Mr Williamson: Yes.

Senator WATT: Our next question in outcome 1 relates to program 1.6, so I'm happy if you want to ask anything before that?

Senator SIEWERT: Just to flag that Senator Faruqi has questions prior to that. I need a bit of guidance on this question. I thought it might fit into either 1.3 or 1.4. It relates to women trying to escape domestic family violence situations when they're trying to leave their partners—and getting access to income support.

Ms Campbell: It is income support related?

Senator SIEWERT: Yes. I thought it would be either vulnerable people or people in special circumstances.

Ms Campbell: We will answer that as best we can.

Senator SIEWERT: One of the issues for women trying to escape family domestic violence situations is that it's really hard for them to get approval for a private rental. One of the biggest barriers is finding accommodation and then finding private rentals. That's where they end up in an emergency, because it's hard to get public or social housing at short notice. At the same time, if they are receiving parenting payment as a couple Centrelink won't approve an application for receiving parenting payment single until one has a separate residence. So, you can't get accommodation unless you can prove you have a source of income and you can't get that source of income until you've got a residence.

Ms Campbell: Drawing on my experience when I was the secretary of human services, I thought that when people were in crisis human services did have mechanisms to deal with the fact that this was the case.

Senator SIEWERT: I think you can get hardship payments.

Ms Campbell: Yes.

Senator SIEWERT: But you need to demonstrate long-term income, not short-term. It is a bit harder to get some of those hardship payments now. But this isn't just a short-term payment issue.

Ms Campbell: No, it's about the sequence of getting parenting payment single, and the like.

Senator SIEWERT: It will raise it with DHS, but it seems to me it is one of those murky issues that may need a change in legislation, or rules or delegated legislation.

Ms Campbell: Or at least a change in practice and rules. I'm checking to see if anyone else has anything to say about that.

Mr Williamson: I think human services this evening will be able to tell you how they handle those arrangements at the moment. While we don't have anything now to add on that, it is certainly something we will have a further discussion with human services about.

Senator SIEWERT: I will talk to human services, but it seems to me that if it is a rule change it is squarely back with you.

Ms Campbell: We will ask them again whether or not they think they need a rule change in order to operationalise what we're trying to achieve here, which is to help people in this crisis situation. We will hopefully check with them during the day now, before they get here tonight, to see whether they think there is a rule change or it is a practice issue.

Senator SIEWERT: If you do check with them, could you come back to us so that we can ask more questions about it and have more discussions and then I can ask them how they're handling it at the moment?

Ms Campbell: We will try to do that over the tea break.

Senator SIEWERT: Thank you.

Senator SINGH: Chair, can we move down the list?

CHAIR: Of course, yes.

Senator SIEWERT: As long as you're okay to come back to it.

Senator SINGH: Sure. Can I go to program 1.6?

CHAIR: Absolutely.

[10:25]

Senator SINGH: Thank you. I have some questions in relation to the government's now abandoned plan to raise the pension age to 70. I want to ask, firstly, if the department can provide an updated figure as to the fiscal impact of the government's decision to now keep the pension age at 67 over the medium term.

Mr Williamson: There's no budget impact of that decision in the budget or forward estimates, because it wasn't going to take effect until 2025.

Senator SINGH: So it's beyond the forward estimates?

Mr Williamson: Yes, that's right.

Senator SINGH: When was the decision made to dump the plan to raise the pension age to 70?

Mr Williamson: The Prime Minister announced it on 5 September.

Senator SINGH: That was when the announcement was made. I'm asking when the decision was made.

Mr Williamson: I think the Prime Minister, in the statement on the day, reflected on discussions that had been held prior to that announcement and, also, what might happen in the future weeks about ratifying it through the normal cabinet processes.

Senator SINGH: When was the decision made? Minister, do you want to comment on that?

Senator Fifield: I'm happy to take that on notice.

Senator WATT: Was it a decision of cabinet to dump this?

Senator Fifield: These matters go through the usual processes of government. It was a decision of government.

Senator WATT: So this particular decision was a decision of cabinet?

Senator Fifield: A decision of government, and the Prime Minister indicated that it would be a matter going to cabinet.

Senator SINGH: When were you made aware of the decision, Minister? What date?

Senator Fifield: I'll have to check. I'll take that on notice.

Senator WATT: Sorry; you said that the Prime Minister said that the matter would be going to cabinet?

Senator Fifield: That's correct.

Senator WATT: When he made the announcement?

Senator Fifield: He said on 5 September that cabinet would be ratifying the decision.

Senator SINGH: Surely you were made aware of the decision before 5 September? Is that correct?

Senator Fifield: That is correct.

Senator WATT: When did the department first begin working on advice to government about dumping the decision to increase the pension age to 70?

Mr Williamson: Advice to government around this is through the normal cabinet processes. We can't comment.

Senator WATT: Is it something you'd been working on for a while; providing advice around dumping this position?

Mr Williamson: I can't comment on any advice we would provide around the cabinet processes.

Senator WATT: I'm not going to ask you what advice you provided. As you know, it's pretty normal here to ask about dates that advice was provided and decisions were made. Let's start with this: was advice provided by the department to dump this policy?

Ms Campbell: I don't recall advice being provided by the department. We will take it on notice, but I don't recall.

Senator WATT: Right.

Senator SINGH: You did say, Mr Williamson, that there was no budgetary impact, but I was actually talking about in the medium-term—meaning 10 years.

Mr Williamson: Generally the medium-term projections are the responsibility of the Treasury. The Treasury and the Department of Finance would provide advice on budget impacts that go beyond the budget years.

Senator SINGH: But surely there's some correspondence or communication between this department and Treasury or the Department of Finance on that particular budget impact?

Mr Williamson: We have ongoing discussions with the central agencies around all the programs—

Senator SINGH: I'm asking about this issue. Was there engagement on this issue; the budget impact of the pension age remaining at 67?

Ms Campbell: I don't recall there being any advice provided, but we will take that on notice.

Senator SINGH: Mr Williamson, do you recall?

Mr Williamson: No, I don't recall any advice being provided.

Senator WATT: So there was no advice provided to government around retaining 67 as the pension age. Is that right?

Mr Williamson: All we can say is, as the secretary said, that we didn't provide any advice, but I can't say no advice was provided to government.

Senator WATT: Are you aware of any advice being provided to government by other agencies?

Mr Williamson: No.

Senator WATT: And you're not either, Ms Campbell?

Ms Campbell: I'm not aware.

Senator WATT: Leaving aside formal advice, were you aware of any discussions occurring either with ministers or with other agencies about dropping this policy and retaining 67 as the pension age, before the announcement was made?

Senator Fifield: I might be able to assist to some extent here. The Prime Minister, in an interview on 5 September, said:

... I was going to say this next week but I may as well say it here Karl. I've already consulted my colleagues on that, and next week Cabinet will be ratifying a decision to reverse taking the retirement age to 70. It will remain at 67 ...

Senator WATT: Were you one of the colleagues that the Prime Minister spoke to about that before he made the announcement?

Senator Fifield: Yes, as was the portfolio minister.

Senator WATT: How long before that announcement did either Prime Minister Morrison or Prime Minister Turnbull—because I know it wasn't that long after the change—consult you or your colleagues?

Senator Fifield: I'll have to check and take that on notice.

Senator SINGH: Who was the Prime Minister when the decision was made?

Senator Fifield: It was indicated by Prime Minister Morrison. As I said, he was going to speak to that in the week following the fifth, but he made his comments. He indicated that he'd consulted with colleagues and that the decision would be ratified by cabinet.

Senator SINGH: So it was Prime Minister Morrison who was the Prime Minister when the decision was made to reduce the age.

Senator Fifield: I've answered the question.

Senator WATT: What I think you said, in another way of saying it, was that he was the Prime Minister who announced the decision. Were you or your colleagues being consulted about retaining the pension age of 67 when Prime Minister Turnbull was still the Prime Minister?

Senator Fifield: I never comment on what may or may not be canvassed in cabinet.

Senator WATT: I'm not asking about cabinet. The reason I'm following up with this is that you told us a little earlier that Prime Minister Morrison consulted you and other ministerial colleagues before that announcement was made. What I'm trying to establish is whether this was something that was also being considered when Prime Minister Turnbull was the Prime Minister.

Senator Fifield: I can't go into matters that may or may not have been canvassed in cabinet. I've taken this as far as I'm able to.

Senator WATT: It sounds, from what you're saying, that it was something that was being considered by cabinet when Prime Minister Turnbull was still there.

Senator Fifield: I have made no comment in relation to what may or may not have been considered by cabinet. You shouldn't see that as conveying anything other than a standard approach of ministers of all governments—that they won't speak to matters that are in cabinet. What that means is not indicating whether something was or wasn't canvassed.

Senator SINGH: I think it's a fair enough question to ask who was in charge of the country when this decision was made. We understand cabinet process, but we're just asking who was in charge and therefore who made the decision.

Senator Fifield: I have already addressed that by reference to Prime Minister Morrison's comments on the fifth.

Senator SINGH: Prime Minister Morrison's comments publicly don't give the parliament any detail as to who was in charge when the decision was made. A decision may have been made weeks before, for all we know. You haven't enlightened us in that vein at all. It's fair enough to want to know the answer. There have been a lot of changes, obviously, under this coalition government. This is a backflip on a really important policy, and I think this parliament and the Australian people deserve to know how this backflip came about. Who was in charge? How was the decision made and what was the process?

Senator Fifield: As I said, Prime Minister Morrison said on 5 September:
Next week Cabinet will be ratifying a decision to reverse taking the retirement age to 70.

Senator SINGH: All right. We might move on to asking about the drug testing—

Senator SIEWERT: Hang on! I still have questions around income support for seniors.

Senator SINGH: 1.6?

Senator SIEWERT: 1.6.

Senator SINGH: You go.

Senator SIEWERT: I've also got a significant number of questions on disability. Regarding income support for seniors, we're starting to get a lot of complaints around the delay in processing applications for pensions. Are you as the department getting that feedback as well? I know there are process issues—I have to ask DHS. But I want to know from DSS's perspective: are you getting those complaints?

Ms Campbell: We are aware of some delays in processing the age pension, and we're working with the Department of Human Services to address those issues.

Senator SIEWERT: When did you commence doing that, and is there a time frame in terms of resolving this issue?

Ms Campbell: I think the second part of the question is best for Human Services tonight, because they are working diligently to address those issues. When did we first become aware? I will look to my colleagues.

Mr Williamson: We obviously, on an ongoing basis, have discussions with the Department of Human Services across all payments. We have formal meetings on a quarterly basis to discuss performance, if I can put it that way. And so, payments to seniors have come up through those discussions, and that's probably been the catalyst for working more closely with our colleagues in Human Services, to see if the issues could be expedited.

Senator SIEWERT: So, during those discussions, have you brought it up or have they brought it up because you've been getting complaints?

Mr Williamson: I think we jointly brought it up.

Senator SIEWERT: Okay. Can I confirm you have been getting complaints to the department about it?

Ms Campbell: I have received correspondence in regard to this matter.

Senator SIEWERT: Okay. From the community?

Ms Campbell: Citizens.

Senator SIEWERT: Has the minister raised it with you?

Ms Campbell: I have discussed this matter with the minister.

Senator SIEWERT: Thank you, that's partly an answer! Did the minister raise it with you, or did you raise it with him?

Ms Campbell: I can't recall in which order it was, but I know that I have discussed it with both Minister Tehan and Minister Fletcher.

Senator SIEWERT: Can I just go back to the previous answer in terms of when it came up. I appreciate the answer in terms of it being discussed at the quarterly meetings. When did that first come up?

Mr Williamson: I would have to, sorry, take that on notice. It's fair to say all payments are important, and payments to seniors are obviously important. We would discuss it at each of these quarterly meetings. I would have to go back to see when we probably had a more focused discussion, if I could put it that way.

Senator SIEWERT: If you could take that on notice—

Mr Williamson: Certainly.

Senator SIEWERT: that would be appreciated. In terms of the long delays—months and months—how are pensioners being supported in the meantime, if they've applied? I've had people say they're in hardship.

Ms Campbell: I know that the Department of Human Services, when they have hardship cases, are expediting those processes to ensure that they are addressed as quickly as possible. That's probably the depth of my knowledge. I am sure that Human Services tonight will be able to take you through that in more detail, but they do have a process of expediting hardship cases.

Senator SIEWERT: Okay. So, you haven't discussed an overall process for how you address that in the short-term while the longer term issues are being addressed?

Ms Campbell: We have discussed with the department how we can improve performance so that we can get these claims processed as quickly as possible. Tonight Human Services will take you through, no doubt, the fact that sometimes they can't process claims because all the information hasn't been provided. So we have been focusing on those claims that can be processed, that they do have the information for, and how they get that further information that they need to process those claims. So it's what's actionable and non-actionable.

Senator SIEWERT: What has the Department of Human Services said to you about the reasons for the delays?

Ms Campbell: I think it's probably best that they answer that, because they will be able to give you more context, particularly across their entire portfolio of claims and actions and programs that they are delivering. So I think it would be best for them to provide that information to you, Senator.

Senator SIEWERT: Have they given you reasons for the delay?

Ms Campbell: We discuss with them a range of the payments that they deliver for us. They deliver payments and services for us. They deliver other programs for other departments as well. We talk to them about ours and how we can manage our 'portfolio', for want of a better term, of what they deliver from us. We talk to them about where we need to see priorities and sometimes we might need to trade off on some of those issues.

Senator SIEWERT: That was nice to know, but it didn't answer my question.

Ms Campbell: I suppose we have been very focused on moving forward, about what to do next and how we can ensure that these claims are processed within the targeted key performance indicators. So I don't think that we have dwelt on that. We have really focused on what we are going to do to make sure that we can get these claims processed as quickly as possible.

Mr Williamson: We are very focused from the policy side of things on whether there are issues within the policy or the guide that are a hindrance or cause an impact. So we have that ongoing dialogue with the department all the time to see if there is anything we can do, respecting that they have the service delivery component.

Senator SIEWERT: Did you identify anything that you could do?

Mr Williamson: At this stage there hasn't been what I would say major policy issues in terms of impacting on processing.

Senator SIEWERT: So it is basically DHS processes and the way it's being handled there, rather than policy? Is that what you're saying? That's how I interpret what you are saying.

Ms Campbell: We haven't identified any policy issues. They might be able to identify them to you tonight, but we haven't identified any.

Senator SIEWERT: I will ask them about that tonight too. Thank you.

Proceedings suspended from 10:42 to 11:01

Senator SINGH: How many applications for disability support pension have been received in the last 12 months?

Ms Campbell: We'll just check to see whether we've got that data. That's usually something our colleagues at Human Services would have. We've probably got recipients.

Mr Bennett: We do have claims. For 2017-18, claims were 103,005.

Senator SINGH: And that's in the last 12 months?

Mr Bennett: That's for the 2017-18 financial year.

Senator SINGH: What kind of assistance is available for applicants who might find it difficult to complete the paperwork?

Mr Williamson: That's probably more a question for the Department of Human Services, but we do know that their service officers will actively work with people coming in to claim. They also obviously can use the phone line to talk to a DHS officer to help them through it. So, it's a service delivery issue, but we know that DHS does help those people who need the assistance with the claiming process.

Senator SINGH: That's why I'm asking: what if there's difficulty in participating in telephone or office appointments—for example, someone with severe chronic fatigue?

Mr Williamson: I think it is probably a question where you would need to ask Human Services how they would deal with that specific case. But they do look at a number of service delivery options throughout the process.

Senator SINGH: So, you think that should be asked to Human Services.

Mr Williamson: Yes.

Ms Campbell: They'd be able to take you through how their officers do it and the different technology that they use. They would be better placed.

Senator SINGH: Okay. Getting back to the number of DSPs that have been received, how many were successful applications for the DSP in that same time period, Mr Bennett?

Mr Bennett: The grants were 30,729.

Senator SINGH: How does that compare with applications for other payments?

Mr Bennett: We'd have to take that on notice. I don't have that type of breakdown with me.

Ms Campbell: Would you like us to compare it to Newstart? Would that be a useful comparison, and we'll take that on notice?

Senator SINGH: Maybe a range of other payments. I'm just trying to see the success rate.

Mr Williamson: We could certainly take that on notice and provide you with a list of four or five other primary payments.

Senator SIEWERT: While you're doing that, could you also give us, over the period since 2010, the number of people who have applied and the number who have been granted?

Mr Williamson: We could run through that now, if you like.

Senator SIEWERT: Is it in a table that you could table instead of—

Ms Campbell: Not really.

Mr Williamson: We can run through it quickly.

Mr Bennett: Maybe the quickest way to help you is just to talk through the grant rate—the percentage that were granted versus applications.

Senator SIEWERT: That would be useful, and then maybe table the other data. Is that okay?

Mr Bennett: Sorry, if I could change that to say: you might be interested in the claims as well. So if I could do both, but I'll talk—

Mr Williamson: We'll just quickly read through it.

Mr Bennett: In 2010-11, there were 150,270 claims; the grant rate was 59.6 per cent. In 2011-12, 132,935 claims and the grant rate 48.1 per cent. In 2012-13, 126,346 claims and the grant rate was 43.1 per cent. In 2013-14, 140,933 claims and the grant rate was 40.6 per cent. In 2014-15, 112,482 claims and the grant rate was 36.7 per cent. In 2015-16, 105,651 claims and the grant rate 25.4 per cent. In 2016-17, 96,945 claims and the grant rate was 28.3 per cent. In 2017-18, 103,005—as we've just discussed—and a grant rate of 29.8 per cent.

Senator SIEWERT: That's very helpful, thank you. The first one was 2010-11?

Mr Bennett: Yes, 2010-11.

Senator SINGH: What have been the most common reasons for rejecting applications for DSP?

Mr Bennett: I can tell you of the conditions that have been successful—rejecting is quite a wide concept. I think that is probably better for DHS, but I could tell you the categories of people who were granted, if I can turn that question around.

Senator SINGH: Can't you tell me the categories of people that weren't granted? Isn't that basically what I'm asking?

Mr Bennett: I wouldn't have that data with me. There can be a range of reasons why things aren't necessarily granted—eligibility requirements et cetera. If your question was related to the medical conditions that were granted, I have that information that I could help you with.

Senator SINGH: I want to know how many progress to each stage of the review process.

Mr Bennett: That would be DHS.

Senator SINGH: So what about successful reviews? Do you have that?

Mr Williamson: When you say 'review', can we clarify what you're referring to in terms of a review? Are you talking about someone who's been rejected and then sought a—

Senator SINGH: Yes.

Mr Williamson: Right. We couldn't give you the data on the internal process that DHS—they would need to give that to you tonight. We can give you the AAT, if that assists. So they've gone beyond.

Senator SINGH: Okay.

Mr Bennett: I've got it for four quarters. For 1 July 2017 to 30 September 2017, there were 1,272 cases. Of this, eight per cent were withdrawn/dismissed; 17.8 per cent were set aside; and 74.1 per cent were affirmed—the decision stayed.

Senator SIEWERT: What year was that one for?

Mr Bennett: I'm doing it in quarters from 1 July 2017 to 30 September 2017.

Mr Williamson: We've got the quarterly results for 2017-18. That's the best we can do. You'll see the 2017-18 picture of what has most recently been occurring.

Ms Campbell: That went to the AAT.

Senator SINGH: So these are AAT cases?

Ms Campbell: Yes.

Senator SIEWERT: The AAT's quarterly results were tabled at estimates. You don't have them?

Ms Campbell: We haven't got them. Human Services might have them.

Senator SINGH: Because you're doing it by quarter—and we were looking at the 2017-18 breakdown—can you provide the committee with the 2017-18 figures for those AAT cases?

Mr Williamson: Just as a summary, I can say for 2017—

Senator SINGH: The total.

Mr Williamson: For 2017-18 the cases that were affirmed on a quarterly basis ranged between 74.1 per cent and 79.5 per cent. So you are looking at around the three-quarter mark of cases that are affirmed.

Senator SINGH: And therefore a third that have been overturned?

Mr Williamson: No. That is where the claimant's case has been rejected. So there's been a decision to not grant somebody and that person appealed to the AAT and the decision has been upheld by the AAT, if I can put it that way.

Mr Bennett: The other thing with the data is that some cases are withdrawn. Cases that were withdrawn/dismissed range from 5.6 per cent through to eight per cent across the quarters. Therefore, the residual of those cases that were, if you like, set aside, or the decision was changed, ranged from 14.3 per cent one quarter, 17 per cent in another quarter and 17.8 per cent and 20.3 per cent.

Senator SINGH: What is the average processing time for a DSP application?

Mr Williamson: That is something you would need to ask Human Services about.

Senator SINGH: And it's same with a decision? Is that a Human Services question—the processing time for decisions?

Ms Campbell: Yes.

Senator SINGH: What about those existing recipients on DSP who have had their payment reviewed? How many are moved to other payments?

Ms Campbell: Overall?

Mr Williamson: Are you talking about a specific measure?

Senator SINGH: Yes; they are no longer—

Ms Campbell: There have been a couple of measures where government has done some specific reviews on DSP recipients and then there's a general program of random reviews and the like.

Senator SIEWERT: Perhaps if we ask for an update on the 90,000. We've been doing that over the last couple of estimates. So can we ask for an update on where we're up to on the 90,000 and where the review of that process is up to?

Ms Campbell: In May I indicated that the department was monitoring that process as part of our normal evaluation and refinement. The government has decided not to continue with that measure.

Senator SIEWERT: Not to continue with reviewing the 90,000?

Ms Campbell: That is correct.

Senator SINGH: When did that decision get made?

Ms Campbell: The decision was made on 19 October.

Senator SIEWERT: Is there anything in writing in terms of that review? Is that process that you undertook going to be released publicly?

Mr Williamson: It wasn't a formal review as in, 'Here's a set of terms of reference; go through it.' It was ongoing advice around how the measure was being implemented and how it was going. So there isn't one document you could point to. I would say it's advice to government.

Ms Campbell: As we talked about earlier regarding our meetings with Human Services, which we do on a quarterly basis, we look at a range of outcomes to determine whether or not things are tracking as planned.

Senator SIEWERT: Perhaps in response to the question that Senator Singh asked in terms of the 90,000, are you able to give us the figures where you are up to when you ceased the program?

Ms Campbell: Yes, I think we can.

Mr Bennett: I can give you some figures. I'll give you what I've got. Obviously DHS may be able to break it down if you need to go further. So 30,056 reviews were initiated and 28,784 have been finalised. From that, 555 recipients were no longer eligible for DSP.

Senator SIEWERT: Where did they go?

Mr Bennett: I'd have to take that on notice.

Senator SIEWERT: So, when you say 'no longer eligible', they weren't necessarily kicked off income support? They may have gone to Newstart or one of the carers payments?

Ms Campbell: Or they are employed.

Senator SIEWERT: So can you take that on notice.

Mr Bennett: Yes.

Senator SIEWERT: Thank you. And the rest?

Mr Bennett: DHS is still finalising the residual.

Senator SIEWERT: The 30,000?

Mr Bennett: The 30,056.

Senator SIEWERT: There are almost a couple of thousand left. They're being finalised?

Mr Williamson: As a ballpark, yes.

Senator SIEWERT: That program ceased, so is there any ongoing review program of existing recipients?

Ms Campbell: Human Services run programs about eligibility right across their programs. Sometimes people become ineligible for some payments because of income and assets. So those types of things continue, and Human Services have a compliance program to ensure the integrity of the outlays. I think it's probably best to get them to go through that.

Senator SIEWERT: So that standard process continues?

Ms Campbell: Yes, business as usual.

Senator SIEWERT: But, just to be clear, there's no other review process that DSS is undertaking?

Ms Campbell: I'm just checking. Was there one for the under-35s?

Mr Bennett: That's all done.

Mr Williamson: That's completed.

Senator SIEWERT: I thought that was completed.

Ms Campbell: It's finished.

Senator SIEWERT: Okay, thank you.

Senator SINGH: Is there some sort of statement about this decision that was made on 19 October by government?

Ms Campbell: I expect that will be closed out as part of the MYEFO process—the Mid-Year Economic—

Senator SINGH: Yes, but it's now 25 October.

Ms Campbell: Generally, the decisions taken since the last budget are captured in the next economic statement process.

Senator SINGH: Of those that were moved to Newstart, how many have sought an exemption from meeting activity requirements due to medical reasons?

Ms Campbell: Unfortunately, we don't have the data on how many have been moved to Newstart, so we wouldn't have that data either. Again, that might be something that Human Services have at hand tonight.

Senator SINGH: Are assessors required to always apply the most up-to-date medical research through their decisions about DSP applications?

Ms Campbell: I think these questions might be best directed to Human Services, who would be able to give you really accurate data.

Senator SINGH: I just thought Mr Williamson was nodding.

Mr Williamson: From our perspective, DSP applications are assessed against the impairment tables. They were reviewed in 2011.

Mr Bennett: They commenced then, yes, and went into 2012.

Mr Williamson: In 2011-12, and they are how the assessments would take place.

Senator SINGH: What tables were they?

Senator SIEWERT: The ones you lot changed?

Mr Williamson: The functional impairment tables.

Senator SINGH: All right. We might move on.

Senator SIEWERT: I have DSP questions.

Senator SINGH: I have more DSP questions, but I'm happy for you—

Senator SIEWERT: I thought you were moving on to another dot point.

Senator SINGH: No, I'm still on 1.8.

Senator SIEWERT: Okay, that's fine.

Senator SINGH: If you want to go, then I'll come back.

Senator SIEWERT: Okay. For any questions relating to who's been moved on to Newstart, am I to understand we ask DHS?

Ms Campbell: I don't think we've got the data.

Mr Williamson: I don't think we've got that data.

Ms Campbell: DHS are probably more likely to have that data, and we'll alert them to the fact that you're interested in that question.

Senator SIEWERT: Thank you. Again, this is a question that I think the boundaries are a bit grey on. For DSP, do you have to be in treatment? If you have a chronic illness and you qualify for DSP, or potentially would because of the functionality issues associated with the chronic illness, do you have to be in treatment?

Ms Paton: You'd have to be fully diagnosed, treated and stabilised to be eligible.

Senator SIEWERT: What happens if you're not stabilised?

Ms Paton: You're not eligible.

Senator SIEWERT: So what do you get?

Ms Paton: It depends on your circumstances.

Senator SIEWERT: If I have an episodic illness—sometimes it's more chronic than others—and I qualify, but that's hardly stable—

Ms Campbell: You say you 'qualify'—of course for all payments we look at income and assets, so putting that aside—

Senator SIEWERT: Sorry, assume that.

Ms Campbell: Ms Paton just indicated the criteria around the DSP—the illness has to be fully treated and stabilised.

Senator SIEWERT: If it's incapable of being fully treated, what do I qualify for?

Ms Campbell: I think this is a case-by-case—

Senator SIEWERT: What potential payments do I qualify for? I understand that it is case by case, but what are the potential—

Ms Campbell: The DSP will be assessed against that criteria in the NPM and tables. If someone is out of work, there's Newstart, which has requirements to look for work. Depending on the circumstances, if someone has caring responsibilities, they can apply for the carer payment. Depending whether they are in a relationship, it might be parenting payment single or parenting payment partnered. There are a range of payments for people who are not in employment.

Senator SIEWERT: What's the reasoning behind an illness being 'stabilised'?

Ms Campbell: My understanding is that that has been in place for some time.

Senator SIEWERT: I understand that. We now have a lot of illnesses finally being recognised as chronic illnesses that are not stable illnesses. Medical understanding is increasing and some of these take a long time to stabilise or, in fact, are never stable because there are cycles of significantly chronic illness.

Mr Bennett: Taking into account the nature of the payment, which is one when people get onto it they tend to stay on for actually quite a long period of time—

Senator SIEWERT: People are being sick for a long period of time.

Mr Bennett: The concept of being stabilised relates to whether or not there is the opportunity for them to have future work capacity that could be improved associated with additional treatment. When you talk in these broad situations, I can talk about the fact that the policy is targeted to those who have very limited capacity to work, as we've discussed previously. As part of that process dealing with medical issues—and there are, as you know, a

range of impairment tables—to be considered eligible for the payment people would have their issues diagnosed and then obviously treated to the extent that they can be treated. In relation to the word 'stabilised', I might take that on notice and come back to you—

Senator SIEWERT: Would you? That would be appreciated.

Mr Bennett: I think that's a key part of this conversation.

Senator SIEWERT: Yes. If you could, that would be appreciated. I have another question on this particular issue and then I want to go to medical exemptions. I have had a constituent talk to me about refusing a certain type of treatment. If a person has refused treatment, as is their right to refuse treatment, does that disqualify them from the DSP? If so, why?

Ms Campbell: Senator, I think we'd have to take that on notice.

Senator SIEWERT: Could you take that on notice?

Mr Williamson: If it's possible, we'd probably need to work with Human Services to understand the specifics of the case as well.

Ms Campbell: If you would like, we'd be happy to look at the specific case with Human Services.

Senator SIEWERT: I will check that they're happy for me to do that. On the broader issue, could you take on notice the issue about refusing treatment?

Ms Campbell: I think we will take that on as well as the stabilising and how that is played out. We do know with some illnesses that are episodic, the definition of 'stabilise' might be quite different from other disabilities.

Senator SIEWERT: Just to be clear: there are episodic illnesses—and I agree with you—and there are long-term chronic illnesses, which I wouldn't necessarily term as episodic but there are periods of heightened acuity.

Ms Campbell: There are, of course, things like sickness allowance, which deal with short-term periods of inability to work.

Senator SIEWERT: I take your point. Chair, I know that you want to go to Senator Faruqi, but can I just ask one more question in relation to this? It's not to say that we've finish DSP.

CHAIR: Yes.

Senator SIEWERT: Going back to the issue of people on Newstart: is there a rule around how many exemptions from mutual obligation you can get?

Mr Bennett: How many exemptions?

Senator SIEWERT: Yes. Someone said to me that they've been told they could only get three.

Mr Bennett: I might ask someone to come to the table.

Senator SIEWERT: Your expression was my expression when I was told.

Ms Campbell: It may be that there is some sort of practice whereby, after a number of exemptions, people might consider what is actually happening here to see whether we can get a better outcome for this individual.

Senator SIEWERT: I would agree that it would be a good outcome, but it is not the feeling that I got from the people I was talking to.

Mr Williamson: I think it's a responsibility of jobs and small business.

Ms McGuirk: There's not a specific limit on exemptions. It goes on a 13-week by 13-week basis, but it's the policy area of the Department of Jobs and Small Business and you're better off going into depth with them.

Senator SIEWERT: Okay. I can put questions on notice there. I just wanted to check with you what the actual rule was. There is no limit is what I've just heard?

Ms Campbell: I think what we said was it's not ours; it belongs to jobs and small business.

Ms McGuirk: It's a 13-week by 13-week arrangement. There is a broader arrangement for people with serious illnesses, 52 weeks, but for the in-depth policy analysis I think you should go to the Department of Jobs and Small Business.

Mr Bennett: Chair, at this point, I indicated to Senator Watt that I would get some data for him. I'm not quite sure if he is returning.

Senator SIEWERT: His file is here so I think he probably is.

Mr Bennett: Okay.

Ms Campbell: We will hold that data until we are getting to the end of outcome 1, or we see Senator Watt?

CHAIR: Yes, when he comes back we will create that opportunity. Now we head to Senator Faruqi.

Senator FARUQI: Good morning. Thank you very much for coming in today.

Senator SINGH: Can I confirm: are we still on outcome 1.8?

CHAIR: No.

Senator SINGH: We're going back.

Senator FARUQI: I have a few questions regarding the implementation of the childcare subsidy.

Ms Campbell: Senator, we're not responsible for the childcare subsidy. The department of education is responsible.

Senator FARUQI: The implementation through Centrelink?

Ms Campbell: That's the Department of Human Services, which are on later this evening.

Senator FARUQI: Okay. I wasn't sure. So it's not human services here at the moment.

Ms Campbell: We're social services.

Senator FARUQI: I thought it was human services. No worries. I'll try later.

Senator SINGH: Chair, we're ready to move to outcome 2. I think Senator Siewert has still got some outcome 1 questions.

Senator SIEWERT: I still have some outcome 1 questions. Will I keep going with disability?

CHAIR: Yes.

Senator SIEWERT: I don't know if this is a question for here. If I'm on DSP, am I able to stand as a candidate for a political party?

Ms Campbell: Senator, I wonder whether that might be better directed to the Electoral Commissioner, because I don't think we have considered that.

Senator SIEWERT: I'm not talking about whether you're covered under section 44. I'm talking about the rules for DSP.

Ms Campbell: My understanding is that the DSP eligibility revolves around income and assets.

Senator SIEWERT: That's why thought.

Ms Campbell: So, my understanding is that, when people stand for parliament, the parliament wouldn't be paying them while they were standing, so there would be no income from there. It would depend on what other income and assets—we would strictly look at it from an income and assets perspective. But I think the electoral commissioner might—

Senator SIEWERT: Yes, I understand that is a different question. I wanted to separate out the two. Thank you. I don't know whether I should be asking these questions here or in DHS. So tell me where to go—in a nice way!

Ms Campbell: We do try!

Senator SIEWERT: I have some questions about people who are on DSP that then end up in detention and the process about suspending their payments and cancelling their payments.

Ms Campbell: So there is a policy element which we can talk with you about.

Senator SIEWERT: Okay. That would be great. Then I'll talk to them about numbers. So my understanding is that the new policy that's being implemented is that the time frame for the suspension of DSP—when you have to reapply. Can you take me through the implementation of that and whether there's legislation needed or whether there's rule changes or whether it's just a policy change.

Mr Bennett: There's no legislation required to do that. As we've previously discussed, this is about having DSP become aligned to other payments, such as Newstart et cetera, so it's the same period that it occurs. Section 80 of the Social Security (Administration) Act gives the secretary a discretion to cancel, suspend payments when they are not payable to a person. Section 115 of the Social Security Act 1991 mandates—

Ms Campbell: 1158.

Mr Bennett: Sorry. I made a typo. 1158.

Senator SIEWERT: 1158. Okay.

Mr Bennett: Mandates that Social Security payments are not payable to a person who is in prison. There is legislative authority for the decision, and it comes to a decision of the secretary to implement the policy of government.

Senator SIEWERT: Can you say that again? It's a policy of government?

Mr Bennett: Yes.

Senator SIEWERT: And they can implement it.

Mr Bennett: Yes.

Senator SIEWERT: Through the secretary?

Mr Bennett: Yes.

Senator SIEWERT: Okay. Thank you. Do you know how many people on DSP who are detained have actually got their DSP payments suspended at the moment? Just tell me if it's DHS.

Mr Williamson: We don't have that current data.

Ms Campbell: Yes. We don't have that current data.

Senator SIEWERT: DHS for that one?

Mr Bennett: I'm not quite sure. They might have it.

Mr Williamson: Yes.

Ms Campbell: They might.

Senator SIEWERT: That's what I mean—DHS?

Mr Williamson: Yes.

Senator SIEWERT: In terms of the number of people that you expect to be—now have—lose eligibility for DSP, can you just tell me how many you expect?

Mr Bennett: From the measure, it's estimated that approximately 220 former recipients each year will not meet the DSP impairment tables.

Senator SIEWERT: How much is in the forward estimates? Or how much are you going to—

Mr Bennett: This is a budget announcement.

Senator SIEWERT: Yes.

Mr Bennett: The amount over the forwards is \$5.2 million.

Senator SIEWERT: Thanks. Can I go to issues of programs of support? You know the figures you gave us previously—are you able to tell us those that meet the immediate manifest disability requirement?

Mr Williamson: I don't think we've got that with us. Hang on.

Senator SIEWERT: Tell me if you can tell me first. There's no point me asking you to take it on notice if you can't provide that level of information.

Mr Williamson: We should be able to tell you who meets the manifest criteria, the number.

Senator SIEWERT: The percentage.

Mr Williamson: We can give our colleagues in DHS a heads-up because they may be able to give you the figure tonight rather than you waiting for a written response.

Senator SIEWERT: That will be great.

Mr Williamson: We will forewarn them. If they are unable to, we'll do it. But they should be able to.

Senator SIEWERT: If possible, I'd like to know from when the changes to when the impairment tables were made.

Ms Campbell: From 2010-11.

Senator SIEWERT: No, it was after that.

Mr Williamson: 2011-12.

Senator SIEWERT: 2011-12. And then when the program of support requirements were brought in. Obviously, you can only give me the figures from when that came in. But can we have the figures from there, not just from last year?

Mr Williamson: How many people were granted under manifest—

Senator SIEWERT: Yes. I'm trying to work out how many have actually gone through the program of support. And I figure you can't tell me that, because you don't necessarily know.

Mr Bennett: Sorry. I can tell you how many people have gone through a program of support.

Senator SIEWERT: Can you? Okay.

Mr Bennett: Since introduction, September 2001 to June 2018—

Senator SIEWERT: Sorry, 2000 and when?

Ms Campbell: 2011.

Senator SIEWERT: I was confused. I thought I'd missed something.

Mr Bennett: Actually, I can tell you the claims that were rejected for not having met POS requirements. I have a table, a breakdown—I don't think I can answer that, sorry, Senator.

Senator SIEWERT: That was why I was asking it other way, because I seem to recall having asked before about how many people have gone through programs of support and the answer was—

Ms Campbell: We are just trying to work out what we've got, and see whether that's useful.

Mr Williamson: We can tell you each year how many claims were rejected because they didn't meet program of support requirements.

Senator SIEWERT: That would be helpful. That would be useful information, but I'm trying to work out, for example, of the 103,000 over the last 12 months, how many of those had gone through program of support?

Ms Campbell: Before they came and claimed again?

Senator SIEWERT: Yes.

Ms Campbell: I think what we've got is how many of the 103 were rejected because they hadn't done a program of support.

Senator SIEWERT: But the 103 are on.

Ms Campbell: No. The 103 were claims.

Mr Williamson: No, sorry. They were the claims.

Senator SIEWERT: That's right. Sorry. Yes.

Mr Bennett: I can tell you that if—

Senator SIEWERT: That would be useful.

Mr Bennett: For 2017-18 it was 1,119.

Senator SIEWERT: So 1,119 of those claims were rejected because they hadn't done the program of support?

Mr Bennett: Yes.

Ms Campbell: Yes, so about one per cent. Have we got other—

Mr Williamson: Previous years?

Senator SIEWERT: Yes.

Mr Bennett: 2011-12; 1,410. 2012-13; 2,895. 2013-14; 3,336. 2014-15; 3,262. 2015-16; 2,678. 2016-17; 1,706. 2017-18; I've given you that figure. If that doesn't total \$17,206, then I've made a typo.

Ms Campbell: So that's roughly—

Senator SIEWERT: Overall it's 17,206.

Mr Bennett: Yes. For that time period.

Senator SIEWERT: Okay. But it doesn't then—

Ms Campbell: Tell you—

Senator SIEWERT: tell us how many have actually done the program? It is useful information to know, but it doesn't—

Ms Campbell: I'm not sure Human Services are going to be able to get that for you tonight either. We probably should take it on notice.

Senator SIEWERT: If you could, that would be appreciated. Thank you. For people that go onto Newstart while they are being assessed for DSP, is there a set period of time for that?

Ms Campbell: I think the set period of—so they go on to Newstart while we're doing the claim?

Senator SIEWERT: Yes.

Ms Campbell: I think they go onto Newstart if they meet those criteria and, while the claim is being processed, however long it takes to process the claim.

Senator SIEWERT: For as long as it takes?

Ms Campbell: And then, if they are eligible for Newstart, they remain on Newstart, and they have the mutual obligations and requirements to look for a job. And, if they get a job, they come off Newstart. If they then are found eligible for DSP, they go on to DSP.

Mr Williamson: Yes. It's the time the claim takes.

Ms Campbell: It's the time it takes.

Senator SIEWERT: Are they exempt from mutual obligations during that period of time?

Ms Campbell: I don't know.

Mr Williamson: I don't think they are all. I will just check.

Ms Campbell: If they had a medical exemption they might be, but I don't think it's a rule. I think it depends on the—

Senator SIEWERT: It depends on circumstances?

Mr Williamson: Yes, circumstances.

Ms Campbell: I think it's case by case. I think it would be the medical exemption that we talked about earlier.

Senator SIEWERT: I've got some data questions that I'll put on notice. If I'm asking about the program of support and the general numbers who are undertaking that anyway, rather than the question I've just asked you, should I ask Jobs and Small Business?

Ms Campbell: Is that about people who are on medical exemptions? Is that what you're asking?

Senator SIEWERT: People on medical exemptions I'll ask about next, because it's next door—Jobs and Small Business.

Ms Campbell: Human Services will probably have some insights as well. The program of support is under this portfolio. We'll take that on notice and see what we can find out for you.

Senator SIEWERT: I'm after those who have transitioned through and those who have actually done the program of support and haven't gone on to DSP. So I want a comprehensive analysis, basically, of the data on—

Ms Campbell: We'll see what we can get on that and see what is recorded in the system, because otherwise we'd have to look at 100,000 claims. So we will just see what we have.

Senator SIEWERT: That would be appreciated. Thank you. My other questions are quite detailed. In terms of the program of support, could you also outline from that data how many have actually gained employment?

Ms Campbell: I don't know that we'll be able to. We will only know if they are no longer receiving income support payments. They may have partnered with someone with income. There may be a number of reasons why they've—

Senator SIEWERT: Or they've given up applying.

Ms Campbell: We will know whether they're on an income support payment or not.

Senator SIEWERT: That would be useful to know. Thank you.

Mr Bennett: I was also just informed that, when people are on Newstart, they won't be subject to an activity test.

Senator SIEWERT: Thank you very much. That's much appreciated. To go back to the issue of the program of support, could you look to see if you've got data on people who have exited it prior to the 18 months for other reasons.

Ms Campbell: We'll look and see what we've got.

Senator SIEWERT: Thanks. I'm trying to get an idea of how many people are dropping out of the system because they can't actually manage the program of support.

Mr Williamson: Sure.

Senator SIEWERT: They haven't gone onto income support; they've just dropped out of the system.

Ms Campbell: But they can be on Newstart and on a program of support, can't they?

Senator SIEWERT: Yes, they could.

Ms Campbell: I think they can.

Senator SIEWERT: They could just be on Newstart under normal mutual obligation requirements. That's what you're saying, isn't it?

Ms Campbell: I think that's more—

Mr Williamson: Before they apply?

Ms Campbell: This is after they have applied for—

Senator SIEWERT: Sorry, yes.

Ms Campbell: I thought they could be on Newstart and a program of support.

Mr Williamson: I think they can be after they have applied.

Ms Campbell: Yes, after they've applied. So we would say to them, 'You would benefit from a program of support.'

Senator SIEWERT: I will put the rest of my DSP questions on notice. I have student payment questions on the wait period for youth allowance.

Ms Campbell: Is that the policy wait period you're interested in or the processing wait period?

Senator SIEWERT: Tell me about the policy wait period.

Ms Campbell: Sorry, it's not a wait period. It's a policy on how people have become eligible for youth allowance.

Senator SIEWERT: What I'm interested in is the delay in payments at the moment. We're seeing with youth allowance the same issues with delay in accessing payments and assessments of payments that we had with aged care. I'm sure that you're aware of that.

Ms Campbell: I think DHS will be better equipped to answer that. I understand that the youth payments have improved significantly. There's been a significant improvement in recent times in youth payments.

Senator SIEWERT: I will follow up with DHS tonight, but can I ask: the sorts of discussions that you had with DHS about the age pension, did you have similar with youth allowance?

Ms Campbell: Yes, we did.

Senator SIEWERT: Are they regularly reporting back to you about those payments?

Ms Campbell: We are continually monitoring these payment types.

Senator SIEWERT: Are you now satisfied that DHS are on top of that process, or are you still continuing to monitor it?

Ms Campbell: We continue to monitor all payments. But my recollection is that there has been a significant improvement in our youth allowance payments processing.

Senator SIEWERT: What's your understanding of the significant improvement, in terms of time? What do you count as a significant improvement?

Ms Campbell: We have some key performance indicators, and I think they're back within—we're just looking.

Mr Williamson: We'll see if we can come back to you on the any particular number.

Ms Campbell: Human Services will have the exact numbers. But I think, from my perspective, that wasn't one that I was focusing on at the moment anymore.

Senator SIEWERT: Because it has improved?

Ms Campbell: It's back within expectations.

Senator SIEWERT: What is 'expectations'? I'm not trying to be pedantic, but I'm trying to understand what is considered in that expectation period.

Ms Campbell: We have some parameters around which we expect youth allowance to be processed within.

Senator SIEWERT: What are they?

Ms Campbell: We're just going to get that for you now.

Mr Williamson: At the moment, for all youth allowance payments, about 70 per cent are being processed within 42 days.

Senator SIEWERT: Seventy per cent in 42 days. That's now. That's your understanding?

Ms Campbell: Yes.

Senator SIEWERT: Is that within your expectation?

Mr Williamson: Yes. It's certainly around there where we would like to be able to hit.

Senator SIEWERT: Do you have set targets?

Mr Williamson: We have bounds.

Senator SIEWERT: What are the bounds?

Mr Williamson: They relate also to other payments as well.

Senator SIEWERT: What are those bounds?

Mr Bennett: In the area between about 70 to 80 per cent, we'd call this an area of interest. If they were processing above 80 per cent within 42 days, it would be less of an area of interest.

Senator SIEWERT: If they're in 70 to 80 per cent, you say it's an area of interest. If it's an area of interest, does that signal your concern?

Mr Williamson: That means we would be talking to DHS about it as part of those quarterly discussions. It would be a payment that would come up for a particular discussion.

Senator SIEWERT: Okay. You've just said 70 per cent are being processed within 42 days. But you said you're now happy with it.

Ms Campbell: We said that there'd been improvement and that we thought there were mechanisms in place to ensure that they—

Senator SIEWERT: To continue; is that what you're saying?

Ms Campbell: To continue the improvement and to focus around 80 per cent, where we're happy.

Senator SIEWERT: You're happy at 80 per cent within 42 days.

Ms Campbell: Yes.

Senator SIEWERT: So I understand, you're saying you're now satisfied there are provisions in place to move—

Ms Campbell: To get back.

Senator SIEWERT: from 70 per cent to 80 per cent, where you'd be in the happy zone.

Ms Campbell: Yes.

Senator SIEWERT: Right. Thank you.

Mr Bennett: The data we are using is some weeks old. DHS will have the current data.

Senator SIEWERT: I take your point. Thank you. I will put the rest on notice.

CHAIR: We need now to move to outcome 2.

Ms Campbell: Excuse me, Chair, before we go to outcome 2, did you want that information on family tax benefit for Senator Watt.

CHAIR: When he comes back we will create a session.

Ms Campbell: I'll probably release the outcome 1 officers. But, if they can leave it with me, I can do it.

CHAIR: They can hang around a bit, because he will soon be here.

Senator McALLISTER: Chair, incidentally, I understand that we don't have to go to outcome 2 at any particular time.

CHAIR: We have 10 minutes, and we can waste the 10 minutes if we want, or we can use those 10 minutes constructively, and when we need to come back we have some buffer of time. We have finished outcome 1.

Senator McALLISTER: It's just that I don't think Senator Siewert has finished outcome 1.

Senator SIEWERT: Can I just say that I'm not wasting my time. These questions are important to me. So, when you say 'wasting time', I actually have legitimate questions.

CHAIR: I'm sorry, Senator. What I meant is we've got 10 minutes to move to outcome 2. So, if you want to have questions, you can ask them, but at 12 is the time for outcome 2.

Senator CAROL BROWN: The point, I think, Chair, is that if we have questions in the current outcome, we're not required to move on.

CHAIR: Absolutely not.

Senator CAROL BROWN: So there you are. So we don't worry about it.

CHAIR: Do you have questions for outcome 1?

Senator McALLISTER: No, but I think Senator Siewert has additional questions—

Senator SIEWERT: I do. I have one more.

Senator McALLISTER: I don't think we have any objection to facilitating her asking them.

Senator SIEWERT: Also, you may want to get the information that Murray wants. I'll ask my questions, and Senator Watt might come. I just wanted to talk very briefly about working age payments. It relates to issues that we were actually talking about with DSP. With Newstart, when you do have a chronic illness—for example, there's been a lot of attention on endometriosis—how has that been facilitated? Where people do have a chronic illness such as endometriosis, what are the provisions beyond just, 'Keep applying'? It's a classic example of supporting people with a chronic illness. Has there been, for example, specific attention paid to endometriosis and how we can support women who have it? I've heard personal reports, and I'm sure we have all seen the media stories as well, where women are just chronically unable to work. In fact, I've had a constituent talk to me about having to drop out of work because she just couldn't maintain work. Those are the sorts of examples of people that are caught between Newstart and DSP.

Ms Campbell: Did you want to us a talk about the provisions within Newstart that allow people—is it a policy issue you're asking?

Senator SIEWERT: It's a policy issue in terms of whether there is now consideration being given to better supporting people. This is a long-term illness.

Ms Campbell: The government has in place the two payments. I think you're probably aware of the provisions for seeking the mutual obligation exemptions when people are incurring episodes of this illness. There isn't any suggestion that the tables are likely to change.

Senator SIEWERT: So people have to just basically keep applying for the 16-week—

Ms Campbell: And there's a 52-week—

Ms McGuirk: Exemptions policy is for the Department of Jobs and Small Business, but there is a definition of serious illness. For episodic conditions, there is no specific work being done at this point in time. Depending on your condition, you may have a partial capacity to work. You may have been assessed as having lower than full-time capacity on a regular basis. Otherwise, exemptions are for the periods where you're unable to participate to the level that you've been assessed at. That's the way you would be exempt from your mutual obligation activities.

Senator SIEWERT: I have a constituent who said her job search exemption expired, and when she inquired for another was told she couldn't get one as her condition was unchanged.

Ms Campbell: Senator, is this the same one we're going to try and do service recovery on, or is this a different one?

Senator SIEWERT: This is a different one.

Ms Campbell: I would like, if that person was willing, for you to share the details with us, and we will look into it with Human Services to see whether there are different circumstances that can be applied. I think we understand your point, Senator, around this partial capacity to work issue. Ms McGuirk's just outlined what the government's policy on that is.

Senator SIEWERT: How does it relate to being told the condition is unchanged, so you don't get another exemption?

Ms Campbell: I'm really keen to understand and to hear from the other people who are involved in that interaction what happened and whether there are other options for that citizen.

Senator SIEWERT: I'm happy to see if we can provide it—take the name off et cetera—but I have to say that this isn't the first time that I've had constituents and people running into this issue. It's a continuing issue with people running into it, and very often it seems to be different decisions made. But it's not the first time I've had this.

Ms Campbell: That's why it's useful to get the details, even with the person's name, actually. That is even more useful, because that way we can actually work out whether it was a one-off or if there's a system issue. Sometimes we find that in different offices there might be a misunderstanding and so there is some re-education for the people who do this engagement. Or we ask, 'What are the circumstances for that individual?' This is not about targeting, it's about seeing what the available outcomes are for that individual.

Mr Williamson: We would need to work with jobs and small business as well—

Ms Campbell: On the criterion.

Mr Williamson: because they actually have that policy responsibility; it's not within our remit.

Senator SIEWERT: Yes, I understand that.

Mr Williamson: We would need to talk to them about the example, to say—

Senator SIEWERT: But it also relates to policy, though, in terms of how the payments are or aren't meeting people's needs.

Ms Campbell: And the interaction.

Senator SIEWERT: Yes.

CHAIR: Can we move to outcome 2?

Ms Campbell: There is still some family tax benefit material that Senator Watt was looking for.

Mr Bennett: Senator Watt asked us if we could come back with some data to June 2018. The number of children covered by FTB in total is 2,819,285; covered by FTB part A is 2,767,161; and by FTB B is 2,060,495. As we discussed previously, you can't add those figures together because children can be covered by both payments. I think he asked about the children covered by both FTB part A and part B, and that is 2,037,196. If FTB part A only, then it's 729,965, and for FTB part B only it's 23,299, and a category of regular care was 27,825.

Senator McALLISTER: Thanks. Is it convenient for you to table those figures, just so we have an accurate representation? If not, I understand that you may wish to provide them later. But if you have them there?

Mr Williamson: I will need to test that. I will either put them on notice, as a table, or if I can extract them, I'll bring them back in.

Senator McALLISTER: I appreciate that.

CHAIR: We'll move to outcome 2.

Senator McALLISTER: Thank you. I want to talk about the redress scheme, in the first instance. Ms Campbell, do you think your staff have confidence in the way the redress scheme is being handled?

Ms Campbell: Do my staff have confidence? Yes, we have confidence in the way the redress scheme is being rolled out. We appreciate that as we roll out all new programs, and we're working with our colleagues in human services, we will find, particularly in the early months, things that we hadn't envisaged, or that sometimes, when we're dealing with a particular cohort of claimants or recipients, we can do things better. We need to make those changes as we go: a continual improvement process.

Senator McALLISTER: Have there been any concerns raised with you about culture or the overall approach to handling the redress scheme?

Ms Campbell: I have received some correspondence from people who had previously worked in human services and who have now left human services about how the scheme was being rolled out. We raised those matters with human services. Human services undertook an investigation into those claims, and have put in place a number of changes to address any issues that were raised.

Senator McALLISTER: Right. So how many staff corresponded with you, Ms Campbell?

Ms Campbell: I will ask someone to check, but I think it was three or four.

Senator McALLISTER: Three or four staff. Was that in writing?

Ms Campbell: Yes, it was.

Senator McALLISTER: Could you table copies of the correspondence?

Ms Campbell: I'll take that on notice.

Senator McALLISTER: Were they all staff members in the Department of Human Services?

Ms Campbell: They were contract staff members engaged by the Department of Human Services.

Senator McALLISTER: And their concerns were generally aligned with one another?

Ms Campbell: They were similar in nature, yes.

Senator McALLISTER: Speaking broadly, what was the nature of those concerns?

Ms Campbell: The people who wrote to me were concerned that the staff who were taking part in this process didn't have the appropriate skills to deal with individuals who'd been traumatised.

Senator McALLISTER: Okay, so, I guess, a trauma-informed process?

Ms Campbell: Yes.

Senator McALLISTER: There were three or four examples of written correspondence to you.

Ms Campbell: That is correct.

Senator McALLISTER: And they were contract staff. Did anyone, in addition to those people, speak to you about it verbally, or seek to contact the department in other ways?

Ms Campbell: No-one has contacted me personally. I'm not sure whether they didn't try. But we did receive those written pieces, which were very comprehensive, and we spoke immediately with Human Services—they were copied in on the correspondence, if I recall—and then put in place a mechanism to investigate the complaints that had been made.

Senator McALLISTER: What is the time frame in which this correspondence was received? When was the first piece of correspondence received?

Ms Campbell: We don't actually have the correspondence. My recollection is that it's about six weeks—we'll check and see if we can get someone to get the date of the correspondence—about six to eight weeks ago.

Senator McALLISTER: We're in the middle of October now; we're going back to, say, August.

Ms Campbell: August/September period, then, but I will see if we can get the exact dates.

Senator McALLISTER: I'd appreciate that. So your immediate response, having received the correspondence, was to speak with whom in DHS?

Ms Campbell: I think I asked Ms Hefren-Webb, who is the deputy secretary responsible, to engage with the relevant deputy secretary in human services.

Senator McALLISTER: Ms Hefren-Webb, who did you speak with at that time?

Ms Hefren-Webb: I spoke with Ms Catherine Rule, deputy secretary in Human Services.

Senator McALLISTER: Would you mind repeating her last name? I'm sorry I couldn't quite hear.

Ms Hefren-Webb: Catherine Rule, who's my counterpart.

Ms Campbell: To be complete, at the next formal catch-up I had with the secretary of Human Services I raised it with the secretary of Human Services as well.

Senator McALLISTER: What was the nature of that contact with Ms Rule—you telephoned her, Ms Hefren-Webb?

Ms Hefren-Webb: Yes, I did.

Senator McALLISTER: Do you know what date it was that you telephoned her?

Ms Hefren-Webb: I don't have that with me. It would have been the date I first became aware of the letter, but I don't have the date with me.

Senator McALLISTER: To clarify that, Ms Campbell, when did you speak to Ms Hefren-Webb?

Ms Campbell: Immediately I received the correspondence.

Senator McALLISTER: Immediately after receiving the correspondence. You communicated the concerns, and did you express a view about whether or not they were substantiated by the correspondence?

Ms Campbell: I expressed a view that they should be investigated immediately and action should be taken immediately.

Senator McALLISTER: I'm not sure that you confirmed this—are those three or four people still working as contractors with the Department of Human Services?

Ms Campbell: It is my understanding that they're not.

Senator McALLISTER: I appreciate that this is, in fact, a matter for that department, but thank you. How many applications for redress have been received at this point?

Ms Hefren-Webb: I believe it's in the vicinity of 1,700 applications.

Senator McALLISTER: How many redress payments have been made?

Ms Hefren-Webb: As I advised, I think a couple of weeks ago, the joint select committee, under ten payments have been made to date.

Senator McALLISTER: Which institutions have payments been made in respect of?

Ms Campbell: Senator, can I just clarify, because it's a very small number. Sometimes we don't disclose very small numbers, because that would actually start to identify individuals. I'm just going to ask the officers at the table to see whether that is the case.

Mr Taloni: Yes.

Ms Campbell: I think that is the case because of the very small numbers. We may not want to disclose that, because it would potentially indicate the claimant.

Senator McALLISTER: I appreciate that that may be the case for some but not all of the institutions in that group of 17 payments. Of those institutions where a payment has been made, are there any that you can identify? I appreciate that you may not be identify them all.

Ms Campbell: We generally say that, if it's less than 10, we don't identify them. I'm just checking to see whether, of the 17, there is anyone who's got 11.

Ms Hefren-Webb: Can I just clarify: it's less than 10 payments that have been made overall. It's 1,700 applications that have been made. Less than 10 payments have been made.

Senator McALLISTER: My apologies, Ms Hefren-Webb; I think that was my transcription mistake, not yours. So it's less than 10. That makes all of that much more straightforward, and I appreciate it. What's the average value of the payments so far?

Ms Hefren-Webb: My understanding is that the average value is approximately \$100,000.

Senator McALLISTER: What are the maximum and minimum payments that have been made?

Ms Hefren-Webb: I don't have those details with me. I don't know if Mr Taloni has.

Mr Taloni: I do not. We can look to get that information.

Senator McALLISTER: If you could do that today, I'd appreciate it. I assume it's not difficult to obtain. And the total value of the payments made to date?

Mr Taloni: Again, we'll see if we can get that information for you.

Senator McALLISTER: Okay. How many institutions have indicated that they will participate in the scheme?

Ms Hefren-Webb: Senator, as you know, a number of institutions have indicated that they will participate but have not yet formally been on-boarded. I might ask Ms Stuart from the redress team to provide you with advice on who's fully on board.

Senator McALLISTER: That would be great. I'd be keen to understand both those organisations that have committed and those organisations that have actioned that commitment.

Ms Hefren-Webb: Just before Ms Stuart takes you through that: you would be aware that an institution like the Catholic Church is actually made up of multiple institutions, dioceses and orders, so in some cases there may be variation within the larger institution of the Catholic Church as to who's at what stage of the process. But I'll pass over to Ms Stuart.

Ms Stuart: In terms of non-government institutions, we currently have nine non-government institutions formally commenced in the scheme.

Senator McALLISTER: Are you able to identify those?

Ms Stuart: Yes. They are the YMCA, Korowal School, Scouts Australia, Scouts New South Wales, Scouts Victoria, Scouts South Australia, Scouts Western Australia, the United Protestant Association of New South Wales and the Salvation Army.

Senator McALLISTER: Which institutions have said that they will sign up but have not yet actually become part of the scheme?

Ms Stuart: A further 17 non-government institutions have publicly announced that they will join the scheme.

Senator McALLISTER: I'm happy for you to read them out. I wonder if tabling might not be a more efficient way through this, if you're willing to do so?

Ms Campbell: Could we do it quickly, reading it out? I'm not sure we've got a tabling-ready document.

Senator McALLISTER: That's fine.

Ms Stuart: There's the Anglican Church; the Australian Christian Churches; the Australian Province of the Society of Jesus, more commonly known as the Jesuits, a Catholic religious order; Baptist Churches Western Australia; Barnardos Australia; the Catholic Church; Geelong Grammar School; Jewish Care Victoria; Jewish House in New South Wales; Kesser Torah College; the Lutheran Church; Scouts ACT; Scouts Northern Territory, Scouts Queensland; Scouts Tasmania; Trinity Grammar School in Victoria; and the Uniting Church.

Senator McALLISTER: Thank you. How does the department notify victims and survivors so they know when their relevant institution has signed up for the scheme?

Ms Hefren-Webb: The institutions who are formally participating in this scheme are listed on our website, the Redress Scheme website, so they can search for the institution. We do encourage people to put forward their application, in any case, but in the case of a small community organisation they may not come onboard until they know they have a potential claim. So we do encourage people, if they think they have a claim under the scheme, to put their claim in, in any case. Where it's a small organisation, we will contact them and advise them.

Senator McALLISTER: What is the cause of the delay for these 17 organisations—which, as you observe, may have multiple entities sitting underneath them—in them becoming active participants in the Redress Scheme?

Ms Hefren-Webb: It is quite a complex set of arrangements that we need them to go through, to satisfy us, around their participation in the scheme. I might ask Mr Taloni or Ms Stuart to speak briefly about what's involved.

Mr Taloni: There are a number of processes that they need to go through. These organisations need to have their governance set up appropriately. For some of them, it's legal arrangements. They might be setting up a specific company and there may be some financial issues that they need to go into and look into. Because of some of these bigger organisations, and there are so many different parts of it, they have been mobilising themselves and engaging with the various dioceses and parts, and it's just a time-consuming process to get everybody onboard. We've made good progress with the majority and some of the bigger ones are getting close, but it does take time.

Senator McALLISTER: When you say 'getting close', when can we expect these institutions to come onboard?

Mr Taloni: With some of the bigger ones, we're expecting in the next month or so.

Senator McALLISTER: I'm conscious that they've known, effectively, since 2015 that such a scheme was in the wings. It does strike me as unfortunate that we're still waiting and that survivors are still waiting. Anyway, sorry; that's really just a comment. Minister, what is the government going to do to get some of these organisations to make haste and sign up? People are still waiting.

Senator Fifield: I'm happy to take that on notice, talk to the minister and come back to the committee.

Senator McALLISTER: It's not something that's been discussed as part of broader deliberations within government?

Senator Fifield: I'll have to talk to the minister.

Ms Hefren-Webb: I might be able to advise that Minister Tehan and now Minister Fletcher have been tracking very closely the participation of the organisations. They have been engaged in discussions with their representatives to encourage them, strongly, to come onboard as quickly as possible, to meet the requirements. So there have been active efforts, both within the department and by the relevant ministers.

Senator SINGH: Will there be regular updates?

Ms Hefren-Webb: As I said, as people come on board, we put them up on the website. When an organisation or an institution is now participating, that will be updated.

Senator SINGH: So it's in real time.

Ms Hefren-Webb: There's also an email alert that you can subscribe to that will send you an update when organisations come on board. A lot of survivors' and support organisations have subscribed to that service.

Senator McALLISTER: Are you providing public information, or intending to provide public information, about the payments made by the specific institutions? I note your earlier remarks, Ms Campbell, about constraints with very small numbers, but I assume we hope that small numbers won't be the situation in the very near future.

Ms Hefren-Webb: Indeed. We will intend to provide regular reporting on the scheme, on the number of applications, on the stages that the different applications are at and the numbers of payments as the scheme builds. As you know, people have 10 years to apply.

Senator Fifield: I can advise that Minister Fletcher is proactively contacting organisations to come on board. He meets regularly with them and, as officers have indicated, both DSS and DHS are also contacting organisations regularly. That is direct from Minister Fletcher, Senator McAllister.

Senator McALLISTER: Thank you. How many applications have been received in relation to institutions which have not signed up to the scheme?

Ms Hefren-Webb: I'm just having a look at the data, sorry, just to see if I have that figure.

Ms Creech: Of the applications received, there's approximately a quarter that have been through the initial screening process and identified as an institution that is not yet participating in the scheme. There's a larger number that are still going through those initial screening processes. That would look to identify whether the application is complete and also do some investigation about which institution has been nominated. That can be quite a complex process. Some applications involve multiple institutions, so there's still that work going through to identify which institutions are responsible.

Senator McALLISTER: So a quarter of the 1,700 have been assessed. I suppose I'm interested in what you are doing about these institutions that are identified by victims and survivors but those institutions themselves may not yet have either joined the scheme or indicated an intention to do so.

Ms Hefren-Webb: It depends whether it's a large institution that is pretty aware that they have an exposure versus a small institution that may not. As we said, with the larger institutions, they are very well aware they have an exposure. We've been undertaking very active efforts to get them to come on board as quickly as possible. The minister indicated that's extended to Minister Fletcher's participation in that. Where it's a small institution that perhaps wasn't raised through the royal commission process, we might be cold calling them to say: 'We've received an application. We think it relates to your organisation.' Current people in that organisation—it could be a volunteer organisation—might not even have knowledge of the specifics or the people that are named. So it's often a question for them as to how they respond, and they need to go and talk to their fellow committee members or chair or whatever. It really is a case-by-case proposition of how we are dealing with these institutions, but we are undertaking every possible effort to progress the onboarding of institutions.

Senator McALLISTER: Is that someone's job or a group of people within the org chart that we could identify?

Ms Hefren-Webb: Mr Taloni's division has two branches that look after redress. Ms Creech heads one of those branches and Ms Stuart heads the other. And, yes, there's a team specifically devoted to working with the institutions.

Senator SINGH: How many institutions are we talking about?

Ms Hefren-Webb: I don't know how many institutions the 1,700 currently relate to. But, over the term of the redress scheme, there will be hundreds of institutions. As I said, some of them are very large; some of them are large institutions with multiple subparts. I don't think we have a figure. I'll just check.

Mr Taloni: We would be engaging with probably less than 100 at this stage, but we expect that will build up. It's worth noting that those 100 have multiple parts to them. When it does come to engagement it's worth indicating that we may do a cold call in some cases for organisations that are, perhaps, smaller. We would follow it up with an email. We would then follow up with, potentially, a face-to-face. We're happy to come and meet with them, talk them through and talk their boards through. We try to do it in a way that brings them on the journey. It's not just a cold call and you're left alone. We need to bring these organisations along. Sometimes it takes a couple of calls, but, by and large, they do come for the journey. It then just takes time.

Senator McALLISTER: I did my best to transcribe Ms—

Ms Campbell: I think Ms Stuart made the list.

Senator McALLISTER: There are 26 or 27 organisations that have either joined or indicated an intention to do so. Mr Taloni, I think you just said that, even at this early stage, you're already dealing with 100 organisations.

Mr Taloni: Less than 100. There's a bunch with whom we've made contact. On the way it works, human services will get the applications and, in those applications, they might identify an institution. They will let us know and then we'll start on that path. We've got a lot of feelers out there with institutions who are being flagged in applications, but we're trying to get on board quickly.

Ms Hefren-Webb: I'll add that, in some cases, in their application it's not completely clear what the institution is. They might say, 'I was in an orphanage in this country town.' We do the research and work out that there were potentially three orphanages. We might end up not having an ongoing relationship with some of the institutions we approach, but we need to approach them—

Senator SINGH: What happens when the orphanage, the institution, no longer exists?

Ms Hefren-Webb: There are processes in place in relation to institutions that no longer exist where there is government responsibility for the placement of the child in that institution. In the case of an orphanage, if the New South Wales government, to use an example only, were responsible for the placement of the child in that

institution, the New South Wales government would have responsibility, but we we're dealing, as I said, with each case as it comes up.

Senator McALLISTER: Thank you. It sounds like it's evolving, but I am interested in getting a rough indication of the proportion of victims and survivors you expect will be covered by the institutions that have already signed up.

Ms Campbell: Because we've got some very big organisations yet to finalise that signing up, I think the numbers would be not a true indication of what we expect to happen in the next 12 months.

Senator McALLISTER: In the last couple of days, there have been various media reports about the size of the scheme, with both \$4 billion and \$6 billion being reported as total scheme size. What's the current estimated total cost of the redress scheme?

Ms Campbell: The way the redress scheme works is that the responsible institution actually makes the payment, so the Commonwealth makes the payment and they pay it back. I'm just trying to work out whether we have worked that out. We don't have it to hand. We know that there are likely to be 60,000 claimants and—

Ms Hefren-Webb: My memory is that the estimated cost is \$4.3 billion, but, as Ms Campbell said, that's not the cost to government; that's the cost to all participating institutions.

Senator McALLISTER: It's a relevant conversation because your estimation is 60,000 claimants. If more than that number come forward, will new agreements be needed with institutions and states or is it effectively uncapped from their perspective?

Ms Campbell: My understanding is it's not a capped scheme.

Senator McALLISTER: So the existing agreement should cover any number of people who come forward?

Ms Campbell: Claimants that come forward, yes.

Senator McALLISTER: What is the estimated cost for the Commonwealth and for each state and territory?

Mr Taloni: We don't have that to hand. We will have to come back to you on that.

Ms Campbell: The Commonwealth is making payments for support services. I'm sure we would have a budget measure that we can find to give you that amount of money. The Commonwealth will have a number of claimants against it. I'm not sure that we have that to hand. As for the states, it is probably in each of their budget papers. I have seen when states have made announcements about them joining the scheme, that there's been a suggestion of a figure. But it would probably be best if we take that on notice and have a look at their budget papers to see what they have done.

Ms Hefren-Webb: We're funding support services to the tune of \$52.1 million over three years.

Senator McALLISTER: I'm mostly interested in the overall size of the redress payments rather than the cost of services but thank you, Ms Hefren-Webb.

Ms Campbell: In the Commonwealth, those costs are met by the responsible department. For example, if there was a claim from the Department of Social Services from us—Defence, Defence.

Senator McALLISTER: Could you provide an estimated cost for those institutions that have signed up?

Ms Campbell: Do we have actual estimates per institution? That would require us to look at the 60,000 and then attribute each of those to those institutions. I don't think we've got that level of specificity.

Senator McALLISTER: You know your own scheme better than I do, but my understanding is that part of the process of joining involves the organisation making clear to the department that it has the capacity to pay, and I would have thought that satisfying that test required that organisation to assess its likely liabilities and the department to assess its likely liabilities.

Mr Taloni: As part of the financial check-in process, we do check the financial viability to see if they can meet the test. There are some tools we use that we actually provide the institution—plug-in figures. To hand, I don't have what they are for those institutions, but we can look into it to see if we can get them quickly.

Senator McALLISTER: May I ask you to provide on notice the estimated costs for each of the institutions which have signed on. May I also ask you to provide any information that the department has in its possession about the further institutions that are presently engaged with the department about their sign-on process? And I'm interested both in the total liabilities but also the number of claimants that those organisations anticipate will make claims.

Ms Hefren-Webb: Yes.

Ms Campbell: I had undertaken to get some data about the complaint letters I received. Would you like me to put that on the record now?

Senator McALLISTER: Yes, terrific.

Ms Campbell: We received three letters; they were received on 24 August, 28 August and 9 September.

Senator LINES: You described before you have two teams working on redress. I wonder if it's your intention to use outside contractors at all in this work?

Mr Taloni: Outside contractors may be part of the staffing strategy. We were funded for a certain number of staff. At the moment, as a normal part of our business, we assess each role and whether it's appropriate or useful to use an outside contractor. I think there are a couple of outside contractors working in the team.

Senator LINES: So they're non-ongoing staff. They're from—

Ms Hefren-Webb: They're contractors.

Ms Campbell: Sometimes they bring expertise that—

Senator LINES: Can you tell us who the contractors are?

Ms Campbell: We don't usually disclose the names of individual staff—

Senator LINES: Is it a labour hire company?

Ms Campbell: I think we would have to take that on notice.

Senator LINES: I'm not asking for individuals. I'm asking for the name of the company and how many staff you have employed in the redress area from an outside agency.

Ms Campbell: We will take that on notice.

Senator SIEWERT: Can I follow up that question? There's been a great deal of discussion around the need for expertise for people who are handling this. Can you tell us whether those people are being hired through a labour hire—

Ms Campbell: We can talk to you about assessors. But I had understood we were talking about general branch staff as well.

Senator SIEWERT: We actually need to know both.

Ms Campbell: We can take that on notice.

Senator SIEWERT: Can you tell me whether the assessors are from a labour hire company? Or are they being hired on an individual basis due to their expertise?

Ms Hefren-Webb: Are you talking about the independent decision-makers?

Senator SIEWERT: Yes.

Ms Hefren-Webb: They are not assessors; they are decision-makers. Yes, the independent decision-makers are being hired through a labour hire company, based on their expertise. We've asked the labour hire company to source people with particular expertise, and that is what they are doing.

Ms Campbell: We have also asked states for nominations for people with expertise who may have worked in these types of systems before.

Senator SIEWERT: Will they be separate to the labour hire company or will they come through the labour hire company?

Ms Campbell: They will be engaged through a company.

Mr Taloni: It is probably worth clarifying that the labour hire company, as I understand it, actually helps us do the admin in supporting those independent decision-makers. The decision-makers are nominated by states and territories, who do their own vetting processes. They come to the Commonwealth and we do our vetting processes, in part to give the survivors comfort that we aren't employing people closely linked with institutions, for example. So there are a lot of checking processes. They are then employed, and I think the labour hire firm helps us do the admin so our people aren't focused on that side of it. That's trying to give you background, but we can certainly take some—

Ms Campbell: Because they are called independent decision-makers, we are trying to have a difference—

Mr Taloni: They are listed on our website. We have currently got four of them, but we're going through a process to get more because of the volume of applications.

Senator SIEWERT: As the volume escalates—

Mr Taloni: There will be more.

Senator SIEWERT: What is the total number of independent assessors that you are aiming for?

Ms Creech: We estimate that when the scheme is in full swing we may need as many as 40. We are going through a phased recruitment process to bring new tranches of independent decision-makers onboard. We have the first tranche, which was four appointed; we're currently going through the second process, where we will appoint more; and then we will continue that process. It's also a bit of monitoring volumes within the scheme, and we will respond to that. But the estimate is potentially 40.

Mr Taloni: They don't just arrive. We train them. They have to be trauma informed; they have to understand the application; they have to understand the process. It's a detailed process to get them on board and get the right people with the right skills.

Senator SIEWERT: Have you been able to source those figures for the packages that have been decided today?

Ms Hefren-Webb: Yes, I have. The maximum payment that's been made was \$100,000. The minimum payment was \$50,000. The total paid is \$445,000.

Senator SIEWERT: That was to the end of what period?

Mr Taloni: As of 21 October.

Senator SIEWERT: In terms of the decision on whether people's experiences are given to the institution, there's been an announcement made in terms of the change. Can you update us on what the nature of the change will be? Has that been determined? I have some more questions after that.

Ms Hefren-Webb: The issue you're raising is part 3 of the application form, where the survivor sets out the impact of the abuse on their life. Some survivors felt that they did not want that information to be provided to the institution. Others had a different view. In light of the representations on that issue, the Minister's announced that his intention is to make it optional for part 3 to be provided to the institution. People will essentially have the ability to tick a box to say, 'I don't wish this to be provided to the institution.' In light of that announcement, we've undertaken some fairly quick consultations with states, territories and institutions, and no major issues have emerged with that. It's really a question of how quickly the new form can go into production, which is a question that DHS have been working on very rapidly. They might be able to provide you more detail tonight. DHS are revising the form.

Ms Campbell: They're doing that in co-design with survivors to make sure that it's not going to be retraumatising.

Senator SIEWERT: So that will essentially be on the form. Will people still have to fill out part 3, that section, and then essentially say, 'No, I don't want this to go to institutions'? Or can they just leave it blank?

Ms Hefren-Webb: People can leave it blank. We have also provided a word cloud on it, so people who don't want to write in full narrative can circle words that indicate how it's impacted on them. But people can choose to leave the form blank.

Ms Creech: The assessment of the application will take into account where a person has been impacted by the abuse. So what they do put on the form would be considered by the assessor. We would imagine that people would still at least circle—

Senator SIEWERT: Use the cloud.

Ms Creech: That's right.

Senator SIEWERT: or however the form looks; but then there would be an explanation or a tick box or something to say, 'No, I don't want to it go to the institution'?

Ms Creech: That's correct.

Senator SIEWERT: In terms of the 1,700 people who have already put their applications in, will there be subsequent outreach to them? Because they obviously have already got the applications in, and the decision's been made subsequently. Will there be outreach to them? Instead of them having to respond to say, 'Actually, I don't want it,' will you be doing outreach to them to say, 'The process has changed. Do you want this to go to the institution or not?'

Ms Hefren-Webb: We are working through this, because of course in some cases we sent the form. So we're just working through the best approach. The intention is, I think, to go back and have a look and potentially do outbound calls. DHS is in contact with these survivors reasonably regularly to get extra bits of information—

where maybe they haven't filled out the form with the right detail. So it could be incorporated into that discussion. We're just working through the mechanics of it.

Ms Campbell: We're very conscious of the survivor experience and trying to minimise the impact. We're also very conscious that some survivors may want to provide this information. Human Services is working through that.

Senator STEELE-JOHN: I have questions in relation to the Translating and Interpreting Service. For context, my questions come to me from Deaf Children Australia. They relate to the interaction between TIS services and participants needing interpretive support during NDIS planning processes.

Ms Campbell: I'm not sure Ms Bailey's going to be able to help with this one. Ms Bailey was going to talk about interpreting services for refugees. I don't think that's going to be applicable on this occasion.

Senator STEELE-JOHN: It is specifically to do with the TIS. That was just the context in which the TIS is being used.

Ms Campbell: Do Human Services run this service?

Ms Bailey: Can I just check if we're talking about TIS in relation to the provision of language services or deaf—

Senator STEELE-JOHN: Language services. We've had this interaction before. It has been brought to my attention that individuals who are accessing TIS services cannot request dialect-specific interpretation through TIS, because dialectic difference isn't recognised by the national accreditation authority for translators, the NAATI, which forms the basis of the TIS. How do you then expect folks to be able to, in this instance, access NDIS interpretation, but in any other specific area, where dialectic difference plays a significant role? For instance, if we are looking at the Arabic languages there is a big difference between the Egyptian dialect and the Lebanese dialect.

Ms Hefren-Webb: Can I ask whether there is a specific case you're referring to?

Ms Bailey: That would be helpful.

Ms Hefren-Webb: It might be useful if we get the details of the specific case from you and come back to you. The TIS covers main dialects, but certainly there may be a dialect it doesn't address.

Ms Bailey: I'm very happy to take that on notice and investigate. I don't think there's a policy in regard to dialect. It may be an issue of being able to source the appropriate translator. We can certainly take that on notice and investigate.

Senator STEELE-JOHN: It would be good. This has been something which has been investigated in detail by Deaf Children Australia. They have spoken directly with individuals at the Translating and Interpreting Service. The problem, just so you're aware, is that NAATI does not recognise dialects.

Ms Bailey: They are not able to accredit for that particular dialect?

Senator STEELE-JOHN: They are not able to credit for dialects.

Ms Campbell: If we can get the details we will then go back to the national translating authority as well.

Senator STEELE-JOHN: At the moment, so we're clear, the effect is that if you are a culturally and linguistically diverse person who requires this support, there is no way for you to get that interpreting service. I'm happy for you to take that away.

Ms Hefren-Webb: We really need to investigate the detail of the case before we could say that there's no way for them to get the service. We will investigate and advise you on the best—

Senator STEELE-JOHN: I understand. That's just so that you're fully aware. My second question I think would still be in your wheelhouse, Ms Bailey. Why would there be a requirement for a participant to go through the TIS service as opposed to being able to identify an interpreter they have gone with before?

You would be aware that, if you want to request a specific interpreter through TIS, you have to go through a process of putting an email request in justifying your reasons why, and then that is dealt with on a case-by-case basis. Often it's a difficult thing to do, particularly for a first-generation migrant family with those difficult contextual issues around suspicion of government and things like that. My interest here is about putting unnecessary burden on a participant in a process like this. So I'm just wondering why you're not simply able to request a TIS interpreter that you have worked with before and that's the one that is provided?

Ms Bailey: I will have to take that on notice and ask TIS. We fund TIS to provide those services. They have the contract to provide interpreter services. I wasn't aware of the process by which—

Ms Campbell: And sometimes that person may be off sick or on leave, and TIS will be trying to get the best service available—

Senator STEELE-JOHN: Yes, of course.

Ms Campbell: for the claimant, participant or recipient. That's probably why they are doing it. We can take it back and work it out and understand the process for getting particular translators.

Senator STEELE-JOHN: At the moment, the proactive need for the person who makes the request to go through those hoops is just another barrier in an already complex process for anybody accessing the scheme, let alone people from CALD backgrounds. Finally—and you can also take this one away and get back to me—I'd love to know the justification for this: currently to access an interpreter for an NDIS process you have to use somebody who is part of TIS. You can't just use any interpreter with an ABN, which is often the way people use interpreter services. So I would like to know the thought process behind having to use somebody from TIS.

Ms Campbell: There's a quality standard that we're seeking to achieve with accreditation to make sure people are appropriately accredited as interpreters.

Senator STEELE-JOHN: But you can be a properly accredited interpreter and not work with TIS.

Ms Campbell: Indeed. The government's contract is with TIS in order that we can make sure that those quality parameters are met. I hear what you're saying—that somebody else could be set up—but we don't have any way of assuring that they are—

Senator STEELE-JOHN: Can't you be accredited with NAATI and still not work through TIS?

Ms Bailey: You can. The government has funded TIS to provide those services, and they are the government. So to access that funding source the TIS service is—

Senator STEELE-JOHN: They could be fully accredited to the same quality standard but simply not work through TIS and perhaps be the most effective person for me as a participant to work with, particularly if a dialectical issue is becoming a problem. I understand the government has funded TIS, but you could have very well funded that in a way that actually doesn't work in practice.

Ms Hefren-Webb: This is a longstanding arrangement and applies across a range of service delivery activities that you're raising. There hasn't been a particular recent decision that way. But we can have a look at if, as you said, there are particular dialects that aren't being appropriately covered. We are absolutely happy to go back and have a look and talk to TIS about that. But this arrangement with TIS has been in place many, many years.

Senator STEELE-JOHN: All right. Thank you. I look forward to the additional information.

Senator McALLISTER: I want to ask some questions about the women's safety package. I'm looking at the Prime Minister's media release from when the women's safety package was announced and I'm trying to understand the financial implications of that package. I want to go through each item and understand how it's funded. Are you aware of the release I'm talking about? It's the joint media release that was issued by a range of people, some of whom are now in different roles, on 24 September 2015. I'm trying to understand which of these dot points were one-off investments to increase baseline capacity. For example, there was:

- \$12 million to trial with states the use of innovative technology to keep women safe ... with funding to be matched by states and territories.

Was the funding matched by states and territories, and has that happened?

Ms Stratford: Yes. With regard to the technology trials, there have been a number of programs committed between states and territories, with matched funding, and there's some unallocated funding that we're going through the process of identifying program investment for.

Senator McALLISTER: Okay. What's the unallocated funding?

Ms Stratford: It's \$2.11 million.

Senator McALLISTER: Were these one-off investments rather than ongoing investments?

Ms Stratford: Yes. The entire women's safety package is a ceasing measure.

Senator McALLISTER: Okay. Of that \$12 million, only just under \$10 million has been provided, but your expectation is a reallocation of that funding?

Ms Stratford: No. Four million dollars went to the Office of the eSafety Commissioner. That was around their online complaints portal. So far, we've allocated \$5.21 million to 12 trials across six jurisdictions. There is \$350,000 allocated to evaluate the measures. And then the remaining \$2.11 million, which is split between

\$943,000 this financial year and \$1.17 million next financial year, is currently unallocated. That's what we're exploring options to expend within the context of the tech trials.

Senator McALLISTER: Within the scope of the program as announced?

Ms Stratford: That's right.

Senator McALLISTER: Can we move to the \$5 million for safer technology? Has that all been expended?

Ms Stratford: Yes, it is 98.8 per cent committed. There is \$40,000 currently unallocated.

Senator McALLISTER: Which organisations received money under that line item?

Ms Stratford: That was split. Some of the funding went to WESNET, around the safe technology for women program, which was around issuing mobile telephones and training the sector in dealing with technology-facilitated abuse. Some of the funding went to 1800RESPECT around the 'safer pathways' program to create an app for people with intellectual disability to engage with the 1800RESPECT services.

Senator McALLISTER: What is the final funding year? Has all of that actually been expended in the funding year 2017-18, or is there more to be expended in the current year?

Ms Stratford: It's all legally committed, but it hasn't been fully expended. We would expect it, through the course of the financial year, to be fully expended.

Senator McALLISTER: So that program concludes at the end of 2018-19?

Ms Stratford: That's right.

Senator McALLISTER: Someone's helpfully brought me a paper copy of the release. That's actually easier. There was \$17 million to 'keep women safe in their homes by expanding successful initiatives like the Safer in the Home program'.

Ms Stratford: Yes, all of that funding has been committed. All the funding allocations have been finalised. Their last payment was at the end of the 2017-18 financial year. However, because the funding agreements were a bit late in starting, the activity end dates for many of those programs have been extended to the end of this financial year. So, whilst they won't receive payments in this financial year, they have been paid for the services for three full years, and that will include activities in this financial year.

Senator McALLISTER: Right. This one really does look more operational rather than a capital capability investment. For example, this included a grant to the Salvation Army to work with security experts to conduct risk assessments on victims' homes, help change the locks and scan for bugs. Will that service continue? All of the funding has been paid out. They've got activity obligations this year, perhaps. What will happen next year?

Ms Stratford: These services are largely funded by state and territory governments, and the funding that we provided through the Women's Safety Package was supplementary funding. So those programs already receive significantly larger funding allocations through states and territories, and the funding that we provided through the Women's Safety Package was to supplement that.

Senator McALLISTER: Who received funding under that particular program?

Ms Stratford: Every jurisdiction.

Senator McALLISTER: Under the 'keep women safe in their homes' line items?

Ms Stratford: That's right.

Senator McALLISTER: So it was paid via the jurisdictions?

Ms Stratford: Yes.

Senator McALLISTER: So it was a top-up payment to state governments?

Ms Stratford: Yes, and they subsequently decided how they would invest that funding.

Senator McALLISTER: Okay. There is \$5 million to expand 1800RESPECT. When is the final payment for that?

Ms Stratford: That funding has been expended.

Senator McALLISTER: When was that? What were the years in which payments were made under that line item?

Ms Stratford: 1800RESPECT has a range of funding sources. The supplementary funding through the Women's Safety Package, I believe, came in in the 2014-15 and 2015-16 years, but I can confirm that on notice, because there are a number of different funding lines for 1800RESPECT.

Senator McALLISTER: When it says 'expand', what was the nature of the expansion?

Ms Stratford: It would have been to create capacity for demand—there was a lot of increased demand at the time, as you would be aware of—and to create capacity for more counsellors to answer more calls.

Senator McALLISTER: Has that demand declined since the expiration of funding in 2015-16?

Ms Stratford: No, the demand for 1800RESPECT has continued to increase. I think it's over a 50 per cent increase from last financial year to this financial year. The service is experiencing record levels of demand, but the change to the new model, which created the triage first-response component and then the specialist trauma counselling, has enabled us to meet that demand and to answer all of those calls.

Ms Hefren-Webb: There was also funding allocated in the budget to support 1800RESPECT.

Senator McALLISTER: Okay. You're going to provide on notice when that funding ceased, because we don't think that any was paid in the 2016-17 or 2017-18 year?

Ms Stratford: I can provide you with the full breakdown of 1800RESPECT funding. The funding for 1800RESPECT goes through to the end of December next year, and that comes from a number of funding sources, including the funding that Ms Hefren-Webb mentioned from the budget, funding that comes through from the national plan, and funding from the third action plan, as well as the Women's Safety Package.

Senator McALLISTER: So the end of December 2019 is the end of funding, at present, for 1800RESPECT?

Ms Stratford: That's correct.

Ms Hefren-Webb: I might just add that 1800RESPECT has been funded through each of the action plans that have gone forward, starting with the first action plan in 2010.

Senator McALLISTER: I understand.

Ms Hefren-Webb: Funding has been allocated to fund that service in a terminating way, and that's continued. So this is the same approach.

Senator McALLISTER: Okay. A breakdown of the funding allocations in each financial year of the forwards for 1800RESPECT and the source of those funding allocations would be appreciated. On the \$2 million that was to be allocated to the MensLine, we might have to come back to this, because it is taking quite a long time.

CHAIR: Thank you. We will suspend for lunch.

Senator McALLISTER: May I ask the department, as we are breaking for lunch: when I came back, I want to continue my way through the press release. I realise it's quite boring, but I want to understand what the funding profiling is, what the underlying funding for each of these items is, what the total funding expended for each of them is, and the final year in which funding would continue to be paid out under these announcements. It may be that there is a more efficient way to provide that information than us doing it verbally, so, if you want to contemplate that possibility over the lunch break, that would be appreciated.

Proceedings suspended from 13:00 to 14:01

Ms Campbell: Chair, would we be able to table some information that Senator McAllister asked for in the last session? It is the breakdown for the family tax benefit payments.

CHAIR: Absolutely.

Ms Campbell: We will table that. Could we also answer a couple of questions that we took on notice earlier this morning, which we said we'd try and get answers to?

CHAIR: Yes.

Ms Campbell: The first one was about sole traders out of consultancies. We had one sole trader. It was a contract for \$26,400 between 4 April 2018 and 30 September 2018 to provide restorative practice specialist services in respect of the Commonwealth redress scheme. That was the sole trader issue. We were also asked about Orima contracts, and when two other contracts were let. There was a market research contract let for the 2017 APS census survey, and the contract commenced on 24 July 2017. There was a market research building employer demand contract, which commenced on 19 March 2018. They were the two Orima contracts that there were questions about.

CHAIR: Thank you.

Senator McALLISTER: I was asking questions before we broke for lunch about the profiling for the Women's Safety Package and any information you may be able to provide about the actuals against the profiling. We did discuss that a more straightforward way through that would be for you to provide a table, because I'm pretty certain that you would have one. Is that possible?

Ms Campbell: I'm not sure that we've got a table that doesn't include a whole lot of other stuff that may not be relevant. Ms Stratford is ready to quickly answer those remaining questions you had, and we've talked about going through those answers fast for you.

Ms Hefren-Webb: I would point out that we're not responsible for the implementation of some of the measures under the package. While we're tracking the progress, we wouldn't be able to provide you with information on expenditure, et cetera.

Senator McALLISTER: Given that that's the case, why don't we avoid the actuals and just look at the profiling. I'm interested in understanding how far into the future, or into the forwards, that the package extends, given it was announced quite a long time ago, and the amount of money for each line item allocated for this year and each year into the forwards? Does that sound okay?

Ms Stratford: Yes.

Senator McALLISTER: Great. I think we got up to—

Ms Stratford: MensLine.

Senator McALLISTER: Exactly!

Ms Stratford: For MensLine, there was \$2 million allocated. That has been fully expended; that was for a perpetrator change-for-good program. That has subsequently been funded through a different activity this financial year—so the Women's Safety Package funding has ceased. It's got 2018-19 funding through the family and relationship services activity, and any further funding would be a decision of government.

Senator McALLISTER: Thank you very much. What about the \$15 million that was allocated to Queensland Police?

Ms Stratford: That's a Department of the Prime Minister and Cabinet line item.

Senator McALLISTER: I see. So this is what Ms Hefren-Webb was referring to; you're not tracking all of them. You don't happen to know the profiling for that as part of the package?

Ms Stratford: No.

Senator McALLISTER: Okay. What about the \$3.6 million for the cross-border domestic violence intelligence desk?

Ms Stratford: Similarly, that's a matter for Prime Minister and Cabinet.

Senator McALLISTER: Thank you. What about the \$14 million to expand the DV-alert training program?

Ms Stratford: That's been fully expended. It ceased in 2017-18. Again, that was to increase the number of training sessions provided and create new modules.

Senator McALLISTER: Okay. What about the \$15 million to establish specialised domestic violence units to provide access, et cetera—we're now reading off the same document, I think.

Ms Stratford: That's a matter for the Attorney-General's Department.

Senator McALLISTER: Okay. What about the \$5 million for local women's case workers?

Ms Stratford: That is currently fully allocated but not fully spent. The total spend to date is \$4.232 million of the \$5.04 million allocation. But it's all fully committed and expected to be spent by the end of this financial year.

Senator McALLISTER: Thank you. What about the \$1.4 million for community engagement police officers in remote Indigenous communities?

Ms Stratford: Prime Minister and Cabinet.

Senator McALLISTER: And the \$1.1 million to help remote Indigenous communities prevent and better respond to domestic violence?

Ms Stratford: Prime Minister and Cabinet.

Senator McALLISTER: Okay. There's a final paragraph that goes to the Safer Schools website. Do you have the profiling for that?

Ms Stratford: No. It's a matter for the department of education.

Senator McALLISTER: Okay. Do you know what the final paragraph, about the \$30 million national campaign jointly funded to change young people's attitude to violence, specifically refers to? That was obviously a pre-existing commitment prior to the release of this document.

Ms Stratford: That's the Stop it at the Start campaign.

Senator McALLISTER: Okay. That is good, and very efficient. We're done. Thank you. I have more for outcome 2, but there are other senators here. I'm happy for them to ask questions.

Senator SIEWERT: I've got some.

CHAIR: I will go to Senator Leyonhjelm, and then come to Senator Siewert.

Senator LEYONHJELM: Are we still in 2.1?

Senator McALLISTER: I think we're roaming around.

Senator LEYONHJELM: I'll roam around then. I understand there might have been some previous questions on the relatively new domestic violence campaign, so forgive me if I go over old ground. The campaign I've become aware of is the TV advertisements showing children. Is that the core of the latest RESPECT! campaign?

Ms Hefren-Webb: I might ask Mrs Bell, who heads up our communications branch, to take you through the elements of the campaign.

Senator LEYONHJELM: Thank you.

Mrs Bell: We have recently launched phase 2 of the Stop it at the Start campaign. It launched on 7 October and will run to the end of November.

Senator LEYONHJELM: What is the cost?

Mrs Bell: The total cost of the campaign—it's been running since 2015—as of 31 August 2018 was \$24.6 million.

Senator LEYONHJELM: You said that the new phase 2 is running until the end of November?

Mrs Bell: Yes, that's right.

Senator LEYONHJELM: What would be the additional cost?

Mrs Bell: The remaining budget is \$6.3 million. That will go towards the current advertising burst as well as supporting community engagement activities and public relations, with the campaign designed to end in the middle of next year.

Senator LEYONHJELM: Is this a continuation of the \$30 million campaign which started a few years ago?

Mrs Bell: Yes.

Senator LEYONHJELM: Is there some state funding as well as federal funding in that?

Mrs Bell: Yes, the department was allocated \$16.7 million for the campaign over three years from 2015-16 to 2017-18. This includes \$15 million in administered funding, \$1.7 million in departmental funding, an additional million dollars from the Department of the Prime Minister and Cabinet and \$15 million from states and territories through the COAG process.

Senator LEYONHJELM: You said this campaign will fully wrap up by the middle of next year.

Mrs Bell: Yes, that's correct.

Senator LEYONHJELM: Is there a plan for a new campaign?

Mrs Bell: Currently we have no plans for a future campaign.

Senator LEYONHJELM: I've asked previous questions and discovered that the campaign was directed only at male-on-female violence. Is that still the case?

Mrs Bell: The campaign is targeting influencers of children aged 10 to 17 years in order to help teach them respect for each other. That's the target group, but the target audience is the influencers: parents, coaches, teachers.

Senator LEYONHJELM: Yes, I understand that. The message, though, is directed at preventing or reducing male-on-female domestic violence. Is that correct?

Mrs Bell: Violence against women and children, yes.

Senator LEYONHJELM: That's the RESPECT! Campaign. Has any consideration been given to male-on-male domestic violence in same-sex relationships?

Mrs Bell: Not in the context of this campaign, no.

Senator LEYONHJELM: And no consideration to female-on-male violence in domestic circumstances?

Mrs Bell: Not in the context of this campaign. It was approved at COAG for the objectives outlined.

Senator LEYONHJELM: I presume you investigated whether these advertisements using children were effective. I'm interested to know what evidence you have that the ads will change behaviour, attitudes or both.

Mrs Bell: As I think we've indicated previously, we did very comprehensive qualitative and quantitative research before we commenced the campaign. At each stage of the campaign—

Senator LEYONHJELM: This is what I think you called phase B?

Mrs Bell: Phase 2. We did further developmental research for phase 2. We've done tracking research all through the period of the campaign. I can go through some of those results, if you like.

Senator LEYONHJELM: Can you read them out or do they need to be tabled?

Mrs Bell: I can quickly give the top level. The tracking research through all phases found that the campaign has been highly successful: more than two-thirds of adults who saw the campaign took action; 79 per cent of those surveyed through the tracking process agreed that violence against women starts with disrespect towards women, up from 68 per cent previously; and almost half of the influencers that we were targeting have seen the campaign and have started changing some of their deeply-held attitudes. I can table more detailed tracking research.

Senator LEYONHJELM: I ask the committee's agreement to have this information tabled.

CHAIR: Absolutely.

Ms Campbell: To clarify: I'm not sure we would be able to table it now, because we don't have a clean copy, but we will be able to provide it on notice.

Senator LEYONHJELM: Ultimately the success of this campaign will be measured by whether levels of male-on-female domestic violence are reduced. How might you determine whether that has been achieved?

Mrs Bell: As this is a primary prevention approach, we wouldn't expect to those numbers to be affected by the results of the campaign for probably another five or more years, but the current research base that's gathered by our policy would start to have an impact through ANROWS et cetera.

Senator LEYONHJELM: I think you said you're measuring attitudes at the moment?

Mrs Bell: Attitudes and behavioural change.

Senator LEYONHJELM: In what way? Amongst children or amongst influencers?

Mrs Bell: Amongst influencers, as the primary target.

Senator LEYONHJELM: What measure of behavioural change are you using?

Mrs Bell: The behavioural change that we are looking at for the influencers is having the influencers realise how they are speaking to children and how they're conveying discussing respectful relationships, starting to actually take action to change the way they speak to their children, and realising some of the things they're saying inadvertently and the impact that has on children. We're starting to see the research already that those attitudes are changing, and we're starting to actually get behavioural change as well.

Senator LEYONHJELM: What you've described is attitudinal. What behaviours do you think will change?

Mrs Bell: What the research is showing is that they're actually starting to change the way they speak to children, how they talk about respectful relationships and how they convey responses to incidents of violence or poor behaviour. So we're already starting to see that with influencers.

Senator LEYONHJELM: I may not be aware of all the elements of the campaign, but there are two TV advertisements that I am familiar with. One is where a little boy runs past a girl and bumps her. There was another one in the old campaign where a little boy slams a door in a girl's face. Is there any evidence that awareness of those being inappropriate behaviours would reduce domestic violence?

Mrs Bell: What we're asking of the target audience, in the sense of the influencers, is to look at how they respond to those actions—for example, where the little girl is knocked over by the boy and the mother says, 'He just does that because he likes you.' What we're finding is that people are realising that that's not an appropriate response to an incident like that, and they're using the materials on our website to find the right conversations to have and the right things to say so that their children don't perceive that sort of behaviour as acceptable.

Senator LEYONHJELM: That's a fair distance away from domestic violence. How confident are you that, even if every little boy in Australia is made aware by their parents that knocking over little girls is not acceptable behaviour, somehow or other that will reduce levels of domestic violence? I can't quite see the link.

Mrs Bell: I think that, in some of the answers to QONs we provided to you, we have given the evidence base that shows that disrespect can lead to violence against women and children, and this primary prevention campaign is designed to help influencers teach children about respect from an early age so that that idea of disrespect doesn't become entrenched and potentially lead to violent behaviour further down the track.

Ms Hefren-Webb: I might just add that, before the original campaign, there was extensive research done on attitudes amongst young men, young women et cetera, and this issue of minimising violence—'That's just what men do; that's just what boys do'—came up as an attitude that was more pervasive than you would expect, perhaps, amongst young men. I'm talking about 18- to 25-year-old men. The theory of the campaign and the thinking behind the campaign is that, if boys are hearing over and over as they grow up, 'Oh, that's just being a boy,' 'He's just doing that because he likes you,' et cetera, that sort of stuff affects attitudes. It also affects the attitudes of women who may then feel, 'I brought it on,' or, 'I'm at fault.' I think we have shared some of that research with you in the past. The theory of change is not about little boys being told it's wrong to push over a little girl. The theory of change is to influence how the adults around those kids respond to those incidents and the language they use when responding to those incidents and that they don't minimise them on that basis.

Senator LEYONHJELM: Some of the data I've seen suggests that domestic violence is higher in same-sex male relationships than even male-female relationships. I guess there is a question there as to whether or not normalising 'boys do that' will have any influence on those circumstances. Do you have any thoughts on that?

Ms Hefren-Webb: I think that the roots of male violence in same-sex as well as male-female relationships probably do have some similarities. We haven't done specific work on that, but that is something that, certainly, governments could look at.

Senator LEYONHJELM: There's quite good data on the level of domestic violence where the female is the perpetrator. The data seems to suggest the incidences of violence are not a less than male on female, but the consequences are less severe. Some authorities blame that on the fact that men are bigger and stronger and so forth but, irrespective of that, it would suggest that there is a substantial, if minority, proportion which is female on male. Have you got any research which would suggest that normalising lack of respect is also a factor in that?

Ms Hefren-Webb: I might just ask Ms Stratford to outline the data on the proportion of female-on-male violence versus male-on-female violence—and then I will come to the second part of your question.

Ms Stratford: According to the ABS Personal Safety Survey, women are nearly three times more likely to experience violence by a partner from the age of 15. Women are over two times more likely to experience violence by a current or previous partner in the last 12 months.

Senator LEYONHJELM: I don't want to take a lot of time on this. What you're doing is just disputing how serious it is. I think it would be reasonable for you to accept that even if it's only 10 per cent as much, rather than 50 per cent, it's still significant. My question was: is it also, in your view and in the work you've done, driven by the same factors—the normalisation of lack of respect, which your work suggests is a key factor in heterosexual, male-on-female violence?

Ms Hefren-Webb: I don't think we have clear evidence that it is driven by the same factors.

Senator LEYONHJELM: You don't?

Ms Hefren-Webb: No.

Senator LEYONHJELM: Is there any plan to inquire as to what would explain it?

Ms Stratford: We have commissioned some research through ANROWS around women who use force. So we are exploring, not just women who use force against men but women who use force in same-sex relationships and lateral violence that occurs in relationships. So we are exploring, through funding with ANROWS and through other research grants, other forms of violence.

Senator LEYONHJELM: When might you have something that you can talk to us about on that?

Ms Stratford: I could find those dates here. The research commenced mid-2017 and will finish by the end of the 2018-19 financial year.

Senator LEYONHJELM: Thank you.

Senator SIEWERT: I will put the rest of my questions on redress on notice, but there are some other points I'd like to ask about in terms of the announcements that were made on Monday, and I have some follow-up questions to the National Office for Child Safety. I know that's moving to PM&C.

Ms Hefren-Webb: They are with us today, though.

Senator SIEWERT: Okay. First off, I'd like to ask: whose responsibility will the museum, and any memorial that might go with it, be?

Ms Campbell: We're still working through some of those issues with Prime Minister and Cabinet, I think it's fair to say. I don't think we have a final position on that yet.

Senator SIEWERT: As to who is going to be—

Ms Campbell: As to who's doing what.

Senator SIEWERT: I understand funding decisions haven't been made on that either?

Ms Campbell: Not to our knowledge, Senator.

Senator SIEWERT: Do you know any parameters around those initiatives?

Ms Mandla: I am aware that there have been stakeholder consultations and that they have all been considered in relation to the parameters around those announcements.

Senator SIEWERT: Considered by the Prime Minister?

Ms Mandla: Considered by the Prime Minister and the agencies that have been working together, looking at a memorial centre for excellence and the museum.

Senator SIEWERT: Do I take it that, since you've answered, the office will be overall responsible for—

Ms Mandla: No, Senator.

Ms Campbell: I don't think we're clear on that, yet.

Ms Hefren-Webb: Senator, the Department of Attorney-General's has responsibility for overall coordination—

Senator SIEWERT: I understand that for the responses—

Ms Hefren-Webb: for the responses to the royal commission—

Senator SIEWERT: for each of their recommendations. I understand.

Ms Hefren-Webb: And then, as Ms Mandla said, with some of the individual items, we're still working through which agency would take forward.

Ms Campbell: Some of those measures.

Senator SIEWERT: Some of the items that were mentioned on Monday? Is that correct?

Ms Hefren-Webb: That's right.

Senator SIEWERT: Can I ask Ms?

Ms Mandla: Mandla.

Senator SIEWERT: I beg your pardon. The lettering this time around is very small.

Ms Campbell: We'll work on it.

Senator SIEWERT: Sorry. I don't mean to have a go.

Ms Campbell: It's okay.

Senator SIEWERT: In terms of the development of the fourth framework—

Ms Mandla: The protection of children?

Senator SIEWERT: The name never makes logical sense to me. I always go to put 'child protection' there; but, anyway, the protection of Australia's children. What is your level of involvement in that?

Ms Mandla: That's Tristan Reed, who is branch manager.

Ms Campbell: That is run by the department. We will get another officer to the table.

Senator SIEWERT: I want to know about its development. My question was: what is the level of involvement of the office.

Ms Hefren-Webb: We would anticipate that the national office's work would be a really important component of that next action plan under the national framework.

Senator SIEWERT: Can I ask where the framework is up to?

Mr Reed: We've been developing the fourth action plan over the last six months with state and territory officials through our governance arrangements. It's now to the point where it is seeking ministerial agreement to the plan before it's released.

Senator SIEWERT: So the final version?

Mr Reed: The final version. We're seeking ministerial agreement to the final version.

Senator SIEWERT: And when do you expect that to be?

Mr Reed: We are hopeful by the end of the year, but the Victorian government going into caretaker may delay their sign-off on the final plan.

ACTING CHAIR (Senator Siewert): I think I may have misunderstood. I took from what you said that it had been signed off, if it was going to the minister.

Mr Reed: Sorry, ministerial agreement—so state and territory ministers as well as Commonwealth ministers.

ACTING CHAIR: Okay.

Mr Reed: We are hopeful still that by the end of the year the plan will be formally launched, but the Victorian government going into caretaker may delay their sign-off on the plan.

ACTING CHAIR: Can I ask—obviously, not having seen the final version—how the office fits into that framework?

Ms Hefren-Webb: I might try and speak to that. There are a number of pieces of work that the office has responsibility for—the child safe framework, the third child safe principles, et cetera. So they will be agreed actions under the framework that the Commonwealth and the states will be implementing. During the course of the framework, we would expect some particular activities or projects that the office initiates would form part of the series of projects that sit under the framework. Obviously, the framework at this stage is only scheduled to go to 2020. The National Office for Child Safety will have an ongoing life. Its work will still inform whatever policy process comes beyond the national framework.

ACTING CHAIR: When you say it is now at the ministerial council level, does that mean the process has basically been signed off by the officials in the states? Is that correct?

Mr Reed: That is right.

ACTING CHAIR: So, hopefully it is a tick—it is not subject to more—

Mr Reed: That's what we expect.

Ms Campbell: We will wait and see what ministers decide to—

ACTING CHAIR: Regarding the 'working with children' process, through being misinformed I unfortunately missed out on asking Home Affairs about it. I'm not having a go about that. These things happen, and quite frankly they would have run out of time anyway. What is your level of involvement with that? PM&C obviously just found out on that day that they were going to be responsible, so it's fair enough that they couldn't answer the questions. Are you able to provide further information in terms of how you understand where the processes are up to?

Ms Mandla: Yes. That work sits with the Department of Home Affairs. We have an interdepartmental committee, through the Attorney-General's taskforce, with agencies that are taking forward the royal commission recommendations. I understand that Home Affairs is working with states and territories. They have engaged with communities and families officials in relation to the standards for 'working with children' checks across Australia.

ACTING CHAIR: Is that process working towards harmonisation across Australia?

Ms Mandla: At this stage I understand the process is working to national standards. I think if you have any further questions as to what that process involves, it's probably best directed to that department—I know you missed the hearing.

ACTING CHAIR: Surely you know whether there's an approach that we're taking across Australia for a harmonised approach?

Ms Hefren-Webb: Home Affairs are in discussions with states and territories. While we sit on the interdepartmental committee, we're not participants in those discussions. We don't know the latest state of play as to which direction that's going in. We think it would be better to get the information from Home Affairs.

ACTING CHAIR: I will obviously ask them. I'm not asking if they have agreed yet. I'm asking if the aim is to have a harmonised approach. Whether or not we get there is another matter. Is that the aim?

Ms Hefren-Webb: I really don't wish to answer on behalf of Home Affairs. Obviously, the goal is to meet the recommendations of the royal commission as best as can be done—as best as possible—and in consultation with states and territories and affected parties.

ACTING CHAIR: What's the department's policy?

Ms Campbell: I think we're concerned we would mislead you if we weren't giving you the latest data. We're not trying to be difficult; we're just not convinced we have details of where they're up to and we're worried we might mislead you.

ACTING CHAIR: All I can take from the response is that there hasn't been an agreement that there be a harmonised approach. I would have thought it was a fairly straightforward question to ask and that that would be

one of the key things that you would have talked about on the committee when you're talking about working with children.

Ms Campbell: One of the things we try to do is to get the part of government with the best expertise to answer senators' questions. I think what the officers are saying is that they're concerned they may not have the latest information. Home Affairs does all the interactions with the states. We don't. We're not engaged with those states and territories and we think it's probably best for them to answer that question.

ACTING CHAIR: Why is it with Home Affairs?

Ms Hefren-Webb: Because, as you'd be aware, 'working with children' checks are largely about checking into police databases, criminal histories et cetera. There is an element of checking into people's previous child protection record. That kind of interoperability of criminal intelligence is really something that they have the expertise in, rather than that us. So that's why it's with them.

Ms Campbell: And they have the relationships with the state.

ACTING CHAIR: Who was it with before home affairs existed?

Ms Hefren-Webb: Attorney-General's.

Ms Campbell: So it wasn't with us.

ACTING CHAIR: No, that's why I asked.

Ms Hefren-Webb: It's with the ACIC. I'm just trying to remember what that stands for—the Australian Criminal Intelligence Commission.

ACTING CHAIR: Which has moved to home affairs.

Ms Campbell: It's in that portfolio.

ACTING CHAIR: Of home affairs?

Ms Hefren-Webb: Yes.

ACTING CHAIR: Home affairs is not my portfolio area.

Ms Hefren-Webb: Nor mine.

ACTING CHAIR: So I don't know some of those things. Obviously, I'm putting questions on notice to home affairs. I'm also aware of time. I wanted to ask about income management and grandparents raising grandchildren. Is that here, because it's families, or in carers?

Ms Campbell: We'll try and answer it here.

ACTING CHAIR: I suspect I'm going to need to take some of these on notice. It's been some time now since the government responded to the Senate committee inquiry into grandparents raising grandchildren. There was a response given in 2016. Could I ask the department on notice for an update on implementation of the recommendations. You know how you used to do the hearing one for us, with the table? Could I ask for one like that, with a response against each of the recommendations?

Ms Hefren-Webb: Yes.

Ms Campbell: That will be fine.

ACTING CHAIR: I'm aware that some recommendations rest with DHS. Should I ask them to also update—

Ms Campbell: How about we do it together for you. We'll work with human services to give you a consolidated response.

ACTING CHAIR: Could you? I'm keen to see how that issue has progressed. Do you keep any updated data around the number of grandparents raising grandchildren?

Ms Hefren-Webb: There was a survey done by AIFS of the demographics of non-parent carers. I think it was released in May this year and it provided some estimates. And I think—

ACTING CHAIR: So go to that?

Ms Hefren-Webb: Yes. But we can provide you with that.

Senator DEAN SMITH: Just on grandparent, very briefly—you should be fulsome in your response to Senator Siewert and the committee, because a lot of work has been done, so congratulations on that. One thing that I'm interested—perhaps you can take this on notice—to know the number of people who have sought access to the new subsidy under the childcare assistance package, which came into effect on 2 July 2018.

Ms Campbell: We'll need to talk with our colleagues in the education department, and we should be able to get that for you.

Senator DEAN SMITH: You're right: they administer that. But you'll be able to do that as part of the response?

Ms Campbell: If that's one of the recommendations, we can give you that as part of the response.

Senator DEAN SMITH: Great.

Senator WATERS: I've got some questions about the National Action Plan to Reduce Violence against Women and their Children and some other DV related issues. Are you right the folk for those questions?

Ms Campbell: We are the right ones. We've just got to swap some in again.

Senator WATERS: Thank you.

Ms Campbell: That's okay. They didn't go far.

Senator WATERS: I want to start off with some general questions. Last week the Senate passed a motion that I initiated, acknowledging that the number of women dying is a national crisis. Since estimates started, we've had three more women killed, and it's only Thursday. That adds to the total of 58 women that have been killed by violence this year, according to the project Counting Dead Women, which is a higher rate of the approximate one woman per week that we're all familiar with. What action is being taken right now to address this abominable rate of violence against women?

Ms Hefren-Webb: Senator, you'd be aware we had a COAG summit on violence against women very recently, in early October, where all governments, state and territory and Commonwealth, and all the women's ministers, came together with a number of delegates from the domestic violence sector and related sectors to talk through what they would like to see the government take forward in terms of the Fourth Action Plan. That was a significant milestone in a series of consultations that we've been undertaking around Australia to get input from women, and other interested parties, about where the priority needs to be. Obviously, the Commonwealth's role is at the national level in terms of the long term: 'How do we prevent these tragedies from occurring?' At the immediate level of safety, state and territory ministers have responsibility. We discussed a little bit earlier with this committee the Stop It At the Start campaign that was launched, the phase 2, which aims to develop respectful relationships and prevent attitudes that can foster violence from being developed.

Senator WATERS: Can I intercede there, quickly? I don't accept that the Commonwealth's role is only to do the long-term prevention work. Whilst I support the Commonwealth doing that long-term prevention work, and I think the campaign is good—unlike Senator Leyonhjelm's view of it—it's clear that the Commonwealth funds a lot of the housing agreements, which then flow through to domestic violence shelters. It's also clear that you fund the community legal centres, which do a lot of the frontline domestic violence legal assistance. So the Commonwealth does have a role to play in frontline response services. I'd like to bring you to the funding trends for DV shelters and for CLCs. Obviously, the Abbott government made deep cuts in 2014, which were partially reversed thanks to pressure from the sector and from many good people in this place in 2015. What's happened since then, in terms of funding trends for domestic violence frontline response?

Ms Campbell: Is this for community legal centres?

Senator WATERS: I know that belongs in AGs; anything that you can tell me that's within your purview.

Ms Hefren-Webb: In terms of housing, that's funding given to the states and territories, and then they directly fund the homelessness shelters.

Senator WATERS: Yes, so the amount of that funding is what I'm asking for. Because NAHA got ditched—what are we doing now?

Ms Hefren-Webb: Yes. That's actually under another outcome—housing is under another outcome—but we can get that.

Senator WATERS: If we can find that person, if it's not too much trouble, that would be great.

Ms Campbell: We're just trying to find the person who is responsible.

Senator WATERS: Perhaps I'll push on in the meantime, and if it transpires that that person's not here, could you take on notice for me to look at all of the outcomes under your responsibility, and give me as much information as you can on the funding trends for those frontline services? I'm also interested in the funding trends for the preventative work, which a lot of great organisations are working on. Are you able to answer me that, or shall we wait for that other person?

Ms Hefren-Webb: We can provide information on the funding currently being provided through the national plan, if that's useful, which is all the funding that goes to ANROWS and Our Watch and those sorts of organisations.

Senator WATERS: Can you give that to me on notice? I'm across that, but can you also look at how that's compared over the last five years—whether it's gone up or down or a mixture of both?

Ms Hefren-Webb: Sure.

Ms Stratford: For prevention?

Senator WATERS: For prevention, as well as for frontline emergency response. Thank you. Let's move to the national action plan itself. Has there been any funding commitment made yet for the Fourth Action Plan?

Ms Stratford: No.

Senator WATERS: What time frame are you expecting that to occur in?

Ms Stratford: The usual process would be that the government would consider that in the budget context.

Senator WATERS: Is it going to be a MYEFO announcement, or is it going to be a proper budget announcement? We might not have that—we might be in an election period by then.

Ms Stratford: I can't comment on that.

Senator WATERS: Given that the Third Action Plan runs out next June but you're consulting on drafting the fourth one now, is there not going to be an evaluation of the third one? How will an evaluation inform the fourth one if you're already drafting the fourth one?

Ms Stratford: An evaluation is currently going through an active tender process, so we're in the process of negotiating a contract with an evaluator for the Third Action Plan now.

Senator WATERS: You don't do that evaluation in-house?

Ms Stratford: No.

Senator WATERS: Who does that normally?

Ms Stratford: Previously, the second action plan went to KPMG. We're still negotiating with a provider currently. We are expecting that that evaluation will be finalised mid-next year, but we anticipate receiving early findings throughout the development process, so that we can inform the policy on the fourth action plan.

Senator WATERS: Is that evaluation made public?

Ms Stratford: It's a matter for government if it's made public.

Senator WATERS: Was the second one made public?

Ms Stratford: It was.

Senator WATERS: So I can find that?

Ms Stratford: Yes.

Senator WATERS: Thank you. I will look that up. What was the consultation with the sector on the evaluation of the second and third action plans?

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

Senator WATERS: Thank you. You've already mentioned consultations on the fourth. How was the list of stakeholders created for that?

Ms Stratford: For the fourth action plan we worked in partnership with state and territory governments. First, we met as the governance group of state and territory senior officials and Commonwealth senior officials to discuss the approach for the consultations, agreed to do that in partnership and then worked collaboratively to formulate the lists. We didn't turn anyone away. If people expressed an interest to participate we included them in the process. Around 900 invitations were sent out nationally, and around 600 people attended. Many of those people represent multiple organisations. We estimate around 400 organisations but we can't be exact with that figure.

Senator WATERS: Is the list of those stakeholders public or at least organisations?

Ms Stratford: It is. It is listed in the summaries on the website of each consultation who attended—not who was invited, but who actually came.

Senator WATERS: If they have made written submissions are those submissions public?

Ms Stratford: They're not currently public. We have received 25 written submissions, which we're going through now.

Senator WATERS: Why so few submissions when there had been so many individuals initially engaged?

Ms Hefren-Webb: The process was to invite them to come and talk and get their input that way.

Senator WATERS: Verbally rather than—

Ms Hefren-Webb: Yes. People are free to write a follow-up submission as well but a lot of people didn't.

Senator WATERS: I'll put a few more questions on notice about the fourth action plan. I now want to ask about the use of technology to perpetrate abuse. There's been a bit of media attention on this which has been really informative. In particular, the ABC reported a few days back that the myGov portal can be used by abusive partners to track down former partners and survivors. Apparently the issue is that partners can access the updated address details of the child through the myGov portal. I have the app on my phone, too. It is very common.

Ms Campbell: MyGov is a Human Services matter. They will probably be able to give you more detail on that—or maybe the Digital Transformation Agency. We don't have the detail on myGov here.

Senator WATERS: I'll put stuff on notice for that. Is Centrelink customer reference numbers in your area?

Ms Campbell: No. Human Services will be able to take you through Centrelink CRNs tonight.

Senator WATERS: In that case, I only have one brief chunk of questioning left, and it is about funding for White Ribbon. They do receive federal government funding?

Ms Stratford: Yes, they do.

Senator WATERS: How much?

Ms Stratford: This financial year they received \$113,000. That is the only funding we currently provide them.

Senator WATERS: And for previous financial years?

Ms Stratford: In 2016-17 it was \$550,000. In 2015-16 it was \$250,000. In 2014-15 it was \$270,000. In 2013-14 it was \$200,000.

Senator WATERS: So it's not an insubstantial amount over those few years. What's the basis for the funding? What's it given for?

Ms Stratford: It's all project based funding. Those funding amounts have been for different projects across the financial years. The current funding is around the community connections project. That project is around working with young people from culturally and linguistically diverse backgrounds to complete some training in respect and leadership and enable them to become advocates in their community to speak out against violence against women.

Senator WATERS: Has there ever been funding in those years or prior to that to do with reproductive decision-making by women?

Ms Stratford: No.

Senator WATERS: Are you aware of the actions that White Ribbon took last week in taking down their statement?

Ms Hefren-Webb: Yes.

Senator WATERS: They've now put it back up but they're saying it's now subject to consultation. Is that a factor that you will consider when looking at future grant applications from them?

Ms Hefren-Webb: As always, we'll consider a whole range of factors when looking at future grant applications. That's a factor.

Senator WATERS: Have you taken or will you take any other action related to White Ribbon's unfortunate disagreement with women's bodily autonomy?

Ms Hefren-Webb: As Ms Stratford said, our funding relationship with White Ribbon relates to specific projects. We are not on their board. We don't have any other kind of ongoing relationship beyond project by project, so it's not a matter with which we'd get involved.

Senator WATERS: Are you aware of whether any of the folk in your area or perhaps even the minister are ambassadors for that organisation?

Ms Stratford: We'd have to check with White Ribbon because they recently took all their status away and they now have to go through a process of reapplication. It would be a matter of whether any previous ambassadors have completed that process of requalifying as an ambassador or are part-way through that process.

Senator WATERS: Is something that the department will ask its employees to check on and to reconsider, given their stats?

Ms Hefren-Webb: Are you talking about an employee in their private capacity—

Senator WATERS: Anything that's under your responsibility. Perhaps a prominent public servant that might be perceived by the public as associated with your department.

Ms Campbell: Senator, we'll take that on notice.

Senator WATERS: Thank you. I understand that, in March, PM&C were accredited by White Ribbon's workplace program. Does DSS have any input into the accreditation of that program? Does your department have accreditation? Is it appropriate that government departments are being accredited, considering their recent—

Ms Campbell: We can only answer for ourselves and I am advised we're not accredited.

Ms Stratford: No.

Senator WATERS: Have you sought accreditation in the past?

Ms Stratford: As our process was commenced some years ago, but part-way through that process there was some consideration around having an active funding relationship with White Ribbon and the potential for a perceived conflict of interest. So we ceased continuing that process, but, through that time, we assessed ourselves against the standards and it was deemed that we met all the requirements.

Senator WATERS: But you didn't continue on with that process?

Ms Stratford: No.

Senator McALLISTER: I know that the department funds a range of debt helpline services and financial counselling services. I'm interested in whether you keep track of the demands made on those services.

Ms Hefren-Webb: Those services report to us on their client flow.

Senator McALLISTER: Is that annual or monthly or—

Ms Hefren-Webb: I might defer to Mr Thomas or Ms Halbert to answer that.

Mr Thomas: Commonwealth Financial Counselling and Financial Capability in 2017-18 provided reporting that they assisted 112,400 individuals.

Senator McALLISTER: How regularly do they—

Mr Thomas: It's an annual report.

Senator McALLISTER: The department is receiving only annual information about—

Ms Hefren-Webb: Can we check that? That is the annual figure, but I'm not sure whether they provide it every three months and we aggregate it. I'd rather take on notice, if that's okay, whether the reporting comes in more regularly.

Senator McALLISTER: Mr Thomas, do you know the answer to this? I understand the point Ms Hefren-Webb is making. You've got the annualised data with you, but do you know whether the department receives data more regularly?

Mr Thomas: The reporting is done through the department's data exchange network, so I'd take on notice as to whether—

Ms Campbell: Senator, we might have someone else at the table who might be able to give us some more details.

Senator McALLISTER: Great.

Mr Scott: I'm the group manager for the Community Grants Hub. We're also responsible for the DSS Data Exchange, which is the online reporting tool. Those particular services are required to report on six-monthly intervals from January to June and from July to December. We also have a couple of different ways of uploading data. For providers that are using our system-to-system capability, the data will come in more regularly.

Ms Campbell: But unfortunately it wouldn't be a complete picture because we'd have some that were reporting every six months and some that were using the system.

Senator McALLISTER: Understood. So the basic data that's provided is the of number of calls, number of occasions or number of service incidents?

Mr Scott: Yes, that's correct. The mandatory data that's reported will be around clients, numbers of sessions and things like that.

Senator McALLISTER: Does it include any assessment of the severity of their financial position or the intensity of their need?

Mr Scott: No, not the minimum data set that all providers are required to provide. But we do have the voluntary data set, which we call the partnership approach, which collects a broader data set that does include outcomes based reporting, which does include an assessment of clients' circumstances when first presenting.

Senator McALLISTER: How regularly is that data set assembled?

Mr Scott: Again, that would be on the six-monthly time frames.

Senator McALLISTER: Great. Have you seen an increase in the number of people seeking assistance from telephone financial counselling services?

Mr Thomas: The number that sought assistance in 2016-17 was 109,075.

Ms Hefren-Webb: And 112,400.

Senator McALLISTER: And 112,400 for the following 12 months.

Ms Hefren-Webb: That's an increase of approximately 3,000.

Senator McALLISTER: Could you provide on notice the number of calls made in those six-month periods over the last five years broken down by state?

Mr Scott: We'll have to take on notice how far we can go back. The data exchange was implemented in 2014, so I'm not quite sure how far we go back with the data exchange data and how the data might have been collected prior to the data exchange. But I'm happy to look at it.

Senator McALLISTER: I would be happy to revise my request to from the commencement of the data exchange regime, because that sounds like the most practical way to get it. That is useful. Just a quick question about Assistant Minister Landry. How is her role defined?

Ms Campbell: Ms Kelly will be able to take you through Minister Landry's responsibilities.

Ms Kelley: I'll read out a list. Assistant Minister Landry is responsible for the following: portfolio contribution to the Commonwealth's response to the Royal Commission into Institutional Responses to Child Sexual Abuse other than redress; government's response to the Royal Commission into the Protection and Detention of Children in the Northern Territory; development of targeted long-term reforms in the families and children activity; the National Framework for Protecting Australia's Children; the third action plan and development of the fourth action plan; children in out of home care; adoption; women's safety agenda; violence against women and their children; the National Plan to Reduce Violence against Women and their Children; peak body and stakeholder engagement with the children and families sector; and settlement services for humanitarian entrants.

Senator McALLISTER: How many policies has the assistant minister announced since taking office?

Ms Kelley: I think we might have to take that one on notice.

Senator McALLISTER: According to the website, it's none.

Ms Campbell: The list that Ms Kelley just took us through had a number of the policies that we've been talking about today, such as the development of the fourth action plan. These haven't come to a conclusion yet; they are underway. Minister Landry was in attendance at the COAG council, so these are issues she's working with the department on.

Senator McALLISTER: How many meetings have you had with the assistant minister?

Ms Hefren-Webb: My staff and I would have had more than a dozen meetings.

Senator McALLISTER: How many media releases has she put out in the last two months?

Ms Campbell: We can get someone behind us to see whether we can capture that number for you.

Senator McALLISTER: My assessment is that the answer is two. She put one out on National Child Protection Week and then she put something out entitled 'Try something new: Get online this week'. That's it as far as I can tell. I think you indicated, Ms Campbell, that she is working on the National Plan to Prevent Violence against Women and their Children. Is there anything else she's taking a particular interest in? What has she communicated to you as her priorities?

Ms Hefren-Webb: She is particularly interested in the framework for protecting Australia's children, the issues in the Northern Territory that came out of the royal commission process and the domestic violence work, as we said. She also will have responsibility for liaising with the sector on settlement services, so she's initiated some meetings in that area. She's met with a large number of the non-government organisations who operate in the family and children's space. I think she is appearing at the Family and Relationship Services Australia conference that is coming up in November.

Senator McALLISTER: Could I ask you to provide on notice the number of meetings the assistant minister has had with grant recipients since taking office and the average length of those meetings?

Ms Campbell: We will take that on notice.

Senator McALLISTER: We were talking earlier about the announced funding in the Women's Safety Package and the fact that some of it expires. I'm aware that Keeping Women Safe in their Homes in Western Australia has Commonwealth funding ending this month. There have been a number of public reports about the consequences of that funding ending. In particular, in *The West Australian*, for example, on 10 October, it was reported that more than 700 women and their families benefited from the program last year through safety planning, security assessments, home upgrades, lock changes, surveillance cameras and panic buttons, but, because the funding is going to dry up, there is a very real risk that these services will no longer be able to be provided. What is the department doing to secure funding and continue support for these 700 women and their children?

Ms Hefren-Webb: Senator, the safe at home funding, as Ms Stratford said, was designed to supplement state and territory funding. All states and territories fund activities related to keeping women safe at home. The Women's Safety Package funding was always announced as terminating and was designed to be supplementary. I think you may have been out of the room when Senator Waters asked about decisions about ongoing funding for activity under the plan—

Senator McALLISTER: No, I was here for that.

Ms Hefren-Webb: That will obviously take place through the budget process.

Senator McALLISTER: Yes, but the cliff for the funding for this particular service, which appears to be very important for women in Western Australia, is next month.

Ms Hefren-Webb: We encourage the Western Australian government to support initiatives such as this. It's in their core responsibility of women's direct service provision and response to women at risk of domestic violence. The Commonwealth does not fund these services across Australia, has no history of funding these services across Australia, and the announcement in the Women's Safety Package was designed to supplement only.

Senator McALLISTER: What is the point of an arrangement to supplement funding for a short period of time? Perhaps I will phrase it this way: violence against women is an enduring and ongoing problem. I understand the nature of a pilot. I don't understand the nature of a short-term supplementation for an operational service of this kind. Either the Commonwealth is in or it's out. It chose to be in when it funded these services under the Women's Safety Package. Why is it now no longer the Commonwealth's responsibility when it was the Commonwealth's responsibility just a few years ago to fund this service?

Ms Hefren-Webb: The decision to fund the service, at the point in time, related to particular concerns about adequacy, potentially. It was always the Commonwealth's view that the services should be funded by states and territories in an ongoing manner. Decisions about short-term funding for women's safety activity—as I said earlier, every one of the action plans under the national plan has been funded on a short-term cycle. The first action plan was no different; activities were funded for four years, and then the government considered its ongoing role. The decision was taken in at a particular time, in a particular context.

Senator McALLISTER: Minister Cormann told me, in the Department of Finance estimates, that the government wasn't making cuts; it was just reprioritising. Are we reprioritising away from domestic violence services?

Ms Hefren-Webb: Was that in relation to these services or was that a separate conversation?

Senator McALLISTER: It was a more general statement about the way that the government was approaching the budget.

Ms Hefren-Webb: The government is considering the funding for domestic violence services and supports in the context of the budget as usual.

Senator McALLISTER: Thanks, Chair.

ACTING CHAIR: I know we want to get to disability really quickly because we have gone over time. I have a very quick question on income management. It doesn't mean I don't care about income management and the cashless welfare card; I will be putting a lot of questions on notice. Thank you for the figures you've provided. Can I ask now—and could I also ask that this be included in the future—the breakdown for income management does a percentage of First Nations who are participants, but that's not provided for the CDC trials. So while the information is very helpful in terms of, for example, the number of applications for exemptions or the restricted proportion being changed, breaking down to First Nations and non-First Nations, you can't compare that to the

percentage of First Nations that are actually in the trial sites. Are you able to give me that for the trial sites now and then include it in the future in the stats?

Ms Hefren-Webb: I think it may be an issue about small numbers and not being able to—

ACTING CHAIR: No, I wouldn't have thought so. In East Kimberley, the number of participants is 1,348.

Ms Hefren-Webb: Yes, but the number who have applied for exemption—

ACTING CHAIR: No, that's here. You provide that, but I can't compare—for example, in Kununurra in the East Kimberley—the percentage of Aboriginal people that have applied for an exemption or a reduced proportion to the percentage of Aboriginal people that are in the trial.

Ms Campbell: You want the total number of people in the cashless debit card who are Indigenous.

ACTING CHAIR: Yes.

Ms Campbell: I think I've got it.

ACTING CHAIR: I just want the number. Break down the 1,300 into Aboriginal and non-Aboriginal.

Ms Campbell: Do we have that?

Mr Taloni: I think we've got it.

Ms Campbell: We've got that. If we don't have it, we could take it on notice.

Mr Taloni: We don't seem to have it with us, sorry.

ACTING CHAIR: Are you able to provide that before we finish?

Ms Campbell: The officers will leave the table to see what they can do while we are doing disabilities and see whether they can bring it back before we finish.

ACTING CHAIR: Okay, thank you. The rest will be on notice.

Senator WATT: While we are on the subject, Senator McAllister has actually just left me with—I'll table a request for some further information from the department about funding from the third action plan on domestic and family violence. I won't bother reading it all out, but I will table that, and if that is something that people could be working on while we keep going on other things, that would be great as well. Thanks.

Ms Campbell: We might be able to do that.

**Department of Social Services
National Disability Insurance Agency
NDIS Quality and Safeguards Commission**

[15:09]

ACTING CHAIR (Senator Dean Smith): We've agreed we're moving on to outcome 3. We will start with Senator Steele-John.

Ms Campbell: We will have both the department and the NDIA at the table at the same time. We have the NDIS Quality and Safeguards Commissioner in attendance as well, so I don't think we're going to have room for everybody.

Senator Fifield: I'll go!

Senator SIEWERT: I don't know if that's allowed!

Ms Campbell: We wondered whether the commissioner could sit behind until you had a specific commissioner question. Would that work?

Senator SIEWERT: Yes, I think so.

Senator STEELE-JOHN: Yes, that's fine.

Ms Campbell: So we'll have the department and the agency, and the commissioner will be here if we have commission-specific questions.

Senator STEELE-JOHN: I have a couple of question for the commission, but I will save those till the end. The first question I have is in relation to the DSS funding of federal disability advocacy organisations and the nature of those contracts. Who would it be best to direct that to?

Ms Campbell: The department.

Senator STEELE-JOHN: My question goes to the contracts under which these DPOs are funded by the federal government. In the international advocacy work that they undertake, are they limited under contractual arrangements to work only within the CRPD, or can they undertake disability-related work under the remit of a

different convention, such as—I forget the actual name—the international convention relevant to the inequalities and discrimination faced by women?

Mr Callisen: I believe the deeds are specifically focused on the UNCRPD and activities that are the responsibility of this portfolio.

Senator STEELE-JOHN: So what happens, for instance, when we might be reporting against something that covers a different convention, such as that relating to women, but that has a particular lens in the disability community—for instance, domestic violence and those kinds of issues, which are higher among disabled women?

Mr Callisen: If there are issues that are relevant to the disability community, some of those activities would be permissible under the grant.

Senator STEELE-JOHN: So a DPO would then be able to conduct that research or activity, even though it wasn't strictly within the CRPD—or they wouldn't?

Mr Callisen: If they can relate it to their work under the UNCRPD and the responsibilities specifically related to issues for people with disability, yes, they could do it under the agreements with us.

Senator STEELE-JOHN: So there should be no problem in a DPO addressing the issue of violence against disabled women, even though they might have to do that under a different convention? It seems to me—and I've heard this from the sector a number of times—that there's conflicting advice being given from the department as to whether they are able to undertake work in these very relevant areas because of the language around the CRPD.

Mr Callisen: I think part of the challenge may be that the grant agreements do stipulate they cannot use DSS funding for activities that are the responsibility of another portfolio. So, if there is a specific activity they are engaging with that is, for example, the responsibility of the Office for Women, they could not utilise DSS funding for that.

Senator STEELE-JOHN: Yes. But I really fail to see the value in that, because it stymies cross-collaboration, where we have these two massively overlapping issues. What is the value in not having flexibility there?

Ms Campbell: I suggest maybe these grant guidelines have been designed to make sure that organisations are delivering the grant for the purposes it was originally envisaged. What I'm hearing from you is that there are these cross areas.

Senator STEELE-JOHN: Yes.

Ms Campbell: I would be happy if we could get some of these details and take that on notice and have a look at whether or not there is flexibility in this space. But, as you can imagine, the government is pretty focused, when it gives a grant, on getting that for it.

Senator STEELE-JOHN: Absolutely.

Ms Campbell: I think what we're hearing is sort of on the edges and we will see what actual circumstances would be most useful.

Senator STEELE-JOHN: I'm looking for some clarity as to whether there is that ability to cross-collaborate under certain circumstances.

Ms Campbell: There are those abilities, but they are generally set up at the start for those cross-portfolio type grants. What I think I'm hearing here is that these grants were for disability and the recipients are now looking to do just something a bit different and they're a bit concerned that they won't be in accordance with their grant guidelines, which may or may not be the case. I think what I'd like to say is that we would be happy to look at these cases to see whether there's some flexibility around it.

Senator STEELE-JOHN: Okay. If you can get—

Senator CAROL BROWN: The guidelines were tightened to actually stop this sort of thing.

Senator STEELE-JOHN: Right. So, if you could get back to me on notice with that, that would be wonderful.

Ms Campbell: Do we have the examples? I'm checking with the officers at the table—do we know the organisations that are concerned by this?

Mr Callisen: I may do.

Ms Campbell: If not, could we get that from you, Senator Steele-John, so we can actually work through that?

Senator STEELE-JOHN: Yes. Without wanting to get anybody into trouble, I'm happy to provide further information, if necessary. Can we move now to the National Disability Strategy? Who would it be best to direct that to?

Ms Campbell: Someone here, Senator.

Senator STEELE-JOHN: Okay, wonderful. As I'm sure you know, we have a new National Disability Strategy due in 2020. I'd like a bit of information as to where the development of the new strategy is up to, particularly in relation to when community consultation will commence and other relevant time-line dates that are currently available to you.

Ms McDevitt: I'll start off. The Disability Reform Council originally agreed in April 2018 to develop a new framework for beyond 2020. Stage 1 was a review of the strategy, which is nearing completion. Following the finalisation of that review and that being provided to Disability Reform Council ministers, they will be asked to consider that review and also agree to endorse the next stage of the very broad-ranging consultation strategy.

Senator STEELE-JOHN: You expect the consultation to commence when?

Ms McDevitt: Once Disability Reform Council ministers have agreed. So we expect to propose a strategy to them at their meeting later this year.

Senator STEELE-JOHN: When you say 'later this year', when is the actual date for that meeting?

Ms McDevitt: There is a meeting scheduled for early December. Once we've got the final review report, we will provide that to Disability Reform Council members with a proposed consultation strategy, but they would need to endorse that. So it's likely that will occur during 2019.

Senator STEELE-JOHN: Sometime in 2019. But the next meeting is set for December. Excellent. Thank you. So is NDIS at the table?

Ms Campbell: So NDIA are at the table—the agency.

Senator STEELE-JOHN: Yes.

Ms Campbell: But, of course, the department has the responsibility for the NDIS policy and legislation.

Senator STEELE-JOHN: Of course. So who is it best to direct those questions to?

Ms Campbell: Senator, you direct the questions and we will try and work out amongst ourselves who will answer.

Senator STEELE-JOHN: Wonderful. I will go to SDA, if that's all right with you guys. You have very helpfully provided market data on specialist disability accommodation on your website. That is a good move forward in terms of transparency. I note, however, that there are 136 folks in WA who have within their plan funding for SDA; however, not one dwelling is in fact enrolled in an SDA program in WA. So I would like to know what the NDIA is doing to ensure that the market is delivering what my constituents need in relation to SDA accommodation.

Ms McDevitt: I might just start with context. So specialist disability accommodation and the rules that went around that are still a relatively new thing; although, we are seeing people with SDA provided in their plans and we're seeing some dwellings being enrolled. You may be aware that the Disability Reform Council also brought forward a review of the current policy and pricing framework, and that's underway at the moment. So there have been some issues that we've heard from stakeholders, from participants, from investors, about how SDA is being implemented and that's why the Disability Reform Council brought forward the review. That is underway at the moment. Again, we expect that ministers will look at the outcome of that review at their meeting in December and consider whether any streamlining or improvements can be made, particularly to increase the supply, because that is clearly the issue—the supply of properties, yes.

Senator STEELE-JOHN: Do you have any additional information you can share as to why you believe there is such a disparity between the number of plans that are funded and the actual dwellings that are present in WA?

Ms McDevitt: I'll just make one comment on WA. The delivery of the NDIS in Western Australia only commenced as part of the national model from July this year.

Senator STEELE-JOHN: Yes. I am aware.

Ms McDevitt: So I would expect that that has some bearing, because, prior to that what we refer to as SDA is part of the national model under the NDIA and so really we've only had a few months, and what happened under the WA-delivered model was fully in the control of Western Australia. I will let Rob add to that.

Mr De Luca: I'll give you a bit of a sense of the process that we typically go through. Generally the planners will have conversations with the participants, to assess their needs. Within that process, there will be an

identification as to whether the supported living is required. At that point in time, we will determine whether we believe the participant requires SDA in their plan. At that point in time, the participant would work with support coordinators to identify available dwellings that are either certified—now, there will always be a bit of a timing lag between necessarily participants getting the plan and then when they actually draw on it to actually find the accommodation. In many cases, you may be aware, participants have come across from the state system in WA where we have in-kind arrangements. They would already be in accommodation. So there will be potentially a maturity of that date when they would be available to consider moves to a new accommodation.

To give you a sense of comfort of the growth in the market, if we take FY17, there were 258 registered providers for SDA. In June 2018, we've had a growth of 168 per cent, to 692. We are seeing the growth in the market. Active participants—back in June 2017, there were 4,657. In June 2018, there were 8,858. We are seeing a basically a doubling over the last 12 months. Ms McDevitt's point is the work is going on to say: what else can we do? We've recently released some market information at a local level, saying how many participants have it in their plan and how many registered providers there are. So hopefully that encourages market supply.

Senator STEELE-JOHN: Market supply indeed. I'll take you—it might be you, Mr De Luca—to the question of the market data, which has been released. It's not broken down further into categories of new build, pre-existing stock, legacy stock et cetera, and it also excludes accommodation that is being provided as in-kind supports from the states. So I wonder if you can provide any further information outlining some more issues around how many rooms are available to participants through SDA? I would love to know why that additional level of data was not provided.

Mr De Luca: I don't have the level of granularity that you've alluded to. We're happy to provide that. This is the first time we've released information, and, given the newness of the scheme, it's based off feedback that the market will understand and will educate the market better. To the first part of your point, we would look to provide more granular information to that level, so it's a much more informed market. We can take on notice the specifics of it.

Senator STEELE-JOHN: I will go now to the question of data. This is a conversation, I'm sure, many of you are aware of. In the Productivity Commission's review of NDIS costs last year, it recommended that the agency make all of its data available for research by the middle of 2018. It also noted that the NDIA, quite rightly, is the custodian of data, not the owner of data. I would like to know why the agency has not yet initiated the sharing of this data and followed the Productivity Commission's recommendations?

Mr De Luca: As you can appreciate, the richness of the data continues to expand day in, day out. We provide quarterly reporting through the quarterly report and in each quarter we provide more information on that. On the SDA that we alluded to earlier, it was the first time we released that information. From our perspective we've been investing in improving the scalability of our data platforms. We've just made some improvements in that over the last quarter, which gives us more information on why we've been able to provide it. I'd say to you that we will continue to provide more information, depending on what's required. We work with the states and territories through the Disability Reform Council to work out what's required and what the states and territories would request. We're very keen to continue to provide as much information as we feel is appropriate.

Senator STEELE-JOHN: But, as the custodian and not the owner of that data, I would like to know what actual detailed plan you have in place for the release of that data with time lines and time frames, not just, 'We intend to continue to release more,' because it's not actually yours.

Mr De Luca: We provide that data every quarter. The way the process works is we provide it to the minister and the Disability Reform Council. It's released to the community each quarter and we take feedback from states and territories and others on what else is required and we continue to enhance that. It's not, 'We will,' it's, 'Every quarter we continue to provide it and provide more information that comes to hand.'

Senator STEELE-JOHN: Yes, I understand that. You change or you take feedback on what more could be included, but, regardless of what you're advised by states and territories, you should have a plan that is independent of that feedback process that talks about how you get to a point quickly that folks can access this data, which, again, isn't yours, for the purpose of research. One of the great benefits of the NDIS is the capturing of this research for the first time. Are you telling me that you do not, in fact, have an independent time line on when I will be able to go to the folks that I speak to in the research community and they will be able to say, 'Yes, we've been able to get that'?

Mr De Luca: It depends a little bit on when you say what information. We do work with universities and research houses. They approach us and say, 'This is the kind of information we'd like cut a certain way' and we

provide that to them. We work through that process, so I'd be very happy to work out what's missing that people would like and to then be able to say the time line we would be able to provide that information in.

Senator STEELE-JOHN: I've been contacted by very senior, high-level researchers who are desperate to commence world-leading research and the only thing that's stopping them is the ability to access NDIA data.

Ms Rundle: I might add something. One of the other things that Rob has asked us to do is to arrange for regular—possibly every six months, but certainly every 12 months—roadshows, for want of a better word, around the country, where we can have open discussions about the data and invite all interested stakeholders, including researchers, universities, participants, peaks and others. As well as that, our scheme, as you know, is doing a lot of work around other insights and outcomes. We're looking to see what else we can glean from the data. That is something that, when we're in a position to, we would also share.

Senator STEELE-JOHN: Thank you for that. I will take you up on facilitating connections with the folks that have contacted me. I will move now to some very concerning information that has been brought to my attention from members of the ME/CFS community. For the purposes of this question, Chair, I have a number of images which I am happy to circulate to the committee and to the folks before us today. While that makes its way to you I'll give you a bit of context. It was communicated to me that a person journeying with ME/CFS was put into contact by the agency with a Professor Lloyd during her appeal for a rediagnosis. It was a very negative experience for her. During the process she was informed that Professor Lloyd is the only person used by the agency in relation to questions of whether or not ME/CFS journeying applicants should be approved or not. He is well-known and reasonably respected in this area, so it is not unusual to me that he would be consulted by the agency in this capacity. I don't know whether that image has made its way to you. In the interests of time, however, I will read out the heading of it. 'Professor Lloyd is currently undertaking research at the University of New South Wales and is seeking research participants in a study into ME/CFS and has advertised that he needs participants for his studies under the heading "Are women with CFS ovary-reacting?"' There is an image below of a woman clutching her stomach with the by-line, 'Ovarian hormones and symptom severity in chronic fatigue syndrome'. My question to you is, given the extraordinarily poor judgement displayed in advertising a participant call-out in that way, why is Professor Lloyd the only advisory to the agency? Why has nobody else been brought in so that second opinions can be sought?

Ms Rundle: I think we can say that Professor Lloyd, if you're referring to his expertise in assistive technology particularly, does give us a lot of advice around assistive technology and works for us in that capacity. We have quite a few other people in the agency who also give us advice around assistive technology. He is renowned to be an expert at that, but he is not the only person who can advise.

Senator STEELE-JOHN: Not necessarily in relation to assistive technology. My understanding is that he is consulted by the agency in relation to application requests made by people who are journeying with ME/CFS. He is considered to be an expert in that field and is a member of the national medical research board. My primary question to you is, why do you not consult with more than one person on this question?

Mr De Luca: I can't comment on that. I'm happy to take that on notice and have a look at that.

Senator STEELE-JOHN: Has that image now been circulated to you?

Mr De Luca: Yes.

Senator STEELE-JOHN: That would be useful if you could.

Senator CAROL BROWN: I want to start my questioning around children in voluntary out-of-home care. I'll start with the media statement that was made by the former social services minister and the New South Wales minister, Ray Williams. They put out a media release. You're familiar with that. Would you be able to provide the committee with an update of the work that's been progressed on this issue since May?

Ms McDevitt: You're right in saying there was a media release. That was in relation to a high-level agreement made between the Commonwealth and New South Wales and the NDIA in relation to responsibilities for children in voluntary out-of-home care in New South Wales. That attempted to set out what the NDIS would be responsible for and what various parts of the New South Wales government system would be responsible for. It also referred to some of—this is the New South Wales term—a legacy group of children who had been in voluntary out-of-home care for some time where they had long-standing issues, and provision would be made, as were provisions both for prevention and supports for any children who were at risk of or newly entering voluntary out-of-home care. That's the context for that statement. By and large the arrangements set out in that media release and that statement have worked very well. Both the department, the NDIA and the respective New South Wales government agencies are continuing to work through the implementation and implications of that high-

level arrangement to make sure that everyone's clear on responsibilities and that individual cases are tested against that high-level agreement to see whether there might be gaps.

Senator CAROL BROWN: In that contribution you talked about an arrangement being attempted between the NDIA and the state. Is that not finalised?

Ms McDevitt: Yes, it is. For example, it included things like that New South Wales has responsibility, through their Office of the Children's Guardian and the legislation in New South Wales, for the overarching care of children in voluntary out-of-home care and the supervision of those arrangements and working with the parents. The New South Wales government also invests in family capacity building. They also pay for the board and lodging for children who are in voluntary out-of-home care. The NDIS pays for the disability supports. They pay for short-term accommodation and the ongoing disability supports for those children.

Senator CAROL BROWN: From what I understood you to say, are you saying that moving forward these decisions will be made on a case-by-case basis?

Ms McDevitt: There were some provisions made for some of the children that have been in the system for quite some time to maintain the supports that they'd been receiving. They were in certain living arrangements. The agreement was that we would all work together with a primary goal of prevention of children entering full-time out-of-home care, but where those circumstances did arise we would treat those as individual cases and work through with all the relevant agencies to provide the required supports for that child.

Senator CAROL BROWN: Does that mean that when we get to a position where being at home is not an option—I'm talking about other states and territories where this might come up as well—are you saying that parents could still be forced to relinquish their children?

Ms McDevitt: No.

Senator CAROL BROWN: Have you started conversations with other states and territories?

Ms Carapellucci: Yes. We have been having conversations jointly between the Department of Social Services, NDIA and relevant state and territory authorities. That work is under the auspices of a state and territory, Commonwealth and NDIA working group that sits under the senior officials working group. That broad body of work is led by South Australia, but around the issue specifically for voluntary out-of-home care we've been having discussions with each jurisdiction, because each has slightly different arrangements in their child protection legislation. Some jurisdictions formally acknowledge the concept of voluntary out-of-home care in their legislation, but not all jurisdictions do so. So there was recognition that, in terms of how any specific arrangements might be framed, it had to have regard to the specific requirements in each jurisdiction.

Senator CAROL BROWN: These solutions or arrangements that will be arrived at, will they also apply equally to children of families who are not yet part of the NDIS?

Ms Campbell: So future participants?

Senator CAROL BROWN: Yes.

Ms Campbell: When they join—when they're accepted into the NDIS?

Ms Carapellucci: Yes, that would be the intention. Obviously all parties recognise that the ideal is for children to remain with their families, and for agencies to work together to ensure that the family and the child—

Senator CAROL BROWN: I understand that, but I think we've got past the point where we know that sometimes that's not an option. But parents do not want to relinquish their children and should not be forced to.

Ms Carapellucci: That's right.

Ms Rundle: I'll add that our approach in the NDIA with our DSS colleagues is that no children should be put at risk and, even if we haven't always resolved who does what, we will do whatever it takes to resolve that particular situation and we can work out the arrangements later. I think it's important that people understand that.

Senator CAROL BROWN: With the work that you're doing with states and territories, is that with a goal of having some sort of nationally consistent set of guidelines that you can work by?

Ms McDevitt: Yes, that's right.

Senator CAROL BROWN: When do we think that might actually happen?

Ms Carapellucci: We're actively working on those issues now. They have proven to be quite complex because there are a number of agencies involved. But we're working towards a time line of later this year to have some high-level principles agreed, with further operational guidance to sit under those principles to follow on from that.

Senator CAROL BROWN: Does the NDIA ever recommend that children are relinquished in order to—

Ms McDevitt: No.

Ms Campbell: That's not a responsibility of the agency.

Senator CAROL BROWN: I would like to move on to specialist disability accommodation, which Senator Steele-John touched on. I understand that there are 12,000 new SDA places funded in the NDIS. Is that correct? Not actually put in place, but funded. You haven't got 12,000 in plans, have you?

Mr De Luca: Our expectation at full scheme—is that your question?

Senator CAROL BROWN: How much is your budget for SDA?

Mr De Luca: There's no budget specifically to SDA. I can give you a sense of what we would expect.

Senator CAROL BROWN: Anticipated, yes.

Mr De Luca: At full scheme we expect about six per cent of participants would have within their plans, so six per cent of 460,000 participants, and it would be approximately three per cent of scheme costs.

Senator CAROL BROWN: What's the situation currently?

Mr De Luca: Currently 5.1 per cent of active participants have SDA in their plan. That is 8,858 participants. There are currently 692 registered providers and \$80 million in committed supports.

Senator CAROL BROWN: At the moment, with your current participation rate, you don't have a budget for SDA for the people that are currently there?

Mr De Luca: When you say budget—

Senator CAROL BROWN: How many you think there may be—

Mr De Luca: At full scheme, there is an expectation—

Senator CAROL BROWN: No, now. At this point in time—August or September or whatever.

Mr De Luca: There are 8,858 participants. That is \$80 million in committed supports.

Senator CAROL BROWN: Okay. I think I'll move on. What is the average length of time between a participant indicating an interest in SDA and a decision being made?

Mr De Luca: I don't have the average time. The process is that, when the planners sit down with the participants, they'll assess eligibility and—

Senator CAROL BROWN: You don't keep information about how long? We have been hearing that it's quite a lengthy process around SDA.

Mr De Luca: There'll be two parts to the process. The first is whether they have a decision to get it into their plan and the second is finding suitable accommodation.

Senator CAROL BROWN: My actual question was about the average length of time between a participant saying, 'I want SDA in my plan,' and a decision being made as to whether or not they get it.

Mr De Luca: I can tell you that the average time for a participant starting to the process to get funding in their plan is 24 days. The SDA would be one component of it.

Senator CAROL BROWN: So you're telling me that if somebody has said, 'I want SDA in my plan,' and—

Mr De Luca: And they are fund eligible.

Senator CAROL BROWN: 24 days later they'll be told me yes or no?

Mr De Luca: That's the average time to develop a plan and get a plan approved.

Senator CAROL BROWN: Yes, but my question is about when they've asked for an SDA assessment.

Mr De Luca: We don't differentiate SDA from other elements of the plan. The process would be that the planner would have a conversation with a participant, go through their planning process, identify what their needs and goals are—

Senator CAROL BROWN: You say 24 days. What's the outlier? What are the other things? There must be plans that take more than 24 days.

Mr De Luca: So 24 is the average.

Senator CAROL BROWN: I understand the average. What's the top?

Mr De Luca: I don't have that with me.

Mr Francis: There are different ways in which—

ACTING CHAIR: Excuse me, Mr Francis. Senator Brown, it is now the scheduled afternoon break. Would you like to pursue this in a bit more detail after the break?

Senator CAROL BROWN: Yes, I would.

Proceedings suspended from 15:47 to 15:59

ACTING CHAIR: Senator Brown, would you like to continue with your questioning?

Senator CAROL BROWN: How many applications for SDA funding are outstanding?

Mr De Luca: I can't give you that answer at the moment. I'm happy to take that one on notice. For clarity that's how many participants have applied for SDA and we haven't yet made a decision yet?

Senator CAROL BROWN: How many applications for SDA are outstanding. Participants have reportedly been told by NDIA that they must make an application in relation to a particular vacant dwelling. Is that correct?

Mr De Luca: The process for having access to SDA is firstly whether it's a registered provider and then whether it has been certified.

Senator CAROL BROWN: I accept that, but is that on a vacant dwelling or not?

Mr De Luca: Vacant as in available for them to move into immediately?

Senator CAROL BROWN: Does it have to be vacant when they make an application?

Mr De Luca: It doesn't need to be vacant for them to make an application that they want to have SDA in their funding. They need to have found somewhere that is vacant for them to move in so we then provide the funding.

Senator CAROL BROWN: So it doesn't have to be vacant—

Mr De Luca: For an application, no. It doesn't need to be vacant if they apply to have SDA in their plan. That's the first part. If a participant goes through a planning process and requests SDA in their plan, that means it doesn't need to be vacant for them to be—

Senator CAROL BROWN: They identify a property.

Mr De Luca: That's correct, one that is register provided and certified. Then they will be given their—

Senator CAROL BROWN: Even if it's currently occupied, as long as it's going to be vacant for—

Mr De Luca: For them at some point in time, or else alternative properties.

Senator CAROL BROWN: That was a no: you'd be very surprised if you heard that's what they've been told.

Ms Rundle: That's right.

Senator CAROL BROWN: In response to a question on notice from the last estimates round, the department indicated there were 23 scheme participants who were also young people living in residential aged care receiving SDA funding in their plans. That was from 31 March. Do you have any updated figures?

Mr De Luca: I think we provided the committee with the 30 June information.

Senator CAROL BROWN: Whereabouts are the ones that actually have—

Mr De Luca: If you go to the second page, the second last paragraph before you get to number 3, Tasmania, the NDIA is aware of 22 participants who have been identified by the Department of Health as living in residential care who are no longer living there and have SDA in their plans. That's at 30 June.

Senator CAROL BROWN: For what period of time is that?

Mr De Luca: That's at 30 June 2018. There are fluctuations with people who exit at any point in time.

Senator CAROL BROWN: That's not just a quarter from March to June, or is it? There's no date.

Mr De Luca: That's the June quarter period; I don't have the information on previous periods in front of me.

Senator CAROL BROWN: According to this you are establishing a mechanism for timely consideration of SDA funding, including for participants who are current residents in aged care but yet to receive an SDA offer. The NDIA is aware of 22 participants who are identified by DOH as living in residential aged care and who are no longer living there and have SDA funding in their plans. What period of time are we talking about?

Mr De Luca: This 30 June 2018, but I can't tell you what the—

Senator CAROL BROWN: January to 30 June?

Mr De Luca: This would be what it is at 30 June 2018. I can't tell you what the variance would have been during the year. We can have a look at that for you.

Senator CAROL BROWN: If you could. Young people in aged-care facilities are listed as a priority group. In what way are they being treated as a priority?

Mr De Luca: How are they being prioritised? Was that the question?

Senator CAROL BROWN: Yes.

Mr De Luca: We have announced recently that we're creating a unit within the agency, complex support needs for young people living in residential aged care, with dedicated planners going through the information to see how we prioritise and get plans approved for them.

Senator CAROL BROWN: Are you able to table for me the process that you undertake to treat young people in a nursing home as a priority? I'm trying to save time. Take that on notice and provide that information.

Ms Rundle: Yes.

Mr De Luca: Very happy to.

Senator CAROL BROWN: Are you currently considering any changes or improvements? You'd be getting some feedback around some issues.

Mr De Luca: Yes. Recently in our pathways announcement we introduced a new unit within Mr Francis' complex service needs division. Young people in residential aged care will have dedicated planners supporting them so we can focus purely on a number of participants and try to make sure that experience is as best as possible. That's part of what we're developing. We're trialling that in Victoria and New South Wales over the next two months, November and December, to get some feedback on how that's working and then make continuous improvements from 2018.

Senator CAROL BROWN: You like a good trial.

Mr De Luca: We do. We need to test things to see how they work.

Senator CAROL BROWN: That would be good if you could provide some information on that.

Mr De Luca: Yes.

Senator CAROL BROWN: I will move on to staffing. We will start with staff in the Geelong office. Which of the following senior officers are based at the NDIA headquarters in Geelong—you're not, are you?

Mr De Luca: I'm not.

Senator CAROL BROWN: I will go through the list.

Mr De Luca: Do you want to know the number of senior officials based out of Geelong?

Senator CAROL BROWN: I have a list and then we will get to your list. You are in Melbourne. The Deputy CEO, Participants and Planning Experience?

Mr De Luca: That is Mr Francis.

Mr Francis: I'm based in the Melbourne office. I spend between one and two days a week in Geelong.

Senator CAROL BROWN: Head of Markets, Provider and Sector Development?

Mr De Luca: Ms Albanese is based in South Australia and is probably there two days a week, like Mr Francis.

Senator CAROL BROWN: The Deputy CEO, Government, Communications and Stakeholder Engagement?

Ms Rundle: That is me. Because I do a lot of work with government and DSS, I'm based here, but I travel around the country as required, including to Geelong. I have an office there.

Senator CAROL BROWN: Do you have an office in Melbourne?

Ms Rundle: I visit the Melbourne office. I sit in a roving desk, wherever one is.

Senator CAROL BROWN: You have satellite offices like the APVMA?

Ms Rundle: We do, because we're a national organisation.

Senator CAROL BROWN: Head of People & Culture?

Mr De Luca: He lives in Victoria. He probably operates out of Geelong about three days a week.

Senator CAROL BROWN: And the rest of the time he's in Melbourne?

Mr De Luca: Melbourne or probably other parts of the country. The executive teams travel each month to different locations across the country.

Senator CAROL BROWN: The Deputy CEO Corporate Services and Chief Financial Officer?

Mr De Luca: Mr Walter is based in the Sydney office. Again, he probably spends a mixture of his time between his teams based in Canberra, Geelong and Sydney.

Senator CAROL BROWN: The Deputy CEO Strategy Development and Chief Risk Officer?

Mr De Luca: He's based out of Sydney and spends probably three days a week out of the Geelong office.

Senator CAROL BROWN: Chief Information Officer?

Mr De Luca: Mr Frew probably spends his time mixed between Canberra, where DHS is, probably three days a week, and then two days a week split between Melbourne and Geelong.

Senator CAROL BROWN: The Scheme Actuary?

Mr De Luca: Ms Johnson is in Sydney, where the actuarial function is based.

Senator CAROL BROWN: You were going to say how many other senior executives are based at Geelong.

Mr De Luca: We have 79 senior executives across the agency. At 30 June, just over 30 of those 79 were based in Geelong. The remainder are spread around the country.

Senator WATT: Who is the most senior executive actually based in Geelong?

Mr De Luca: We have a number of general managers. I can't tell you how many, but we'd have a number of general managers.

Senator WATT: What's your structure? You're at the top, and then two deputy CEOs?

Mr De Luca: CEO, deputy CEO, general manager.

Senator CAROL BROWN: You might have to take this on notice: for the other 49 senior executives, would you be able to indicate where their work base is?

Mr De Luca: We certainly can, yes. Mr Francis runs a national team, so he has state and territory managers. There are eight of those across, obviously, the states and territories. Then we have a branch manager for regional and remote, based in the Northern Territory. Then, in the market team, we have senior executives who manage all the provider relationships across the country. So they're generally spread across the country depending on who they're servicing and their stakeholders.

Senator CAROL BROWN: If you just provide that on notice, that would be good. Has the Assistant Minister for Social Services, Housing and Disability Services raised with the agency the issue of a significant number of the senior executives not being based in Geelong?

Mr De Luca: With me, no.

Senator CAROL BROWN: Or anyone else in the NDIA that you know of?

Mr De Luca: No.

Senator CAROL BROWN: Has the NDIA entered into any new leases on office space for central agency functions in Melbourne?

Mr De Luca: Since when?

Senator CAROL BROWN: I think last time we talked about it you were in Lonsdale Street.

Mr De Luca: Yes, we had some space which was kindly offered at that stage by the Department of Social Services. We were told a point in time that we needed to be out by—I can't remember what date it was—so we found some space in Collins Street.

Senator CAROL BROWN: So they evicted you?

Mr De Luca: They didn't evict us. It was a known thing that we were using space that they would otherwise have liked to have at some stage. So we have some space in Collins Street.

Senator CAROL BROWN: When did you go there?

Mr De Luca: I would have to come back to you with the exact date. I think it was about May or June this year. It was earlier in the year.

Senator CAROL BROWN: Is that in a government office?

Mr De Luca: No, it's not a government office.

Senator CAROL BROWN: Is it an office building?

Mr De Luca: It's an office building, yes.

Senator CAROL BROWN: Is that in the Optus building?

Mr De Luca: I don't know whether Optus is—

Ms Rundle: It is 367.

Mr De Luca: Can we take on notice who is the tenant of the building.

Senator CAROL BROWN: I think Mr Francis said he'd do it.

Mr Francis: I believe it's called the Optus centre.

Senator CAROL BROWN: Okay. This is my last question: are the head office staff all based at that one site, the Collins Street site, now?

Mr De Luca: Who? Sorry, Senator.

Senator CAROL BROWN: Are the head office staff that are based in Melbourne based in just that one site, or are they in other sites?

Mr De Luca: We have a number of sites across Victoria. I can't tell you where the others are. But, in the CBD, that would be the only premises where we have some lease.

Ms Rundle: The rest are service delivery sites, predominantly.

Senator CAROL BROWN: Okay. So those people that we were talking about that are based in Melbourne are all out of that—

Mr De Luca: Of the ones that are based out of the Melbourne office, yes.

Senator CAROL BROWN: Thanks.

Senator SIEWERT: I was in with the AAT on Tuesday, and their latest quarterly figures show that 58 per cent of the appeals over the NDIS package were changed. What is your response to that, given that that's a pretty high percentage—probably one of the highest rates of overturning decisions out of all their categories? Has that led to you changing the process in terms of the supports that people are being provided or their planning process?

Mr De Luca: Senator, I can't comment exactly on the statistic that you quoted, but over the financial year—

Senator SIEWERT: You're not aware of that statistic?

Mr De Luca: The 58 per cent?

Senator SIEWERT: That 58 per cent of the appeals that were made over NDIS were essentially upheld.

Senator WATT: What was the source of that?

Senator SIEWERT: That's the AAT. I was in at the AAT estimates and their quarterly reports have been tabled. I asked a few questions about it.

Mr De Luca: The information I've got here, just to share with you, Senator, is that over the 12-month period of financial 2018, we had 22 matters that went to hearing and then there was a decision: 50 per cent affirmed the agency's decision—

Senator SIEWERT: That's the end of the financial year report, isn't it?

Mr De Luca: That's right. And 27 per cent varied the agency decision and 23 per cent set aside the decision. In terms of your second question—

Senator SIEWERT: That was the yearly report. The latest quarterly report had 58 per cent.

Mr De Luca: For the quarter.

Senator SIEWERT: For the quarter.

Mr De Luca: Okay.

Ms Campbell: It's probably worthwhile working out what the numbers are, whether there are large numbers as well, because there were only 22 in the last financial year. We might need to see whether we can get that last quarter.

Mr De Luca: We will have look at the quarterly ones.

Senator SIEWERT: It's fair to say that it's probably a small percentage of people who end up taking it to appeal or who have the wherewithal in terms of knowing about being able to appeal. It's a big decision for someone to appeal.

Mr De Luca: You're right, Senator Siewert. We generally find, for our information, that about 90 per cent of them will be resolved before they get to the AAT situation. So it's obviously a big decision for participants to go down that course.

In terms of your second question, yes, we constantly have a subcommittee that looks at each of the cases to better understand whether it is something that requires a change in consideration to our practices, elements that we need to consider from a training perspective, or things we might need to better understand as to whether they

were previously in the act or not within the act in terms of what gets funded. We are constantly reviewing those to see, therefore, what practices we would need to change and whether there were any other changes to consider.

Ms Campbell: This is the department as well, watching whether there are policy implications for what is going forward and what the issues are.

Senator SIEWERT: What has been changed to date?

Mr De Luca: Since the scheme started?

Senator SIEWERT: Since you've started seeing those appeals being upheld.

Mr De Luca: What I can say is that certainly in the last 12 months we've created a committee to look at each case before they get to that point so that we can see whether we should be dealing with these things much faster. Ms Rundle might also want to talk about the critical support response in terms of understanding those and whether we need to make some changes.

Ms Rundle: I may have mentioned this at an earlier hearing, but we've set up what we're calling a critical incident service response. What we're doing is looking at all of the themes coming out of all of the parts of the agency. AAT is one of those and complaints is another as well as regular calls to the call centre by a caller on the same item. There are a range of things which we look at. We're trying to glean from that what are the key things that we think might lead to changing our operational policy and the way we do things, whether or not there is a scheme or policy issue that we need to raise that with the DSS and the states and territories, or whether there are other remediations.

The other thing we do in that committee is consider any urgent case that requires escalation for quick resolution. We can pull together all of the parties inside the agency at short notice to manage that. And we have an equivalent mechanism outside of the agency with states and territories that we're just setting up. We have an agreement formally with New South Wales and South Australia, we've got four more that are pending and the others are just being finalised so that if anything comes to their attention, just as if it comes to ours, either party can instigate a roundtable very quickly.

Mr De Luca: The final thing, which I should have said earlier, Senator Siewert, is the Disability Advocacy Network Australia, DANA, have been engaged in working with us to have a look at what we need to do to help participants and are there steps that we can take earlier. So they've had a look at our processes—

Senator SIEWERT: Before they end up—

Mr De Luca: Before they end up in the AAT, are there things that we can do earlier?

We've also set up a specialist unit purely focusing on the AAT, whereas previously it was part of the lawyer's job to do multiple things, and we are building up specialist capability so that we can look at these things earlier and whether we need to deal with them and not take them to a tribunal.

Senator SIEWERT: I've been following the issue for a long time—the difference between what you will and won't fund and funding specific health issues. I raised a case a long time ago, from Queensland, around insulin. I note that there was a case through the AAT. Can I ask whether you are appealing that case or intend to appeal? I've got a follow-up question, depending on your answer.

Mr De Luca: We're not appealing it.

Senator SIEWERT: Thank you. Are you now going to be working on a process that ensures that these issues are dealt with, with the state governments, so that someone doesn't have to end up in the AAT?

Ms Campbell: The department is working with the state jurisdictions on what we call mainstream interfaces, and that's part of the health interface. We are working with all states and territories and their agencies, both their disability and health agencies, to try and better articulate the responsibilities between the two systems.

Senator SIEWERT: When do you expect that to be resolved?

Ms Campbell: We have some material, which we believe we've agreed with states, that we're pushing through the process at the moment. There are some things that are harder than others, like the ones that are not agreed. We will try to clear up the ones that are agreed and we will continue to work on those not agreed. I expect we are going to be doing this for a long time. I think each particular case will bring up interfaces that we haven't thought about, or there will be different views. There are eight jurisdictions, so it's very complex.

Senator SIEWERT: Are you able to share the issues that have been agreed?

Ms Campbell: Not yet. They haven't been to ministers yet. We are working through that process. We will be pleased to give good news when we can get some.

Senator SIEWERT: Thank you. I will cheekily put it on notice in case that happens before the next estimates. Can you take on notice the issues that are resolved, because the minister may have responded by the time you get to answer it?

Ms Campbell: It's not just one minister.

Senator SIEWERT: Ministers. I live in hope that they will be resolved by next estimates.

Ms Campbell: We will take it on notice, but can I set your expectations not too high?

Senator SIEWERT: Message received! Can I ask, for the financial year, how many of those cases that were appealed related to psychosocial disability?

Mr De Luca: I don't have that. Can I take that on notice?

Senator SIEWERT: Thank you. Can I go to the issue of the new stream. I did start asking some questions when we had the rural, regional and remote hearing but I didn't finish because we ran out of time, and things are evolving. My understanding is that there are going to be the specialist planners, and then there is going to be another group of planners located with the LACs. Is that correct? So there will be two groups of specialist expertise focused on psychosocial disability?

Mr De Luca: Just to give you a high-level picture: what we are designing within the agency is a planning function which is broken into different parts. It'll be what I would call the general and standard. Within that, there will be some planners who are supporting people with psychosocial disabilities but are not in what I would call complex service needs. That would be—let's call them general.

Senator SIEWERT: General psychosocial planners; is that right?

Mr De Luca: That's correct. Also within that, to your point, we will be identifying and working with partners—so local area coordinators. Within their workforce, there will be dedicated people who we'll support from a local area coordinator perspective. That's the planner and the local area coordinator.

Senator SIEWERT: With those generalist planners, especially the local area coordinators, are there new resources or are the existing local area coordinators expected to fund it out of their resources?

Mr De Luca: It's basically a natural growth that we're working through at the moment. As at the end of September, we have just shy of 1,500 planners. We'd expect, as we get towards the next financial year and the end of the transition for all the larger states, with Western Australia left over, that we should have about 2,000 planners, give or take. We are growing our planner network by another 500 from where we are today. In terms of partners in the community, we are shy of 3,000 people across all of our local area coordinators and early childhood and early intervention. We'd expect that that workforce would grow to about 6,000 over the next 12 to 18 months—so they are growing as well.

To your question: for those supporting psychosocial, I think it's going to be a combination of both. There will be some existing people within the agency and some existing people among our local area coordinators who might have the right skill sets. We've designed, with Mental Health Australia, the position descriptions of what a planner's background and skills would look like, and the local area coordinator. We will work within our existing workforce to see how many of those in the various locations meet the needs. We're on top of that. We need to recruit, and we will continue to recruit.

Senator SIEWERT: Sorry; you didn't quite answer my question. Your last couple of sentences around existing skills lead me to the concern I have. It's great having planners focused on psychosocial disability, but if that's taking away from the planning capacity from that local area to support other people who would have been supported—that's what I'm trying to find out; whether these additional positions are building on the workforce that is already there working with people with disabilities outside of psychosocial disabilities.

Mr De Luca: What we're working towards is trying to reshape the participants within the scheme in our workforce so that we have dedicated planners managing a portfolio of participants. Today we already have planners across the country servicing and supporting people with psychosocial disability. They would have a number of participants that they would be servicing. Some may have psychosocial disability; some may not. We want to move towards generally having planners who focus either on psychosocial disability, children or complex service needs, and then having generalist planners. To your question: if we move a planner who's currently servicing a bunch of participants over here, we will of course continue to grow and put a new planner in to look after those participants.

Senator SIEWERT: So it is a growing of the workforce?

Mr De Luca: It's growing our workforce.

Senator SIEWERT: That's what I wanted to be clear about. Thank you.

Mr De Luca: To give you a sense of what we're doing: first, we're testing it in South Australia and Tasmania. The minister made the announcement. We're working through identifying some existing planners and some secondees from the sector, working with Mental Health Australia to try and identify the right skill set. They will come in and we will start to migrate existing participants—they get managed from those planners as well as new participants coming in. We've chosen South Australia because they're towards the latter stage. In Tasmania we're still growing that group of individuals and trying to manage that experience.

Senator SIEWERT: Thank you. What's the time line for that process and rolling it out across Australia?

Mr De Luca: By the end of November—so the following month—we're aiming to have South Australian and Tasmanian testing in place to give us some good insights of what that looks like. In parallel, we're starting to look for a workforce that can join in with in the other states and territories; that will start from December and go progressively across other states and territories. We're aiming to put the initial group of planners through initial training, working with Mental Health Australia, and we will take a review check to see what we've learned and what experience we've had probably in February next year before looking at whatever improvements we need to make. Just for your awareness: we're trying to work through not only the right skill set but also how do we develop a plan that's constructed in a way that supports episodic nature.

Senator SIEWERT: That was where I was going to go next.

Mr De Luca: It mightn't need to be manual to start with—we may say, at points in time, that they may not need to draw on funds but we may need to have emergency funds available at a point in time—and, also, how participants may come in and out of the scheme. So this is something that we're going to test and that we haven't got the answer to yet.

Senator SIEWERT: That's where I was going next, in fact: what the psychosocial stream looks like. We've had discussions before about the recovery model and the current rule that's in place. There have been a number of people advocating for change to the legislation. I must admit that I personally am attracted to that, but, in the first instance, some of the rules currently constrain that approach. So how is the psychosocial stream going to work, and are you dealing with that rule?

Mr De Luca: We're not looking at changing the rule right now. What we're trying to work through is a couple of aspects of the stream. The first is: what is the pathway if a participant doesn't meet the eligibility requirements? What does that pathway look like to alternative paths? That's what we want to test.

Senator SIEWERT: Within the NDIS, or were you talking about—

Mr De Luca: Even outside the NDIS.

Senator SIEWERT: And the front-door interface with the PHN?

Mr De Luca: Correct. We're looking at a participant either themselves or through nominees, through carers, coming and contacting the scheme itself and the agency about eligibility. If at that point in time, for whatever reasons, they don't meet the eligibility requirement, what does that pathway look like, where is it, and how do we hold their hand a little bit more than we probably have in the past? That's the first part to it. The second is that we obviously want to support a recovery model. That's certainly what we're aiming to do. The third is episodic. Participants may come in and out of the scene at points in time. Our plan construct hasn't been designed that way, so we need to test it. We want to learn how we evolve that and design it in a certain way. So we don't have an answer to everything, but we're certainly trying to work through how that looks.

Senator SIEWERT: I'm aware that other people want to jump in shortly. I just want to find out the time frame and what's the process for then working on this stream and working up that process.

Mr De Luca: Yes. As I said earlier, we're kicking off South Australia and Tasmania.

Senator SIEWERT: That's where the stream kicks off as well as the planning?

Mr De Luca: Exactly right. The minister made the announcement. The announcement is a new stream. We've been building the new stream in parallel to go live and test it in South Australia and Tasmania first. As I said earlier, the systems work hasn't been designed yet in terms of what the plan would look like. We're going to do that manually, work through it, see how that evolves and then think about how we apply that and then what systems works we need to apply.

Senator SIEWERT: While they're organising this, I'm going to get my final questions in. Suppose I apply and I'm found eligible. You are then going to stream me into—

Mr De Luca: To a planner.

Senator SIEWERT: With a planner—and develop the stream around the first people that are coming in and the sorts of supports that you build around them?

Mr De Luca: Yes. We've built a framework. We've worked with Mental Health Australia on what that could look like. You would get streamed to a dedicated planner. The planner will then work with the participant on what their plan would look like and their needs, based off history and experience. I think that, at the end of the day, we're really going to learn over the coming months what that looks like to see how we hard-code what we need to hard-code, versus what we need to be more flexible on.

Senator SIEWERT: When you say 'come in and out', what do you see that looking like at the moment?

Mr De Luca: The feedback we had—certainly through the last six months in doing the workshops with the sector and more broadly—is that there will be participants at that point in time who won't need to draw on any funds. So the question is: do we have a plan in place that has either zero dollars or a small number for emergency, and what's the trigger that would require them to draw on those funds? That's what we talk about: the ins and outs of the usage of the plan.

Senator SIEWERT: Okay.

Senator WATT: There have obviously been some recent media reports about incidents of fraud involving the NDIS that I'd like to ask about. The first one—and I have copies of these articles if you need them—is an article in *The Australian* on 7 September this year entitled 'NDIS flaw let providers log in and steal thousands'. What it seems to refer to is a security flaw in the NDIS that enabled fraudulent operators to 'search random numbers, bring up private information of disabled people and steal thousands of dollars without question'.

Mr De Luca: I will just give you a bit of context and background to the case that you're alluding to, where somebody's being pursued by the Australian Federal Police. We did some analytical work when the fraud task force was first initiated to test the system and the portal to have a look, based on some feedback from tip-offs and complaints that had come through from participants and others, to see the areas where we could potentially be defrauded and participants could be defrauded. What you're alluding to is that the authentication for a provider only required one piece of information. So, if I'm a provider and I'm looking to make claims of participants, I only needed to have one piece of information regarding the participant. When we looked at that, we identified that that wasn't as strong as it should be. So we've improved the authentication element to require three pieces of information.

Senator WATT: So was it simply an oversight in the design of the system that allowed that to happen?

Mr De Luca: I can't comment whether it was an oversight or whether it was purposely designed in that way. All I can comment on is what we found and that we believed that it was as secure as could be.

Senator WATT: How many people were defrauded as a result of this?

Mr De Luca: In the article that was released on this case, it was around 200 participants.

Senator WATT: Around 200 participants.

Mr De Luca: Yes.

Senator WATT: What was the dollar value of the fraud that appears to have been committed here?

Mr De Luca: I don't have the exact number in front of me, but I think it was just shy of half a million dollars \$500,000—somewhere between \$400,000 to \$500,000.

Senator WATT: And the people who were defrauded have been compensated?

Mr De Luca: Each of the participants was contacted by the fraud task force to validate whether they knew about the issue and if they could validate whether or not it was a correct claim. The fraud task force got through the majority of those 200 but not everybody. Each of them have subsequently been contacted to be made good. I there's probably still about a dozen who haven't come back to us as yet. But everybody has been contacted and they've all been very thankful of being notified.

Senator WATT: Okay. I will just move on to another one. My understanding is that the first arrest for fraud involving the NDIS occurred a bit over a week ago. Again, it was reported in the media. A man was accused of stealing more than \$480,000 from the NDIS.

Mr De Luca: That's the same one that I responded to earlier.

Senator WATT: Is it the same one?

Mr De Luca: Yes; it's the same one.

Senator WATT: Okay. That fraud involved searching the random numbers.

Mr De Luca: Yes, that's right.

Senator WATT: Sorry, I thought it was something separate. Have there been any further arrests for this or any other frauds since that one?

Mr De Luca: No other arrests at this stage, no. The fraud task force has continued to monitor tip-offs and working through.

Senator WATT: So there are a number of other investigations for fraud relating to the NDIS underway?

Mr De Luca: There are other investigations underway.

Senator WATT: Obviously I don't want to compromise any investigations, but is it possible in more general terms to reveal the types of issues that the frauds involve?

Mr De Luca: No; I can't comment on that.

Senator WATT: One quite concerning aspect of this one is that it appears that the man who had been charged with fraud of about \$480,000 had links with a company that has already committed a fraud against the Commonwealth in relation to family day care payments. Is that correct?

Mr De Luca: That's what the article says. I can't comment on that.

Senator WATT: Has the NDIA done anything to ascertain whether that is correct?

Mr De Luca: The AFP are investigating that one. We can't comment any further on the actions that the AFP are taking.

Senator WATT: Does the NDIA conduct any vetting exercises of providers to see whether they have previously committed fraud against the Commonwealth?

Mr De Luca: There's a registration process that providers need to go through, depending on what supports and services they want to become registered providers for. Through that process are the different levels of scrutiny, depending on what supports they're providing. States and territories play a part. The national quality and safeguards framework is now in place to conduct that process.

Senator WATT: Would it be fair to assume then that, for this fellow and his company to have become registered as a provider, there was no check made to see whether he or his company had committed a fraud against the Commonwealth previously?

Mr De Luca: I don't think you can assume that, no.

Ms Campbell: I don't think you—

Senator WATT: Well, I would hope that if you'd done that vetting and found this guy had already ripped off taxpayers, he wouldn't get registered to do it again.

Ms Campbell: I think Mr De Luca just talked about the different ways people were registered and different parts as we have rolled out the NDIS across the country, but I'm also not sure it would be wise of us to talk too much about this particular case, given it's under investigation.

Senator WATT: I'll simplify. Does the NDIA undertake some form of vetting of providers before they're registered to ensure that they haven't already committed some kind of fraud against the Commonwealth?

Mr De Luca: There is a registration process for providers. There's a role that the agency plays and there's a role that states and territories play, and now, with the national quality and safeguards—Mr Head can comment on the—

Senator WATT: Who is vetting providers to ensure that people who have already ripped off taxpayers aren't getting another bite of the cherry?

Mr Head: The commission is now live in both New South Wales and South Australia and has assumed responsibility for registration of providers in those two jurisdictions. As part of the registration process we will undertake suitability assessments of all providers that come under the commission's jurisdictions. At this stage we've migrated just under 10,000 registered providers from New South Wales and South Australia. Those providers are all required to go through a re-registration process, which has a couple of core assessments as part of that process. One is a suitability assessment, which examines all of the types of issues that you've identified, including where there have been adverse findings by a range of different Commonwealth entities. The other core part of the process is an assessment against the new practice standards. The next five jurisdictions—all jurisdictions other than WA—will come under the commission's jurisdiction on 1 July 2019, with WA a year later. All will be required to go through that re-registration process.

Senator WATT: So within the space of 12 months or so every provider around the country, except WA, will have gone through a re-registration process that will include checks to ensure they haven't committed the other frauds?

Mr Head: The way the re-registration process works is that providers are transitioned using transitional rules made under the act. They're then required by us to commence re-registration—

Senator WATT: Sorry, Mr Head. I don't mean to be rude, but can someone give me a short, concise answer as to whether every NDIS provider has been checked to see whether they've already committed a fraud? I don't need to know about the entire process; I just want to know that.

Ms Campbell: I think what Mr Head is saying is that it's different across different jurisdictions and how this process has gone.

Senator WATT: So it is the case that, as at today's date, there hasn't been a universal check to ensure that all existing providers have not already committed a fraud.

Ms Campbell: We are relying—and Mr Head will correct me—

Senator WATT: That's a yes or no question. We're running out of time.

Ms Campbell: We're relying on state systems who have registered some of these providers, and I'm not sure that we have a thorough understanding of whether or not they would have checked that or not.

Senator WATT: Thank you. I know Senator Brown has questions on other issues.

Senator CAROL BROWN: I'm going to go as quickly as I can. I now want to ask about referrals to child protection. Mr De Luca, or your team: does the NDIA ever make referrals to child protection services?

Ms Rundle: We would actually need to check whether or not anyone has. In reality, all child protection legislation, to my knowledge, requires any citizen, if they become aware that a child is at risk—

Senator CAROL BROWN: Okay, I know that, but I'm asking do you? You can take that on notice.

Ms Rundle: We would always encourage people to do whatever they thought necessary.

Senator CAROL BROWN: Sorry, can you just take my question on notice if you don't know.

Ms Rundle: We'll check it.

Senator CAROL BROWN: I'm not trying to be rude.

Ms Rundle: No, I understand.

Senator CAROL BROWN: I've just got a lot of questions.

Mr De Luca: The question is: 'Have we?'

Senator CAROL BROWN: Yes. Have you made referrals to child protection? I will put those on notice, depending on what you come back with. Does the NDIA provide qualified registered nurses as core supports where this has been assessed as clinically necessary?

Ms Rundle: We would say that the provision of a registered nurse for supports as a general rule is a health responsibility, and that is actually one of those things which we are currently talking to states and territories about, as Ms Campbell and others have said earlier. I'll explain why. It's because we believe that there are a number of supports that registered nurses provide that other people, support workers, can be trained for. So I'm not saying we wouldn't provide the supports. I'm simply saying that a registered nurse may not be necessary to provide those same supports.

Senator CAROL BROWN: Let's just start from this: how many people have registered nurses funded through their plans?

Ms Rundle: We would definitely need to check that one, Senator.

Senator CAROL BROWN: You must know whether there have been any registered nurses in plans.

Ms Rundle: We do.

Senator CAROL BROWN: You do?

Ms Rundle: I can't give you the number, but, yes, there have been. As I said, as a general rule, because, Senator, as you know, individual plans—

Senator CAROL BROWN: Ms Rundle, I understood you when you answered first. So you have funded registered nurses in plans but not as a general rule.

Ms Rundle: Correct.

Senator CAROL BROWN: Has there been a decision or a directive to stop providing registered nurses in plans?

Ms Rundle: Not to my knowledge. It's just that we would encourage our planners, as they're making reasonable and necessary decisions, to work out whether a registered nurse is required. If it's related to the disability then there would need to be a decision made, which is why I said to you before it's not easy because each individual case might be different; but, as a general rule we would encourage our planners to—

Senator CAROL BROWN: If it is a case where a registered nurse is required because of the disability then you would fund a registered nurse.

Ms Rundle: I think we can't comment on the general, Senator. I don't think it's possible to. I think we would have to take it on a case-by-case—

Senator CAROL BROWN: If it's in the plan, it's accepted and it's shown that a registered nurse and the skills of a registered nurse are required for the reason of the disability then—

Mr Francis: I think it's safe to say that, in the absence of other information that would contradict that, we would say yes.

Senator CAROL BROWN: You've said to me that registered nurses have been in people's plans. For what reason were they in plans?

Ms Rundle: It is fair to say that, until we started talking to the states and territories about who is responsible for which part in the last 12 months seriously, there have been some registered nurses funded in plans before that that perhaps we would say now shouldn't have been. So I'm saying I do know there are some in plans, because I happen to know that they've been used as examples by states and territories with us, because it happened in trial on some occasions.

Senator CAROL BROWN: You would be aware of the instance in South Australia where a registered nurse support was taken away from a terminally ill baby who needed an RN to make decisions about medication. The nurse was later reinstated after significant advocacy.

Ms Rundle: Yes.

Senator CAROL BROWN: You're aware of that?

Ms Rundle: I did say to you that each case is different. That was one that we assessed carefully when it was brought to our attention and that was one that, I understand, we resolved.

Senator CAROL BROWN: Yes, but there was an RN?

Ms Rundle: I think so.

Senator CAROL BROWN: That was taken away and then later reinstated?

Ms Rundle: That's correct, in that particular case. I'm sorry. I know I've said it before, but I don't think you can generalise about all participants in the same way.

Senator CAROL BROWN: I'm not trying to, actually, but just in that case, where there was a support there in terms of an RN, I don't know why it was taken away and who made the decision to take that support away.

Ms Rundle: I'm just a bit reluctant to talk about any one case in detail in a public place like this. I think it's fair to say that we reviewed it when it was raised by the mother of the child, and we made a different decision.

Senator CAROL BROWN: So those discussions about who is responsible are ongoing?

Ms Rundle: That's right.

Senator WATT: I should add that this person has given us permission to talk about the case. We wouldn't be doing it if not.

Ms Rundle: I understand, and I do appreciate that. It's just that we don't have permission ourselves.

Ms Campbell: So sometimes we might accidentally disclose something that's not—

Senator CAROL BROWN: I didn't name the family.

Ms Rundle: No.

Senator CAROL BROWN: But I will seek to table the letter that Kate Ellis wrote to Minister Fletcher about this case.

Ms Rundle: Yes, we have a copy of that letter.

Senator CAROL BROWN: I'll table that, then.

Ms Campbell: And we do continue to learn from these activities.

Senator CAROL BROWN: So who's doing the discussions around this interface with the health—

Ms Campbell: That's the department, because it's—

Senator CAROL BROWN: With input from the NDIA?

Ms Rundle: With the NDIA, yes.

Ms Campbell: But it's a Commonwealth-state matter, so it's run by the department.

Ms Rundle: That's right.

Senator CAROL BROWN: I'm just a bit confused about why you would put an RN in a plan and then seek to take that support away without discussion. Then, of course, the support was reinstated. Why is it done that way? Why was that decision made?

Ms Rundle: Senator, this isn't going to answer your question exactly as you might like, but one of the things we've discovered in rolling out this scheme is that—as you know yourself, because we've talked about this before—we sometimes have inconsistent decisions. To be fair to our planners, they make the best decision they can at the time given the guidelines that they have. But as we've just said, and as Ms Campbell has said a couple of times, we're still trying to resolve whose responsibility it is to do some things. In the absence of that, and in the absence of an absolutely clear guideline sometimes for our planners, we do get some different decisions.

Senator CAROL BROWN: I understand what you're saying, Ms Rundle, but there are as many as 17 other families in South Australia in a similar situation who have approved RNs. They've got their RNs. They've got that support. They've already been assessed as needing that support, and they've been given that support. Why would you withdraw the support? Wouldn't it be better to resolve this issue and leave these supports in there? They've already been assessed.

Ms Rundle: When it was brought to our attention, that's what we were able to do.

Senator CAROL BROWN: So these 17 other families in South Australia won't have to be concerned that their RN support will be withdrawn?

Ms Rundle: I'm sure we're looking at all of those, but we'll commit to looking at all of those. If we're not doing so already, we will commit to looking at all of those and assessing each one.

Senator CAROL BROWN: But not withdrawing their RNs while you're looking at them? What does it mean that you commit to looking at them? I suppose I'm really looking for a guarantee that the RNs will not be withdrawn if they are clinically needed.

Ms Rundle: I understand. Again, I will just explain that the reason this is tricky is that many of the things which registered nurses do are actually the responsibility of Health and aren't always related directly to the disability. Sometimes they are related directly to the disability, in which case a decision might be slightly different. So it isn't possible to say that those 17 wouldn't change.

Senator CAROL BROWN: But they've been assessed. They've got the support in there.

Mr De Luca: They previously had it.

Senator CAROL BROWN: They've got RNs—

Ms Rundle: Yes.

Senator CAROL BROWN: in their plan; they've been assessed as clinically needed in relation to the disability. I'm just saying, given that case that has happened and that, fortunately, has been rectified, for those that are in similar circumstances, can you guarantee that the RNs will not be withdrawn if they are clinically needed? That's my question.

Mr De Luca: If they're in the same situation, where they've had them for disability support, then we can guarantee we'll look at that and get those addressed.

Senator CAROL BROWN: Guarantee you'll look at it?

Mr De Luca: We'll have to go through each of them just to make sure that the situation is correct—that the required nurse is for disability services and they were put in correctly. If they were removed, we'll reinstate them.

Senator CAROL BROWN: No, I'm not suggesting they were removed.

Ms Campbell: So can I just clarify. My understanding is, when we have these critical supports with the state jurisdictions, we make sure that the services are provided while we then work out with the state, the particular jurisdiction—

Senator CAROL BROWN: That's right.

Ms Campbell: who should pay.

Mr De Luca: Who pays.

Ms Campbell: So the services remain in place while that occurs.

Senator CAROL BROWN: Like in the instance I've just talked about.

Ms Campbell: Yes.

Senator CAROL BROWN: So they will remain in place.

Ms Campbell: I think what we have committed to do is keep the supports in place while we work out how they should play it, between the state and the Commonwealth.

Senator CAROL BROWN: So you can guarantee that?

Ms Campbell: Those are the processes we have in place. What do we call it, critical—

Ms Rundle: That's right. And, Senator, what we will do for you is, after today, we will make sure that our manager in South Australia is aware of those 17, if they aren't already.

Mr De Luca: And confirm that.

Senator CAROL BROWN: That's good. So you'll expedite that, then.

Ms Rundle: We will.

Senator CAROL BROWN: That's good. And I expect at some point that will be the regular process.

Ms Campbell: The regular process is we need to work out with state jurisdictions—

Senator CAROL BROWN: Yes.

Ms Campbell: who's responsible for this, and I expect these 17 cases are not all going to be the same and there are going to be different arrangements with some of them. But what we can do is make sure those critical supports remain in place while we sort through that.

Mr De Luca: That's right.

Senator CAROL BROWN: I think I might have to see Mr Head. Is he here?

Ms Campbell: Mr Head is here.

Senator STEELE-JOHN: Sporting an immaculate beard, as always!

Senator CAROL BROWN: Okay. Is the commission on track to begin activities in Victoria, Queensland, Tasmania and the ACT and NT for 1 July 2019?

Mr Head: Yes, the commission is on track. The department actually leads the transition process for a full scheme transition in each jurisdiction. We have one of our senior people involved as it relates to the commission's process, and the model that we use to manage transition in New South Wales and South Australia is now, I think, well bedded in, and that's what we'll be using.

Senator CAROL BROWN: That's great. Okay. Can you give us the updated figures for your abuse and neglect hotline, or whatever you call it. How many complaints—

Ms Campbell: So—

Senator CAROL BROWN: I just want to talk about the complaints—from you, Mr Head.

Ms Campbell: Mr Head doesn't run it.

Senator CAROL BROWN: Sorry, the quality and safeguarding complaints process.

Ms Campbell: Okay.

Senator CAROL BROWN: Sorry. But I will need Mr Broadhead here as well.

Mr Head: The commission have been receiving complaints about supports in New South Wales and South Australia since 1 July this year, through the contact centre, and in that time we've received around 264 complaints. That's at 30 September this year, and they're complaints that were within scope for the commission to work with participants in resolving.

Senator CAROL BROWN: Reportable incidents?

Mr Head: Reportable incidents—roughly 560, I think. I just want to get the right number. There have been 543. They are set out in the rules, and those reports come from providers. It's a condition of their registration that they must report certain matters to us.

Senator CAROL BROWN: So the 264 complaints were participants, family members or something like that?

Mr Head: Yes.

Senator CAROL BROWN: Are the reportable ones from providers?

Mr Head: They are from registered providers who are required as a condition of registration to make those reports.

Senator CAROL BROWN: Would you like to detail those 560 for me, Mr Head?

Mr Head: The categories are set out in the rules. Of those 543, 62 notified the death of a participant. Of course, a reportable incident includes all deaths of NDIS participants—not, as in some other jurisdictions, only when they're unexpected. So the death of any NDIS participant must be reported to us.

Senator CAROL BROWN: Did you say any NDIS participant?

Mr Head: A provider is obliged to report the death of any NDIS participant, expected or otherwise. There were 184 reports related to abuse and neglect; 91 related to serious injury; 28 related to sexual misconduct; 103 related to unlawful physical or sexual contact; and 75 related to the unauthorised use of a restricted practice.

Senator CAROL BROWN: By state? I know there are only two states we're talking about—New South Wales and South Australia.

Mr Head: In percentage terms, 92 per cent of the reportable incidents came from New South Wales and eight per cent from South Australia.

Senator CAROL BROWN: I think we had a discussion in estimates before, but could you quickly explain the process around what you do when you receive these reportable incidents?

Mr Head: The rules require the reports of these incidents in most categories within 24 hours, which is quite different than what's been in place in jurisdictions before. The first thing that the commission does is ascertain whether there's any immediate risk to the participant. The first priority is to ensure that a person is safe while we collect information to determine what other actions need to be taken in respect of a particular matter. That could include, if there was an allegation of criminal conduct, ensuring that the police have been notified and ensuring that a participant has been provided with support in terms of access to an advocate. But the priority is to ensure that somebody is safe and free from any ongoing harm while we ascertain what has happened in respect of that incident and what actions need to be taken in response to it.

Senator CAROL BROWN: In relation to the hotline, Mr Broadhead, do you want to give me some updated figures?

Mr Broadhead: The latest figures I have are the ones we published on the website. We publish them six-monthly and there are some basic breakdowns of the reports that we get. In the most recent six months to the end of June, there were 132 incidents reports to the hotline. The hotline is somewhat different than the commission. The hotline is an information and referral service. So it doesn't have any investigative powers at the time.

Senator CAROL BROWN: I know that; that's fine. I think we've talked previously about how there's the interaction between the Quality and Safeguards Commission and the hotline. Is there some sort of formal process?

Mr Broadhead: Yes. There's now a protocol in place whereby, if somebody contacts with hotline, currently if they're within New South Wales or South Australia and are an NDIS participant—and that's apparent from the call or elicited from information in the call—there is a proforma that will be used to complete information about that incident. If it's about a service funded by the NDIS, that information will be conveyed to the commission.

Senator CAROL BROWN: I'm not sure how well the hotline works. It doesn't seem to do that much. Have you received complaints about alleged fraud? Do you receive those sorts of complaints, Mr Head?

Mr Head: We can receive a complaint about anything related to the provision of supports and services, but we would refer complaints about the NDIA or activities under the NDIA to the agency. Our principal responsibility in respect of fraud prevention and management relates to that process I described earlier around suitability assessment and the capacity to revoke or suspend a registration or ban a provider.

Senator CAROL BROWN: Thank you, but have you actually received any allegations of fraud?

Mr Head: I believe there have been a number of calls received in the context that have been referred on. I can take the specifics of that on notice.

Senator CAROL BROWN: That would be good if you could do that. Thank you. I want to ask a question about the DES program. Mr Broadhead, in the new DES program, we've been advised that a service provider has been offering inducements like an iPad or a mobile phone. Do you know about that? Have you been advised?

Mr Broadhead: Yes. I hasten to add that it's not an iPad to my knowledge. There was a provider in South Australia that was saying on its website that it would provide mobile devices to participants that signed up with it.

This was brought to our attention by other service providers, and we followed up. The thing that we took issue with was not the offer in and of itself but the terms and conditions that they wanted to impose upon participants for receiving those goods. We took issue with that. We wrote to them, and they came back and tried to defend their position. We then wrote to them again and clarified our position, and it's fair to say they changed their behaviour. So they no longer impose those terms and conditions.

Senator CAROL BROWN: What terms and conditions?

Mr Broadhead: For example, they were seeking to require participants to disclose their disability to employers as part of it, and under the program we don't require participants to disclose their disability. There were other such things, in the nature of reporting information.

Senator CAROL BROWN: So they still offer that, if you join their organisation, you can get a tablet or a mobile phone?

Mr Broadhead: Yes. The general rule we've applied in our guidelines is that, if equipment is related to enhancing people's prospects of employment, that's legit, and we don't prevent that. For example, if you're in jobactive, you may be supplied with a mobile phone if that will enhance your ability to pursue employment. These days, being contactable wherever you are, being able to search the web and so on are things assist people in pursuing employment. I hasten to add—

Senator CAROL BROWN: Can I ask you a question about that, then: if you get a mobile phone, as you say, who pays for that mobile phone?

Mr Broadhead: The provider pays for it. We won't allow people to impose, for example, contracts. If someone wishes to offer a mobile device, they can't sign somebody up to a contract that then obliges them to make payments which they may well be unable to make. That's another example of terms and conditions that we look at to make sure that they're not imposing obligations.

Senator CAROL BROWN: So you're satisfied that whatever the provider have on their website is absolutely within your guidelines?

Mr Broadhead: Yes. We required the provider in question to make changes, and they made those changes, so we believe that's now an acceptable—

Senator CAROL BROWN: How many providers say, 'You join my organisation'? I've had a look at the website. I know you like looking at websites, Mr Broadhead. So do you check to see—

Mr Broadhead: How do you know that?

Senator CAROL BROWN: Does it have to be brought to your attention? Of course, they had something on there that was incorrect. You've rectified it with them. Do you do a little bit of an audit?

Mr Broadhead: I have to say that, generally, it's brought to our attention, because there are many people out there keeping an eye on others who might be trying to make offers that they regard as incorrect. So we're happy to follow up wherever it's brought to our attention. We have made it clear. On that example, I've stood up in a number of public conferences and, without naming names, highlighted that and said that we're happy to follow up wherever we think anybody is engaged in practices that are not about supporting people into employment. I have to say that, apart from that initial flurry, we haven't been in receipt of a large number of suggestions that people are behaving improperly, which is, I hope, representative of what's going on.

Senator CAROL BROWN: You would be aware that there are concerns by some organisations around the transition. They haven't been happy with some parts of it.

Mr Broadhead: Yes. There are a number of things I could say about that. Firstly, we went through a grant selection round, essentially, in the early part of this year, and the results were reported to people. There were organisations that did apply through that and didn't get up. There were organisations that applied for more than they got; they got only some of what they wanted. There will be people who are disappointed by the outcomes of that process. I think it's also true that the changes in the program have resulted in greater competition between providers. That was a feature of the changes made, and I would have to say that there was probably some concern among some providers about the impact on them from that increased competition. That is another example where we would get comment from some people. There are others who regard it as an opportunity, I hasten to say, and who are quite happy to face that.

Senator CAROL BROWN: How many providers exited prior to 1 July, with the new system?

Mr Broadhead: I might give you the exact answer on notice; but, roughly speaking, we had 117 providers as at the end of the old program, if I could call it that. I think we had 98 providers that continued under the new arrangements. We initially had about 140 providers in all, so organisations providing DES, at the commencement

of the new arrangements. There has been some rationalisation since, where people have, for example, applied to transfer their contract to another provider. Mostly, those have been partial, so there has been a bit of trimming around the edges in particular regions or services. I think, as I speak, we've got 132 organisations that are providing the service across the country—not all across the country, but across the country there are 132.

Senator CAROL BROWN: We had 140-something from 1 July.

Mr Broadhead: Yes.

Senator CAROL BROWN: We're down to 132.

Mr Broadhead: Yes.

Senator CAROL BROWN: How many sites is that?

Mr Broadhead: At the moment, we have approximately 4,000 sites. There were 2,000 in the old scheme and 4,000 in the new.

Senator CAROL BROWN: From the eight or so who have already gone?

Mr Broadhead: I would have to take that on notice. I think some of the changes are cosmetic. We've had, for example, providers apply to transfer what I would regard as almost internal. So they're transferring it between related legal entities, because they're consolidating. One provider—I won't name names—had more than one legal entity involved in DES, and they have decided to put it all under one. So it's a technical reduction in the number of organisations; but, practically speaking, it's the same people still doing it.

Senator CAROL BROWN: Obviously, there were people who were with old providers who were not continuing. So their case load—

Mr Broadhead: 24,000.

Senator CAROL BROWN: How many?

Mr Broadhead: There were 24,000 people with providers who weren't continuing, so we knew in the lead-up to the end of June that there would be 24,000 people who would need to have a new provider. We wrote out to all of those 24,000 and gave them a list of providers that would be available in their vicinity and over a three-week period they could choose whichever provider they wished. They didn't have to stick to that list if they wanted to look around through other means on the web and so on.

Senator CAROL BROWN: When you say 'we', you mean DSS?

Mr Broadhead: Yes, I mean the department wrote out to them. All of those transferred to new providers. When we wrote out, we said, 'If you don't want to choose then we'll register you with this provider.' So we gave them a default provider that they would be with if they didn't choose themselves. There were 6,500 people who actively decided not to go—

Senator CAROL BROWN: So you gave them a list of who is in their locale.

Mr Broadhead: Yes.

Senator CAROL BROWN: It sounds like there would probably be quite a few.

Mr Broadhead: Yes.

Senator CAROL BROWN: And, if they didn't respond, you've indicated in the letter, 'We'll allocate you to this organisation'?

Mr Broadhead: Yes. We had a letter which said, 'Your provider is exiting. You need to be registered with a new provider. Here is a list of new providers.' In some areas where there are a few it would have been all of the availables, but in some other areas it would have been those that were closest to where they were. Then we said, 'But, if you don't wish to make a choice, we will register you with this provider, which is the default provider for you.'

Senator CAROL BROWN: Who makes the decision about who is the default provider?

Mr Broadhead: There were a few rules around it, but, simply speaking, it was a provider who was close to where they lived. If there were a number of providers that were at an equal distance from where they lived, we picked one at random from those providers.

Senator CAROL BROWN: How many ended up having a default provider used?

Mr Broadhead: It would have been 24,000 minus 6,500—so 17,500.

Senator CAROL BROWN: So most.

Mr Broadhead: Yes.

Senator CAROL BROWN: So most didn't respond?

Mr Broadhead: No. We don't know whether the default provider would have been the provider they chose anyway. So we don't know. But we do know that 6,500 actively decided to go to a different provider.

Ms Campbell: And they have a provider.

Mr Broadhead: Yes, of course. They can change at any time, by the way.

Senator CAROL BROWN: Only up to a certain number of times.

Mr Broadhead: Five times.

Senator CAROL BROWN: In what—two years?

Mr Broadhead: Yes, two years.

CHAIR: Senator Brown—

Senator CAROL BROWN: I am nearly finished, Chair.

CHAIR: Two more minutes.

Senator CAROL BROWN: I've been keeping time here.

Senator SIEWERT: You've been going for quite a long time.

Senator CAROL BROWN: Have I?

Senator SIEWERT: Yes.

Senator STEELE-JOHN: We should swap notes on what that feels like, Carol.

Senator CAROL BROWN: I actually am concerned that most people got a default provider. There has been a bit of criticism—and I know Mr Broadhead would be well across the criticism around this. I will ask Minister Fletcher whether I can get a briefing on it.

Mr Broadhead: Can I say—

Senator CAROL BROWN: No, you can't, because I've got two minutes. Now you have made me forget what I was going to say. I do need to ask a question around respite and the new ICSS. Is that you?

Mr Broadhead: Yes, although I may call on a colleague behind me if I'm out of my depth.

Senator CAROL BROWN: I want to know how much planned respite is. The minister kindly gave me a briefing and supplied me with some information earlier on today. What I want to know, quickly, the annual budget for the components that are going to be delivered under the RDP.

Mr Broadhead: My colleague Steve Moger may be able to assist.

Senator CAROL BROWN: Since I've been put on the timer: how much is for planned respite per annum?

Mr Moger: Once the new ICSS is fully operational the allocation per year is about \$51.1 million per year for planned respite?

Senator CAROL BROWN: No; for planned respite, not emergency respite.

Mr Moger: We don't have a breakdown for planned respite.

Senator CAROL BROWN: Are you sure? Planned respite is under carer-directed supports. Is that right?

Mr Moger: It is. Essentially, within the costing there are two items for respite. There's an allocation, once the scheme is up and running fully, of about \$51.1 million per year, and there's a separate allocation of around \$10 million per year, which covers the new carer-directed support packages and also the young carer bursaries.

Senator CAROL BROWN: The carer-directed support packages are capped at \$3,000 over a 12-month period.

Mr Moger: That's correct.

Senator CAROL BROWN: And you're telling me that that budget for that component is \$51 million per annum?

Mr Moger: No. That's in the \$10 million I mentioned.

Senator CAROL BROWN: So it is \$10 million.

Mr Moger: It's around \$10 million a year.

Senator CAROL BROWN: That's \$10 million a year, and carer-directed supports is the component that includes planned respite.

Ms McDevitt: Yes. That's right. It includes respite. It can be used for respite. That's the \$10 million—

Senator CAROL BROWN: So how many packages can you get for \$10 million? If the limit is \$3,000, that's only 3,333 packages, if people get the top limit of \$3,000 per year.

Mr Moger: That assumes—

Senator CAROL BROWN: I want to know how you came to that figure. I want to know what modelling you used. Tell me how many full-time carers there are in Australia.

CHAIR: Senator Brown, we might have to come back to you, or you can put them on notice.

Ms McDevitt: We'll take them on notice.

Senator CAROL BROWN: He doesn't know how many full-time carers there are in Australia?

Mr Moger: We do. The figure of 3,000 is a maximum amount in the package—

Senator CAROL BROWN: I know that.

Mr Moger: so you can't do a division of—

Senator CAROL BROWN: If it's a \$10 million budget, you can only get 3,333 carers getting a full maximum amount. I want to know how you came to that figure. Tell me how many full-time carers there are in Australia now.

CHAIR: Senator, we will come back to you.

Senator CAROL BROWN: Eight hundred and sixty thousand.

CHAIR: We will come back to you. Senator Steele-John.

Senator STEELE-JOHN: Firstly, I want to clarify a question I put to you earlier regarding the role of Professor Lloyd. I've learnt some additional clarifying information in the intervening period. The name is Professor Andrew Lloyd of New South Wales University. He is the agency's primary referee when dealing with issues surrounding ME/CFS which go before the Administrative Appeals Tribunal. He sits as part of the National Health and Medical Research Council review board in relation to ME/CFS and is an advocate of cognitive behavioural and exercise therapies, which form a rather outdated end of a research discourse on that condition.

He's also, as an academic in that area, complemented by individuals on that review board who specialise in biomedical approaches to that condition. Therefore, you have a balance of that discourse, which isn't replicated if he's the primary referee for the agency. My concern regarding the letter that was circulated to you springs from the reality—you probably know this, but in case you don't—that the majority of people who suffer with ME/CFS are women. Therefore, it is problematic that your primary referee seems to display sexist prejudices as displayed in that email. Just to clarify that, I'd like to know why he retains that position and, if you have plans to change it in the future.

Mr De Luca: As we said earlier, we'll take that on notice and get back to you.

Senator STEELE-JOHN: Can I whip up Mr Head from the commission for some very quick questions? Mr Head, can you put on record for me how many full-time employees, FTEs, are currently employed by the commission and how many it is planned you will employ by the time you are in full coverage of all states?

Mr Head: I might deal with those in reverse order. It is intended that the commission will have around 300 staff nationally when it's fully operational, which is in year 3, with about 250 of those in ASL and the remainder in contractors. At the moment—and this obviously changes every day because we're on a big recruitment drive—we have roughly 100 of our staff on in New South Wales and South Australia.

Senator STEELE-JOHN: Fantastic. Can I get you to repeat the figures which you gave to my colleague in relation to the complaints received by the commission with regard to disabled people. You referenced a figure, I think, of 92. I think it was exit data you were going through for Senator Brown.

Mr Head: No, I was referring to two categories of data. One is the number of complaints that we've received that are within scope, and that was 264 from 1 July to 30 September. Those complaints of course come from anyone who wishes to make a complaint—a person with a disability, a carer, a worker. The other category is reportable incidents. Reportable incidents are those matters that we require providers, as a condition of registration, to notify us of, and, in that same period of 1 July to 30 September, the number was 543.

Senator STEELE-JOHN: Right—and then the following data around the nature of the reportable incidents?

Mr Head: Well, they're on the record. Those 543 are broken up, as I indicated before, against the categories in the rules where it is mandatory to notify us—so, death of a participant, 62—

Senator STEELE-JOHN: I tell you what, Mr Head, could you provide them to me. I would like you to repeat the figures around violence, abuse and neglect.

Mr Head: We've received notice of 184 reportable incidents related to allegations of abuse and neglect.

Senator STEELE-JOHN: Of those 184, how many have fit the criteria that trigger a referral to the police?

Mr Head: I would need to take that on notice.

Senator STEELE-JOHN: Would you be able to take that on notice and get back to me? Thank you very much. That will do for the commission.

I think this is for you, Mr De Luca. Are you aware of the recently concluded case of Tegan Sharp?

Mr De Luca: Yes, I am.

Senator STEELE-JOHN: For the committee's benefit, that was a process that took eight months for the agency to resolve—a situation triggered by the horrific burning of a participant by a support worker. The family experienced profound stress during that time of refuting the agency's claim to a large part of their compensation. It was not a good look at all. I wonder if you would like to take this opportunity to offer an apology to Tegan and her family.

Mr De Luca: Senator, certainly from our perspective, we apologise that it took a long time to make that decision. As you know, we have resolved it. From your perspective and that of others, it probably took longer than it should have. You would be aware, though, that under the act it's our obligation to pursue cases where participants have been given compensation from other insurers, so there isn't double dipping. I think in this situation we got it wrong.

Senator STEELE-JOHN: Yes. Thank you for acknowledging that. I think the family would appreciate it. Has that decision triggered a review of the way the agency interprets that part of the act?

Mr De Luca: Yes, it has, and we've recently appointed a new person to lead the compensation area and how we look at those situations.

Senator STEELE-JOHN: Who is that appointee?

Mr De Luca: Chris Bourke is his name.

Senator STEELE-JOHN: Was his appointment in relation to the Tegan Sharp case—the outcome of that case?

Mr De Luca: It was a reflection of recognising we needed the right capabilities and we didn't have them.

Senator STEELE-JOHN: Thank you very much for that. I will now move to the issue of assistive technology. I could use a multiplicity of different cases, but something that was raised with me during the break was the case of Tania Thompson, whose son has autism spectrum disorder and also CARD and has a plan funded for participation in community and other activities. The only blocker to him utilising those funds is the acquisition of AT. They've now been waiting six months for the AT to be delivered and therefore haven't been able to utilise much of the rest of their plan.

Mr De Luca: Can I just clarify: are they waiting for the delivery of it?

Senator STEELE-JOHN: Yes. They've submitted two quotes and are now six months in the waiting period for delivery of that piece of equipment. And I think other sign-off processes from the agency are impeding the delivery of the equipment. So I'd like to ask you: what is the average wait time for approval of AT and is the agency taking any proactive steps to deal with what seems to be a systemic problem?

Mr De Luca: I think there are a number of elements to the AT process for participants that need to be improved—firstly, the pace at which we can get the right funding within packages for participants. Then there is the second part which is between the participants' use of support coordinators to find providers that deliver the product. In terms of the planning process, the first step that we've taken is to remove the need for quotes for tier 1—so simple products up to \$1,500. That reflects about 50 per cent of the request of participants. We introduced that in Q4 of last financial year, and the feedback's been positive on that one. We're now doing some work to develop the right tools so that we can actually eliminate the need to go out and get multiple quotes—so that we can have a tool to work out what's reasonable and necessary because we recognise how challenging it is for some participants in certain locations to find providers to find the quotes so. We expect that tool to be in place by the end of this calendar year and being tested. Thirdly, we're also removing the need for quotes for replacements and repairs, so that we can have automatic funding in the plans. The final piece is that we've centralised our planning process to look at AT requests where there are quotes now, because we recognise the time taken.

Your point is that there is slowness in the process and we need to address that. In terms of your question of the average times, where it's not automatically put into plans and there is a requirement to go out get quotes, last financial year it took on average of 76 days from when the participant identified they wanted AT. They went out

and got quotes, produced them back to us and made a decision. We can't split the difference between how long it took for the participant to get the quote versus how long it took us to make the decision. There is some work we need to do in terms of how we do that.

Senator STEELE-JOHN: Why can't you do that work currently?

Mr De Luca: At the moment, the CRM system that we have doesn't have that—

Senator STEELE-JOHN: So it is an IT challenge?

Mr De Luca: It is an IT change that we need to build into our fields.

Senator STEELE-JOHN: Do you have a time line for doing that?

Mr De Luca: I can come back to you on that.

Senator STEELE-JOHN: Would you be able to take that on notice?

Mr De Luca: Yes.

Senator STEELE-JOHN: Thank you. My next question goes to the question which you answered for me officially after the last estimates session in relation to whether there was a directive to reduce spending in second-year plans—which I'm very happy to see you've replied officially that there is not. However, you would be aware there's a continuing narrative of that being something that is occurring in the community. So I would like to give you the opportunity to try and dispel that by asking whether you could provide me, on notice if necessary, data which is not currently contained within your quarterly report but which allows us to compare first-year plan allocation versus second-year plan allocation.

Mr De Luca: Firstly, Senator, you're correct: we have given no directive to reduce plans. The quarterly report does provide information on comparisons by grouping of amounts. So you can see how that looks. In terms of last financial year, for a comparison of planned reviews—as a proportion, 42 per cent of plans increased more than 10 per cent, 32 per cent of plans decreased more than 10 per cent and 27 per cent of plans stayed within the 10 per cent variance. As you'd be aware, there may be many reasons why a plan will change. Capital supports is a great example of it. If you've got a piece of equipment or home modifications, you won't require that in a subsequent plan because you've already had those things built.

Senator STEELE-JOHN: Can I just ask you to maybe go away and do a bit of investigation, because I have been told off the record by planners employed by the agency that they are feeling pressure to reduce in the second year.

Mr De Luca: Okay.

Senator STEELE-JOHN: If that is your clear objective at the top, you've got some work to do to get back to the people working on the ground.

Mr De Luca: We can certainly do that.

Senator STEELE-JOHN: My last questions are direct follow-ups from your answers, so I think we can move through them very quickly. Would it assist to provide the reference number to the answer that you gave at the last estimate session?

Ms Rundle: We've got all the QONs.

Mr De Luca: This relates to questions on notice, does it?

Senator STEELE-JOHN: Yes.

Mr De Luca: Yes.

Senator STEELE-JOHN: First, SQ18-00116—

Ms Rundle: Cost of reviews?

Senator STEELE-JOHN: Yes, that's the one. It's probably easier if I just read them out. You informed me that you're not able to give me an idea of the average cost of a plan review. I am really wondering why you can't do that.

Mr De Luca: The estimated cost to deliver the plan, or the—

Senator STEELE-JOHN: The answer that you gave was that the NDIA does not record the level of data in a systemic way—which was an answer that you gave to a few of my questions. My question was: what is the average cost of a plan review?

Mr De Luca: I haven't got that—

Senator STEELE-JOHN: I would really like to be able to know what seems to be a basic piece of information as to the average cost of a plan review.

Mr De Luca: For clarification, are you asking what the average plan costs, or the cost of doing the review?

Senator STEELE-JOHN: The cost of doing the review. How much does it cost the agency per plan review? The average cost is probably the best way for you to give it to me.

Mr De Luca: What I can tell you is that, as part of the pathway pilot, we've been doing a time-in-motion study to give us a sense of how long it takes. I think we might be able to come back to you after the pilot with our experience on doing a plan and a plan review, but we don't do time-in-motion costs across the whole agency.

Senator STEELE-JOHN: Okay. I will cut a few of these questions. I've got two more; I do apologise. You have informed me that you do not keep a record of the attendees at a planning meeting. I would like to know why you don't do that and if you have any plans to do it in the future.

Mr De Luca: We don't keep a record on our CRM. I think you asked last time.

Senator STEELE-JOHN: Yes.

Mr De Luca: We do ask the participants to advise us who they will be bringing, and there'll be different people. We need to capture something in the CRM so we can capture it, because at the moment it's manual and it really depends on who turns up and who doesn't. We do have plans to be able to capture that in the CRM, and I can come back to you on when we'll be able to do that.

Senator STEELE-JOHN: Good. My final question—

CHAIR: Senator Steele-John, we have to move on because Senator Siewert needs five minute and then we need to move on to housing. Put it on notice.

Senator SIEWERT: Did you want to put it on notice?

Senator STEELE-JOHN: Yes, all right. I'll put it on notice.

Senator SIEWERT: No, I mean ask it and take the answer on notice.

Senator STEELE-JOHN: Yes, that would be great. My question relates to an answer given by DSS in relation to the accessibility of affordable housing. I don't think it sits with the NDIS. Who does that sit with?

Ms Campbell: If you ask the question, we'll do our best to answer.

Senator STEELE-JOHN: You told me that you have no information as to the accessibility of Australia's public housing stock—that is, what percentage of dwellings are accessible for disabled people—even though your department commissioned research that told you clearly that there are thousands of disabled people living in public housing stock. My question is: why do you not have that information?

Ms Campbell: Am I answering now or taking it—

Senator SIEWERT: Taking it on notice.

Ms Campbell: Can I answer it quickly?

Senator SIEWERT: If it's quick.

Ms Campbell: We don't own public housing. We rely on getting it from state jurisdictions. We'll have another look at what the states have got, but we don't—

Senator STEELE-JOHN: Shouldn't you have a view? Shouldn't you know?

Ms Campbell: It's not about a view. I thought you'd asked a question on numbers.

Senator CAROL BROWN: Just take it on notice.

Senator STEELE-JOHN: All right, on notice. Thank you.

Senator SIEWERT: This is a question on notice. I would dearly love it not to be, but I will put it on notice. Could we please have the most up-to-date figures for the psychosocial transition. What is the total number of people receiving packages for psychosocial disability, broken down into those that have come in without coming from all the programs?

Mr De Luca: Either from programs or non-programs?

Senator SIEWERT: Yes, against each of the programs.

Mr De Luca: The latest data against each of the programs?

Senator SIEWERT: Yes, please. It's unfortunate that we're running out of time, but I wanted to touch on the report that Scott Avery has done in terms of Aboriginal and Torres Strait Islander people's access to the NDIA,

which have been, I think it's fair to say, very critical. I'm sure you've read it. There are issues around workforce and around basic social needs, and that is before we even start thinking about addressing the people accessing the package. Can you give me the headline on how you're responding and then take on notice a much more detailed response on how you're looking at social issues and workforce, which has clearly and repeatedly been identified as a major issue.

Mr De Luca: At a high level, DSS is doing some work on workforce, and they're leading a piece of work at the moment around workforce and what workforce is required. From an agency perspective, we've recently announced creating a new unit within the agency on Aboriginal and Torres Strait Islanders. Mr Francis's area is creating an area. We need to work with the sector more broadly around how we start to look at the broader issues and with states and territories, particularly areas like the Northern Territory, where over 70 per cent, 77.5 per cent, of the people in the scheme so far in Northern Territory are Aboriginal and Torres Strait Islanders. Seventy-nine per cent are in remote or very remote locations, so therefore: what's the best way to provide services and support them? It is a work in progress, and I can provide some more detail. But we're doing some work around that.

Senator SIEWERT: If you could provide more detail and also take on notice figures for how many Aboriginal and Torres Strait Islander people that identify as Aboriginal and Torres Strait Islander people have packages, broken down into states, and then how much of that money has been accessed—

Mr De Luca: Yes.

Senator SIEWERT: because, from what I can gather from the Scott's report, even where people have packages, they can't access them because of the reasons that we've just been discussing.

Mr De Luca: At a high level, within the quarterly report, we provide generally the activation of plans within 30 days, 60 days, 90 days across the whole and for Aboriginal and Torres Strait Islanders. Generally the Northern Territory is lower. So there is—

Senator SIEWERT: But I'm interested in the level and much more granular detail in terms of the level being accessed.

Mr De Luca: We can certainly provide the data that we've got on that.

Senator SIEWERT: Thank you.

Senator CAROL BROWN: I'd like to go back to my carer questions, but I'll need to talk to whoever was here before. While they're coming, what's happened to the employer nominated initiatives? That would be you as well, Mr Broadhead, would it?

Mr Broadhead: We've had some difficulty in getting the employer-nominated initiatives off the ground, particularly because we were looking to target small business. We've realised there's a challenge in engaging with small business in traditional government grant processes, if I can put it that way. However, we've been undertaking some research recently, particularly with the support of the Council of Small Business of Australia, around small businesses' views and experiences of hiring people with disability. We're using that to inform how we might go forward with the employer-nominated initiatives.

Senator CAROL BROWN: Was it \$2 million?

Mr Broadhead: Yes.

Senator CAROL BROWN: So that's still there?

Mr Broadhead: Yes.

Senator CAROL BROWN: To be used for employer-nominated initiatives that are reshaped programs?

Mr Broadhead: Yes.

Senator CAROL BROWN: That's the best way to—okay.

Mr Broadhead: Yes.

Senator CAROL BROWN: I'll touch in next time. I just want to confirm that under the consumer-directed or carer-directed supports it's \$10 million over a 12-month period, capped at \$3,000, for funds directed for a range of practical supports, which includes respite. Yes?

Mr Moger: Correct. It can include respite, yes.

Senator CAROL BROWN: In your answer you were saying to me something about the young carers bursary. What component is that coming in under?

Mr Moger: It comes in under the same component; it's a part of the overall bucket for the ICSS. Young carer bursaries are actually increasing from 333 bursaries per year to a thousand.

Senator CAROL BROWN: Sorry, I've only got two or three minutes. So are the young carer bursaries included in that \$10 million per annum or not?

Mr Moger: Yes they are, Senator.

Senator CAROL BROWN: Really? That \$10 million per annum includes a minimum, according to your documentation, of a thousand young carer bursaries?

Mr Moger: Sorry, Senator. The \$10 million doesn't include the young carer bursaries. It's \$13 million with the young carer bursaries.

Senator CAROL BROWN: Okay, right. That's helpful. I want to know how you came to believe that that \$10 million—with 2.8 million carers around Australia, \$10 million to use on planned respite, cleaning, cooking and assistance with transport—was going to be at all adequate.

Ms McDevitt: Senator, I might just note that that element is only part of the whole—

Senator CAROL BROWN: I know.

Ms McDevitt: carer services where funding can be used for respite. That's one element.

Senator CAROL BROWN: I want to concentrate on respite. If you've been out and spoken to any carers, and I'm sure you have, you'll know respite is right up the top of the list as to what they want—what they need. So my question stands.

Mr Moger: The way we develop that amount—there's actually a current spend of about \$2.6 million per year in our consumer-directed respite care, which includes planned respite. The packages are actually capped currently at \$4,200 per year. We actually looked at trends of what amounts were actually used with those packages.

Senator CAROL BROWN: How many people got packages at that figure of \$2-point-whatever million you just said?

Mr Moger: It was 482 carers in 2017-18.

Senator CAROL BROWN: And you think that's adequate? So that's what you based it on—just on what came under the previous scheme of the Commonwealth care centres, whatever they've—

Mr Moger: Correct, Senator. That's our line item at the moment for planned respite. That excludes emergency respite. That's a separate amount.

Senator CAROL BROWN: I do know that. Did you talk to carers about that amount of funding?

Mr Moger: We did, Senator.

Senator CAROL BROWN: You actually talked to them and said, 'We're going to give you \$10 million per year'?

Ms Campbell: Senator, I think there are always calls for more funding in different allocations.

Senator CAROL BROWN: I'm sorry, Ms Campbell, but \$10 million. You've got 2.8 million carers. How many full-time carers?

Ms Campbell: If I can finish: I know there are always going to be requests for more funding. The officer at the table is giving you a description—

Senator CAROL BROWN: And I'm asking—

Ms Campbell: So, you're asking for an opinion?

Senator CAROL BROWN: did they consult on—

Ms Campbell: Yes, he did.

Senator CAROL BROWN: He's telling me that they got the figures. Was there any other modelling other than having a look at how much you funded the Commonwealth respite services?

Mr Broadhead: Yes, we did consult. Perhaps I could clarify, because you're using the figure of 2.8 million carers but this is not the only respite provided—that would be the first point I would make. I believe there's also funding for aged-care respite, for example, and I imagine the 2.8 million carers would include people who are looking after people who are elderly but also that the—

Senator CAROL BROWN: I asked how you came up with the \$10 million and what was it modelled on. That's what the officer at the table gave you.

Ms Campbell: Senator, we've answered that question. Mr Moger's indicated that the previous spend is used.

Senator CAROL BROWN: And I asked: did you go out to carers, their organisations and their advocates and actually say, 'This is it—\$10 million?'

Ms Campbell: We did consult.

Senator CAROL BROWN: No, that's not the question.

CHAIR: Senator Brown, you may just finish that conversation so that we can move on to housing.

Senator CAROL BROWN: \$10 million is pitiful.

Ms Campbell: I've got a number of answers for some other questions that both Senator Siewert and Senator McAllister wanted answered this evening. Do you want me to do those quickly now?

CHAIR: I think so, yes.

Ms Campbell: So, cashless debit card Indigenous participants by location: Ceduna—if I give you percentages and then a total number would that be okay?

Senator SIEWERT: Yes.

Ms Campbell: Ceduna—872 participants, 74 per cent Indigenous identified; East Kimberley—1,348 participants, 81 per cent identify Indigenous; Goldfields—3,020 participants, 45 per cent identify Indigenous.

Senator SIEWERT: Thank you.

Ms Campbell: A question from Senator McAllister: funding profile and actual expenditure for initiative announced under the Third Action Plan—there was \$100 million announced. The Department of Social Services is responsible for approximately \$44 million. For three initiatives, prevention and early intervention, improve and expand national domestic and family violence services, and response to revenge pornography: of that money, 97 per cent has either been spent or committed to be spent this year.

There was a second question: what programs were funded under the annual underpinning funding of \$25 million; and what is the funding profile over the forward estimates? The program's funded from the annual ongoing funding pool of around 25 and include 1800RESPECT; DV-alert; Our Watch; and measures under the national research addenda, including personal safety survey, national community attitudes survey and ANROWS. Funding arrangements across the forward estimates for these programs are currently under consideration.

Senator SIEWERT: Thank you.

CHAIR: Senator Cameron, you've got the—

Mr De Luca: There was one question we were asked earlier from Senator Brown around when NDIA moved into the new office in Melbourne: it was 2 July.

CHAIR: Senator Cameron, you've got the call.

Senator WATT: So we're moving on to housing now. Outcome 3 is done. Thank you.

Senator CAMERON: Thanks, Secretary and Minister. I note that after five years in government, the coalition has finally appointed someone to the ministry with explicit responsibility for Housing, albeit that I'm profoundly disappointed this is only at the level of assistant minister. Has the minister been provided with an incoming ministerial brief in relation to Housing?

Ms Campbell: All incoming ministers were provided with incoming ministerial briefs, and that included Housing.

Senator CAMERON: When was the brief provided?

Ms Campbell: Minister Fletcher's briefing was provided the day he was sworn in. And I'm just checking on when the assistant ministers' briefings were provided. It was not long after that—within a week or two.

Senator CAMERON: A week or two? I'm happy for you to take that—

Ms Campbell: We're just trying to find someone who knows.

Senator CAMERON: If someone can do that quickly, that's fine. If not, you can provide it on notice. Assistant Minister Henderson put out a media release on 17 October 2018 related to the social impact investing measure in last year's budget. Does the assistant minister have primary responsibility for this measure?

Mr Williamson: Minister Fletcher retains primary responsibility for social impact investing measures. However, that one obviously relates to Assistant Minister Henderson's responsibilities; hence, she put out that media release.

Senator CAMERON: I'm asking because it's the only media release or other material the assistant minister has put out on Housing in the two months since she was appointed on Housing, so it's difficult to discern what her responsibilities are. Within the Social Services portfolio, can you explain the delineation of responsibility with

regard to Housing with Minister Fletcher? For instance, do they share responsibility for all housing related matters within the portfolio or is there a split in responsibilities?

Ms Campbell: Minister Fletcher, as the senior minister, has overall responsibility for the portfolio, and he has worked with assistant ministers on their roles and responsibilities. With respect to Housing and Assistant Minister Henderson, her responsibilities are the National Housing and Homelessness Agreement—

Senator CAMERON: That's it?

Ms Campbell: The administration of that. There are other tasks and other responsibilities. The senior minister basically keeps the broad strategic policy in this space.

Senator CAMERON: Yes, I understand that. I've been here now 10 years; I know how it works. But usually the assistant ministers have got areas of direct responsibility.

Ms Campbell: They do, and, earlier this evening, we talked about the other assistant ministers' areas of responsibility. I'm happy to talk through Assistant Minister Henderson's as well, if that would help.

Senator CAMERON: Thank you.

Ms Campbell: Assistant Minister Henderson has responsibility for disability implementation and engagement activities; implementation of the intergovernmental National Disability Strategy 2010-20; development of a new disability framework beyond 2020; support to the transition of the NDIS to full scheme; responding to National Disability Insurance Scheme complaints; peak body and stakeholder engagement with the disability and carer sector; implementation of disability mental health and carer programs; disability employment programs; DES; ADE's wage assessment tool; housing and homelessness; and the National Housing and Homelessness Agreement.

Senator CAMERON: But her title is assistant minister for housing, isn't it?

Ms Campbell: Her title is Assistant Minister for Social Services, Housing and Disability Services.

Senator CAMERON: So Housing is only one part of a broader range of responsibilities?

Ms Campbell: Those are the responsibilities allocated to Assistant Minister Henderson.

Senator CAMERON: Does she have any primary responsibility for any program?

Ms Campbell: The information that I've just provided to you outlines those divisions of responsibilities within the portfolio.

Senator CAMERON: That doesn't mean to say she's got primary responsibility for a program, does it?

Ms Campbell: It's hard to say—

Senator CAMERON: You must know. You're the secretary and you work with programs. You must know if this minister has got primary responsibility for a program.

Ms Campbell: Generally, senior ministers are responsible for the programs within their portfolio. They allocate tasks and they work with assistant ministers on what responsibilities they're going to take. That often includes within a program, and we've just gone through what those allocated responsibilities are for Assistant Minister Henderson.

Senator CAMERON: They don't just assign tasks, do they?

Ms Campbell: Sorry?

Senator CAMERON: They don't just assign tasks. They can assign responsibility for programs.

Ms Campbell: The elements of the program have been assigned to Assistant Minister Henderson and often in these programs, such as the National Disability Insurance Scheme, for example, there are some high-level negotiations that go on with state governments, and those are the domain of the senior minister, and Minister Fletcher has asked Assistant Minister Henderson to work on those other areas of responsibility.

Senator CAMERON: How about you provide me on notice with your understanding of what this minister's responsibilities are?

Ms Campbell: I've just outlined my understanding of this—

Senator CAMERON: So she's got no program responsibility?

Ms Campbell: Assistant Minister Henderson has the responsibilities that I've just outlined, and there are program responsibilities within there.

Senator CAMERON: So does she get lead responsibility for them?

Ms Campbell: I've just gone through the elements that the minister has responsibility—

Senator CAMERON: I get the message. I know it's difficult for you, but that's okay. A great deal of the Housing portfolio resides with Treasury, including the bulk of the so-called housing affordability measures; that's correct, isn't it?

Ms Campbell: That's correct.

Senator CAMERON: Has the assistant minister been briefed by Treasury on housing related policy?

Ms Campbell: Not to my knowledge.

Senator CAMERON: Oh, dear! Is it anticipated the minister will have input into the formulation and delivery of Housing policy within Treasury?

Ms Campbell: I'd have to take that on notice. I'll have to ask the Secretary to the Treasury.

Senator CAMERON: How does the assistant minister's role interact with Treasury's primary carriage of Housing?

Ms Campbell: I think we've gone through before what Treasury's particular elements are. The assistant minister works with the department and on the National Housing and Homelessness Agreement, which was a primary issue with the Treasury.

Senator CAMERON: Minister, was any consideration given to the locating the assistant minister for housing within the Treasury portfolio, given its primacy in Housing matters?

Senator Fifield: That would be a question for Prime Minister and Cabinet estimates because the Prime Minister has responsibility for allocating responsibilities between portfolios and administrative arrangements.

Senator CAMERON: Secretary, were you involved in any discussions that gave consideration to appointing an actual minister for housing and homelessness?

Ms Campbell: Those are not responsibilities within this portfolio.

Senator CAMERON: Minister, were you?

Senator Fifield: Just repeat the question.

Senator CAMERON: Were you involved in any consideration of appointing an actual minister for housing and homelessness?

Senator Fifield: No. As the Minister for Communications and the Arts, representing the Minister for Social Services, I wouldn't be.

Senator CAMERON: You are a cabinet minister, aren't you?

Senator Fifield: I am a cabinet minister, but communications ministers aren't usually consulted on the arrangements within a separate portfolio.

Senator CAMERON: Was the department asked to provide advice on the appointment of an assistant minister for housing within DSS?

Ms Campbell: These decisions are generally not consulted on with portfolios.

Senator CAMERON: I note that a COAG meeting of housing ministers planned for this month was cancelled due to the government's leadership chaos and a lack of agenda. Had that meeting proceeded, which minister would have had the lead federal representation for Housing?

Ms Campbell: In the past, when there have been meetings on housing and homelessness, I have attended with an assistant minister from the housing portfolio and there have been colleagues from the Treasury there attending with us.

Senator CAMERON: Minister, it seems to me that this is a tokenistic appointment on housing and homelessness. If you look at the range of other responsibilities, this minister is not doing very much on housing and homelessness. I don't even have a question on that because you can't answer. I'll leave it at that. Can I move to Ethan Affordable Housing. As you are aware, Secretary, my office has been contacted by scores of people concerned about Ethan Affordable Housing and Ethan director Ashley Fenn.

Ms Campbell: I am aware of those concerns being raised with your office, Senator.

Senator CAMERON: This guy's a crook and he shouldn't be getting any more public money. He was formally a Family First candidate and he was the party's primary financier from 2012 to 2015. Why are we in a position where this guy is in a situation of being able to withhold funding to investors?

Ms Campbell: The original legislation did not provide the Commonwealth with a relationship with the investor. In the original legislation, the relationship was between the Commonwealth and the approved

participant, who, in the cases you are talking about, is Ethan. Changes have been made to the legislation which now allow the Commonwealth to have a relationship and engage in a way with the investor. That was put into place last year, in 2017. Those regulations were changed to allow that. Since that time, we have worked with the investors who are not happy with the arrangements they have through the approved participant, which is Ethan Holmes. We are continuing to deal with that under the current legislation and the current regulation on a case-by-case basis.

Senator CAMERON: So what is the current status of the Social Services Legislation Amendment (Housing Affordability) Bill? I understand that the government has tabled amendments in the House today in response to the Senate inquiry. Can you briefly update me on that?

Ms Campbell: I've been here all day, so I will look to see if someone has more knowledge than I do.

Mr Menzies-McVey: The government did move amendments in the House this morning. The debate on that bill was adjourned.

Senator CAMERON: So the bill hasn't been passed?

Mr Menzies-McVey: No.

Senator CAMERON: Okay. Are there other regulatory changes being proposed that would make sure that this crook and spiv who runs Ethan is not allowed to basically steal money from investors?

Ms Hefren-Webb: We are contemplating additional regulatory changes.

Senator CAMERON: How long have you been contemplating them for?

Ms Hefren-Webb: I started in the portfolio in July. In that period, we have been engaged with working up possible amendments and we hope to have that come to fruition reasonably soon.

Senator CAMERON: Has a consultation process occurred in regard to the further regulatory changes?

Ms Hefren-Webb: There have been discussions with key peak organisations.

Senator CAMERON: When do you expect those regulatory changes to be tabled?

Ms Campbell: We are working very quickly and we would like them to be tabled as soon as possible.

Senator CAMERON: Do the regulations rely on changes to the legislation?

Mr Menzies-McVey: The regulations that I think you are speaking about do not require changes to the principal act. But, once changes to the principal act are made, there would be further regulatory changes that would be facilitated by the changes to the act.

Senator CAMERON: There are going to be two tranches of regulatory change?

Mr Menzies-McVey: That's correct.

Senator CAMERON: When will the opposition have an opportunity to look at these regulatory changes? What is the time frame?

Ms Campbell: We are just getting some drafting done on that at the moment, I understand—I haven't yet had a chance to review the latest drafts—and then we will present those to the ministers. The ministers are aware of your interest in this matter, Senator.

Senator CAMERON: Yes, I am aware of that. Is the department satisfied that we will have necessary legislative and regulatory powers to stop this crook, Ashley Fenn, from operating within the system?

Ms Hefren-Webb: The purpose of the regulations is to strengthen our ability to transfer people to another approved participant where people have expressed a desire to do so. Currently, as you know, a number of investors have expressed a desire to transfer. In some cases, that has been able to be facilitated under current regulations but in some cases not. The regulations will improve our ability to transfer people, and we'll keep an active eye on what other further improvements have been made. As Mr Menzies-McVey said, there will be a further opportunity as well.

Senator CAMERON: There were terms put together for an independent investigation by Deloitte. Deloitte was to provide weekly progress reports to the department. How many reports have been received by the department?

Ms Campbell: That was some time ago.

Senator CAMERON: December 2017.

Ms Campbell: My recollection is that that has now concluded and the work we have done subsequent to that was informed by the findings of that report.

Senator CAMERON: Is it possible to provide the committee a copy of the report?

Ms Campbell: We'll take that on notice.

Senator CAMERON: How much has the independent investigation cost to date?

Ms Campbell: We'll take that on notice.

Senator CAMERON: The terms of reference directed the investigator to report on any other potential breaches of consumer or corporate law identified during the course of the investigation. Has that occurred?

Ms Campbell: Sorry, I don't have the report in front of me and I haven't read it for some time.

Senator CAMERON: Is there any officer who can answer that? This is an issue that is on hand now.

Ms Campbell: What we have done over the last year is look at the findings and, as Mr Menzies-McVey has pointed out, we have adjusted and proposed changes and addressed concerns that have been encountered as we've been trying to work through some of the complaints and issues with the scheme.

Senator CAMERON: Can you on notice provide me with information on where that has occurred and what the breaches were.

Ms Hefren-Webb: I think we might have the cost.

Ms Halbert: The cost of the report was \$200, 200.

Senator CAMERON: \$200, 200? We won't be seeing that figure too often! When was the report provided to the minister?

Ms Campbell: We might take that on notice, too.

Senator CAMERON: And also when you received the report. How many applications have been received for transfer?

Mr Menzies-McVey: In relation to Ethan?

Senator CAMERON: Yes.

Mr Menzies-McVey: In relation to Ethan we have received 331 requests for transfer. Those requests came from 247 investors. Some investors have made more than one request because they own more than one property.

Senator CAMERON: So that is basically 247 allocations?

CHAIR: Senator Cameron, Senator Faruqi has some questions. That will take us up to 6.30.

Senator CAMERON: So you are moving on, are you?

CHAIR: I just want to give Senator Faruqi some time and then we will come back to you.

Senator CAMERON: Senator Faruqi, have you got much?

Senator FARUQI: Not a lot, but I am not sure how many questions you can all answer. I wasn't sure with Treasury and all of that. I will see how it goes, but there are not too many.

Senator CAMERON: I've had the same problem, Senator.

Senator FARUQI: Thanks, Chair. I might start with the National Housing and Homelessness Agreement. Can you answer some questions on that?

Ms Campbell: Yes, I will attempt to answer your questions.

Senator FARUQI: As far as I understand it, the NHHA does not provide any segregated funding for women's refuges that could ensure that funding goes to specific refuges for women and children who are fleeing domestic violence. Is that correct?

Ms Campbell: The funding is provided to the states.

Senator FARUQI: But is there some dedicated funding especially for that purpose?

Mr Williamson: Not under this agreement. There are priority cohorts that are identified under the agreement.

Senator FARUQI: What does 'priority cohorts' mean?

Mr Williamson: Women and children escaping family domestic violence, Indigenous Australians—

Senator FARUQI: Bu they don't have to—there is no specific target?

Mr Williamson: There is no allocation for that particular—

Senator FARUQI: Why not?

Mr Williamson: Because the agreement allows the states and territories the opportunity to direct the funding as they see fit.

Senator FARUQI: But we know that homelessness because of domestic violence is a huge issue. We know that one of the main cause of homelessness in Australia is domestic violence. Last year, 37.8 per cent of specialist homelessness service clients were escaping domestic and family violence. Haven't the department or the government thought about actually instigating something like that so we can assure that women and children escaping domestic violence are assured of a roof over their heads?

Mr Williamson: It is a very important issue that we do consider. But, in terms of the National Homelessness agreement and the relationship between the Commonwealth and the states, the funds go to the states and territories and they are able to allocate those funds as they see fit.

Senator FARUQI: But you could do that under that agreement, that could happen? If the government and the department wanted to, that could be prioritised as a segregated fund? That is a possibility? There is nothing stopping that from happening?

Mr Williamson: The states and territories would have to agree. It would be part of a normal Commonwealth-state negotiation and the Commonwealth, through a whole range of agreements with the states, can put different levels of conditionality on it.

Senator FARUQI: Has it been discussed or considered at all?

Ms Hefren-Webb: With the National Housing and Homelessness Agreement, as I said, the focus was on identifying the vulnerable cohorts. Each state and territory who signs up to the agreement is required to bring forward a housing and homelessness strategy. Within those, they need to be able to outline how they are tackling the vulnerable cohorts. So that information would come out on the public record.

Senator FARUQI: Have people aged between 15 and 36, especially women, been identified as a vulnerable cohort?

Mr Williamson: I would have to take that on notice.

Senator FARUQI: If you would.

Mr Williamson: I know that includes women and children escaping family and domestic violence, and Indigenous Australians. I am not sure if it is specific on an age bracket. We will take it on notice.

Senator FARUQI: That is a really vulnerable cohort.

Senator CAMERON: Can you confirm that, in the 2014-15 budget, \$44 million a year was removed by the coalition government for transitional housing for women in distress and women suffering violence?

Ms Campbell: We haven't got that material with us.

Mr Williamson: I would have to take that on notice.

Senator FARUQI: That is alright. Could you also check whether women aged over 50 have been identified as a vulnerable cohort. They are definitely at much greater risk of financial and housing security and they are experiencing homelessness in their thousands.

Mr Williamson: I'll take that on notice as well.

Senator FARUQI: That would be great.

On homelessness, my understanding is that, although the funding for homelessness has become ongoing for three years and it's indexed, within the new National Housing and Homelessness Agreement there is no effective increase in funding for homelessness from previous levels. Is that correct?

Mr Williamson: There will be an increase in funding because it is indexed.

Senator FARUQI: Apart from the indexation.

Mr Williamson: The government has provided funding certainty by bringing it forward in the agreement. The other thing about homelessness funding is that it's required to be at least matched by the states and territories. So that is how it operates.

Senator FARUQI: Whatever you provide to a state they have to match?

Mr Williamson: Correct.

Senator FARUQI: They won't get it if it is not matched?

Mr Williamson: Correct.

Senator FARUQI: How many states are in that situation where it's not being matched and they are not getting funding?

Mr Williamson: At the moment, all states and territories except for Western Australia have signed up to the National Housing and Homelessness Agreement. As part of signing the agreement, they had to commit to providing the matched funding, and all states have signed up except Western Australia.

Senator FARUQI: But there is nothing stopping the federal government from increasing funding.

Mr Williamson: That would be a policy decision for the government.

Senator FARUQI: Of course that is. I'm just saying that because homelessness is rising to alarming levels. In the 2016 census 117,000 people were homeless. To move on from there: homelessness service providers, who work every day with homeless people on the streets, have called for a national plan of action or a strategy to end homelessness. Is the department or the government working on such a national plan of action for homelessness?

Mr Williamson: The announcement in the 2017-18 budget was a comprehensive set of measures across housing and homelessness.

Senator FARUQI: Is there a national plan?

Mr Williamson: The National Housing and Homelessness Agreement is the centrepiece, providing \$1.5 billion annually to states and territories. That's what is on the table.

Senator FARUQI: That's what you would call a national plan? If that is, why are they calling for a national plan?

Mr Williamson: I can't speak for other people.

Senator FARUQI: Is that what you would call a national plan for homelessness?

Mr Williamson: It's certainly an agreement that sets out targets between the states and territories and a commitment to move forward on housing and homelessness.

Senator FARUQI: So there are targets within that strategy?

Mr Williamson: Yes. There are national performance indicators under the National Housing and Homelessness Agreement.

Senator FARUQI: Are there targets to actually reduce homelessness? Are there specific percentages?

Mr Williamson: I'll have to take the question on notice around whether the specific percentages

Senator FARUQI: So you don't know if—

Mr Williamson: I've got the national performance indicators here.

Senator FARUQI: Which are quite different from targets.

Mr Williamson: I don't have any numbers that go with it, so I'd have to take it on notice.

Senator FARUQI: Are there any targets in that strategy that you are talking about?

Mr Williamson: I would have to take that on notice.

Senator FARUQI: You don't know if there are targets in the strategy that you implement. Okay.

Ms Campbell: This is a national agreement. Mr Williamson has been taking you through the national agreement.

Senator FARUQI: No, I think Mr Williamson said there was a strategy and an agreement. That was his response to my question about whether there was a national plan.

Ms Campbell: I am sorry; I had understood that Mr Williamson said that the government had announced this in the 2017-18 budget.

Senator FARUQI: And a strategy. We can go back over *Hansard*, but I will move on from there because my time is limited.

CHAIR: Your time is up!

Senator FARUQI: Sorry. I only get 10 minutes, do I?

CHAIR: Yes. Senator Cameron only has five minutes.

Senator CAMERON: When you hit the crunch with this Chair, that is it. Thanks; I appreciate it because I have really got to do some of these Ethan issues? Have all payments for the 2017-18 NRAS year been made to the approved participants?

Ms Campbell: No, not all payments have been made yet.

Senator CAMERON: Which are outstanding?

Ms Campbell: The Ethan payments haven't been made yet.

Senator CAMERON: What's the value of those payments?

Ms Hefren-Webb: The estimated value is approximately \$15.6 million.

Senator CAMERON: According to an email newsletter issued on 20 September by Quantum Housing Group, which is associated with Ethan, Quantum had received the refundable tax offset certificate from the Department of Social Services for the 2017-18 NRAS year. Is that correct?

Ms Campbell: Quantum payments have been made, yes.

Senator CAMERON: You are aware that this is a company associated with that crook Ashley Fenn?

Ms Campbell: We are aware that there are connections between those companies. We haven't received the complaints around the Quantum matters.

Senator CAMERON: So how much has gone to Quantum?

Mr Menzies-McVey: We have paid \$9,539,683 in tax credits to Quantum, and there is a further amount of \$25,007 that will be paid shortly, giving us a total of \$9,564,690.81.

Senator CAMERON: Quantum has been advising some of the investors in an email that they have 'identified an error in the assessment of your claim, which has resulted in a reduced NRAS incentive amount payable to you'. Has the department reduced any incentive payment as a result of compliance issues in relation to Quantum or Ethan?

Ms Campbell: I don't think we know about that email.

Ms Hefren-Webb: We would have to take it on notice whether we had reduced any.

Senator CAMERON: Can you also take it I'm making a complaint about Quantum?

Ms Campbell: You are making a complaint as a senator?

Senator CAMERON: As a senator that Quantum are associated with Ashley Fenn and Ethan. That company is completely crooked in relation to the way they have been doing business. Investors are being ripped off, and I want a good look at Quantum. It is terrible that \$9 million has gone to Quantum. I'm really concerned about that. If you've had no complains, take this as an official complaint from me.

Ms Campbell: Under the legislation that we operate under and the regulations, we can only operate under the law. We are doing that with the providers and we are working through this. As you know, until the end of last year, we had no capacity to have any relationship with the investors. I think all of us agree that there are issues with this legislation. And so we will continue to work with that. We also note that there are many investors who these approved participants are passing these incentives to, and those are investors who, if they didn't get their incentive, would be rightfully annoyed as well. So we have to balance the needs of many parties in these arrangements.

Senator CAMERON: Yes. Again, I think the NRAS scheme is working effectively, delivering on what it was meant to do: help poor people, help people that were in the emergency services get accommodation under 20 per cent of the market rate. Lots of people have invested in good faith, and that's been working well. It's only Ethan and Quantum that are the problem, isn't it?

Ms Campbell: And we are working closely with those investors who are bringing us complaints under the regulatory framework that we have.

Senator CAMERON: At March estimates you confirmed that Ethan had applied to transfer a large number of its allocations to Quantum.

Ms Campbell: It had.

Senator CAMERON: But the transfer request had not been determined. What's the state cause of that transfer request now?

Mr Menzies-McVey: That transfer request was refused on the grounds that we weren't satisfied that the interests of investors would be protected.

Senator CAMERON: Good on you. Has the department received any other request from Ethan or Quantum to transfer allocations to another approved applicant?

Mr Menzies-McVey: We have received a request from Ethan to transfer a large number—not all, but a very large number of it allocations—to a company called Questus. We are currently reviewing that application request with a view to ensuring that investors would be protected by that transfer.

Senator CAMERON: Has Ashley Fenn, that crook, got anything to do with Questus?

Ms Campbell: We are looking into the governance arrangements around Questus.

Senator CAMERON: Good on you. I understand that approved participants with a large number of allocations are issued a bulk refundable tax offset certificate with details of how the offset was calculated provided on an attached schedule. Is that correct?

Mr Thomas: That's how the refundable tax offset is provided to the approved participant.

Senator CAMERON: I understand that you're moving on in this area after dinner?

CHAIR: Yes.

Senator CAMERON: I'll have to put the rest of my questions on notice.

CHAIR: That would be helpful.

Senator CAMERON: Thank you, Chair. Thanks to the department.

Senator Fifield: Chair, I have something to briefly add in response to a question from Senator Cameron to the secretary, then I think the secretary has something that she would like to say about one of her team. In terms of Senator Cameron's questions about Assistant Minister Henderson and her role in the Housing and Homelessness side of the portfolio, I advise colleagues that Assistant Minister Henderson has released several media releases in the last week. She has announced a \$200,000 grant at an event in Canberra as part of the Homes for Homes initiative earlier in the week. She spoke on the housing affordability bill in the House today. To date, she's met with stakeholders Evolve Housing, the Property Council of Australia, the Community Housing Industry Association, the Western Australian minister for housing, veterans issues and youth, and also—and I think this is an invitation to colleagues—on 7 November she is doing a night walk with Major Brendan Nottle of Victoria Police and the Salvation Army's Youth Street team in Melbourne CBD.

Senator CAMERON: Oh, good on her!

Senator Fifield: Just for the benefit of colleagues—and the secretary would like to say something about a member of the team.

Ms Campbell: Chair, this is the last appearance of Ms Cath Halbert at the hearings. She's been here for some time. She is retiring. So we would like to wish her well and thank her for her many years of service to the department and to this committee.

Senator Fifield: Chair, on behalf of the government, can I acknowledge Cath Halbert's service to the nation, typifying the best of the Australian Public Service and also serving in a portfolio that really is focused on people who often have issues which come to them beyond their control, and it's important work that the government does here. I thank her for her service.

Senator CAMERON: Could I also associate the opposition with the minister's remarks and thank Cath for the work that she's done over many years. Can I also wish you a prosperous and healthy retirement.

Ms Halbert: Thank you.

Senator CAMERON: And don't get the shakes every time estimates are on—you don't have to watch estimates!

Ms Halbert: I'll try! Thank you very much for that.

CHAIR: Thank you. On behalf of the committee, I will now suspend for dinner break. I thank the officers from the Department of Social Services for your attendance today.

Proceedings suspended from 18:33 to 19:32

Department of Human Services

CHAIR: I call the meeting to order. Senator Patrick?

Senator PATRICK: Secretary, there are a number of questions on notice that I have asked since the last estimates. I want to go through a few of those. One of them was tabled through the Senate. I'll go to question 952, tabled in the Senate, that was returned to me I think today. It dealt with issues of tax returns and late tax returns. I was asking how many people had not filed a tax return in the current year, for two years, for four years, six years et cetera. And it appears this data's not being tracked by the agency.

Ms Leon: Senator, could I just ask you to say again which question that was.

Senator PATRICK: That's question No. 952, but from the Senate chamber, not from estimates. The burden of the series of questions is looking at tax returns. The representations made to me by constituents basically say that there are people—they'll often say 'husband', and I know that most of the people paying child support are males; I think I saw a statistic at one stage of something like 95 per cent—who are not lodging a tax return. So there are issues of husbands not lodging tax returns and not doing so for a number of years. What I was trying to do with

that question was establish a magnitude, so I'm just going to have to go on the fact that I've had lots of complaints. What's the agency's remedy in these circumstances? I understand if someone doesn't lodge a tax return you adjust their income up with a CPI figure. But what's being presented to me is that some people have had an increase in salary or they've changed jobs or they've got a better job and they simply don't lodge a tax return. Their income capacity is clearly higher than what the current assessment might otherwise say. How do you deal with that?

Ms Leon: We are just getting the relevant experts to the table, Senator.

Mr Young: We certainly look for child support customers to lodge tax returns and we have a relationship with the Australian Taxation Office in order to facilitate that process. Where a return is not lodged, we then use the best available information we have to determine the income. So we have a policy that sets out our approach in that regard, and there's really a hierarchy. Often it may be based upon their occupation, their previous income, information that we have available, and applying CPI to that. At the other end of the continuum is a default income that applies that can be connected with average weekly earnings.

Senator PATRICK: So here's my problem. The principle—I seem to recall reading this in the act at some stage—is that there's an obligation on parents to be open and transparent about their salaries, and then a calculation is done. If someone's not lodging a tax return, firstly, I don't believe they're complying with that fundamental principle of being open and transparent with the agency. But it's also unlawful not to lodge a tax return from a tax office perspective. So what's being described to me is that a paying parent is not lodging a tax return for significant periods—they're not doing it for year after year after year—and I accept that you have a mechanism for dealing with that, but it's really about enforcement. It's about actually pursuing. I don't know whether you simply lack the powers or whether it's a case of there being no talking between the agency and the tax office to get the tax office to start enforcing its laws, because it's unlawful not to lodge a tax return.

Ms Leon: Of course, we would prefer that all of the paying parents lodged their tax returns and paid the child support that they are supposed to pay under the legislative formula. But, as you say, the responsibility for chasing up taxpayers who haven't lodged their tax returns rests with the ATO, not with the department, and the department doesn't have any powers under the legislative scheme to compel paying parents to lodge their tax return. So we use what mechanisms are available to us under the legislation, which have been set out by the general manager, but we don't have the power to compel them to lodge their tax return.

Senator PATRICK: But can't you have a conversation with Commissioner Jordan and have them enforce this? Maybe it's something I need to go and talk to the ATO about, but I would have thought the department would have gone to the ATO and said, 'Hey, you've got a problem, and there are children suffering as a result.'

Ms Leon: We do have good relationships and good working relationships with the ATO, and I'll ask Ms Bridger to talk about what we have attempted to do in that regard.

Ms Bridger: We do have constant engagement with the ATO, principally on the back of all of the data exchange that we have, and we have worked with them to help prioritise the cohorts of parents that have not lodged tax returns. We have broken them into priorities, whether that be that over time the tax return has not been lodged by either the payee or the paying parent or whether it be by dollar amount. So we do engage heavily with them on what we want them to do from the perspective of compliance, but ultimately it's the responsibility of the ATO.

Senator PATRICK: In a circumstance where someone hasn't lodged a tax return—I'm just thinking perhaps of a remedy—surely there could be a mechanism whereby suddenly it became almost a punitive number that would get adjusted backwards. My concern is that there are parents and carers who, in their view, are not receiving the right amount of tax. Could you do something like initiate a change of assessment? I know there are eight reasons for initiating a change of assessment; is there a case that maybe there needs to be nine and that a more investigative approach to their salary needs to be adopted?

Ms Leon: That would be a policy matter. We deliver on the legislation as it's currently enacted, and the policy rests with the Department of Social Services and the minister for social services. Mr Jackson, I think, may have something to add.

Mr Jackson: Just as additional background, recommendation 19 of the report of the 2015 parliamentary inquiry into the child support program, *From conflict to cooperation*, recommended that the ANAO conduct a performance audit between the ATO and the department on how we address nonlodgement of tax returns by child support parents. That audit was finalised and released in May 2017 and found:

Child support collection arrangements between the Department of Human Services and the Australian Taxation Office are based on well-established administrative processes in each agency, but there is scope to improve important aspects of these arrangements.

There were five changes recommended by the ANAO, which I can go through if you wish me to. But, equally, the department and the ATO have been entered into an abridged arrangement for lodgement enforcement activity for child support customers that underpins the collaborative approach between the two departments to ensure more accurate assessments are made.

Senator PATRICK: That sounds very bureaucratic. It doesn't actually give me something where I can put my hand on my heart and say, 'This is how you are enforcing that circumstance.'

Mr Jackson: Sure, but it does give the assurance of the ANAO that they are well-established practices.

Senator PATRICK: Well, hang on; I've got a bunch of constituents telling me that this is not happening, that the agency is not acting on people who haven't lodged tax returns after a period of time. I've got the secretary saying, 'Actually, that's outside our power.' I understand you have to operate within power. Minister, there's clearly a problem here. The secretary is almost calling out for a solution, saying she's doing what she's empowered to do, and there are parents who are missing out on payments.

Senator Fifield: I think the secretary has also indicated that the ownership of policy in this area is in the social services portfolio as opposed to the human services portfolio, so that would be the appropriate committee in which to raise the policy issues.

Senator PATRICK: All right. Rather than doing it by way of estimates, Minister, perhaps I could seek your assistance in arranging a meeting with the minister, or perhaps with the two ministers.

Senator Fifield: Certainly, I'm happy to do that.

Senator PATRICK: Okay, I'll leave it at that. I take away from that that there's still a problem and at this point in time you don't have the powers to remedy that situation—and maybe the Treasurer as well, in terms of the tax office.

Just a couple of other questions. I asked a question, HS82, about the fact that CSA online, as far as I'm aware—and I'm a user of that system—doesn't allow you to log on to the child support system and then send a message to a case officer. I've had personal contact with a case officer who said that the way to deal with that is to simply send an email to, effectively, a government email address. I have great concern that people may be providing information that is personal and sensitive, because they are compelled by law to do so, because we have an absence of the ability to use the normal system to send what would otherwise be an encrypted message.

Ms Bridger: Towards the back end of last year we launched a new online service, and it's been released to 50,000 of our child support parents and users. When we launched that service, we shut down what was the existing online message service and transferred the 50,000 onto a new online service, which is encrypted; they can access it through the new online service. The remainder were moved across to the corporate messaging service, which users can access via email, and that falls under the usual security protocols for all emails that come into the department.

Senator PATRICK: I have no issue with the email once it arrives inside the department; I know you secure it. My problem is that, between my laptop or my desktop and the server that receives that message, it is completely open. Whilst you've got 50,000 people who are taken care of by way of an encrypted service, I seem to recall you've got something like a million customers, haven't you? It's a very large number, and their data is flowing. Mr McHardie, you would understand that an email travelling from a customer's standard email address to a departmental address, via typical email applications using TCPIP and SMTP and all those sorts of protocols, is completely open and very easily intercepted.

Mr McHardie: You do have the facility within your secure myGov inbox as well to be able to email back into DHS, which is a secure facility.

Senator PATRICK: I'm focusing on the emails that have gone from customers' laptops and desktops to this other email address. You accept it's totally unsecure up until the point at which it gets to the DHS server?

Mr McHardie: Yes, and that is why one option is to use your secure myGov inbox.

Senator PATRICK: I asked the question how many emails had been received over a particular period of time. I think 90,000 was the answer that came back to me. These are all, in my view, serious privacy breaches. Someone can simply access that. And I know personally I was advised that that was a method by which I could communicate my child support information, my salary information, the details about my children, my care arrangement, their addresses, my addresses—over the internet, all freely open.

Mr McHardie: I couldn't give you an answer on numbers. We'd need to take that on notice.

Senator PATRICK: All right, I'd ask that, but, more importantly, how are we allowing this to happen? This is a massive, massive privacy issue.

CHAIR: Senator Patrick, five more minutes.

Senator PATRICK: Sure. I note for the *Hansard* that there is silence in the room.

Ms Leon: I wasn't aware that you'd asked a question. I thought you were saying that you considered it was a massive privacy issue.

Senator PATRICK: Do you think so, Secretary?

Ms Leon: I don't think matters of opinion are really what I'm at the table for.

Senator PATRICK: I'm after a response in fact, not an opinion.

Ms Leon: I'm not aware of any privacy breaches that have arisen from the provision of the email service. We do offer myGov a secure email inbox, and we also have a process whereby we will in due course transition everyone onto the online portal. At the moment it is only a segment of the child support population that's using the online portal. Over time we will transition those.

Senator PATRICK: I understand that. I have just taken evidence from Mr McHardie that it's not secure. There are people communicating information across the internet that includes information that is private and most likely they are compelled to provide that information by law.

Ms Rule: They're not compelled to provide it through that channel.

Senator PATRICK: I understand that. This is a fairly serious issue. It's not a question of opinion; it's a question of fact.

Mr McHardie: There is a facility known as the myGov inbox.

Senator PATRICK: I understand that. But you are directing people to use a service which is not secure and over which they pass their personal information. Why would you tell someone to send information across a line that you know is insecure? That's a question. I've got silence, for the *Hansard* record.

Ms Rule: It's important to note that this is just one way in which people can provide their information to us. We are transitioning from an old outdated system to a more secure system. Customers have told us they want to continue to be able to submit information to us electronically during that transition. This is one option for people to provide that information to us.

Senator PATRICK: In the conversation I had with an officer, they didn't say to me, 'If you send it this way it's totally insecure.' Those cautions weren't provided.

Ms Rule: I'm happy for us to review the scripting that's provided to our customer service staff. I can't tell you what that is.

Senator PATRICK: If there's an alternative method, why do you even direct anyone to use that method?

Ms Rule: Because people have asked for it.

Senator SIEWERT: I have one cross-portfolio question. Can I ask the question that I asked this morning in terms of trying to resolve the issue about the letters that are going out to people with vulnerabilities. You will recall that I asked a question without notice in the Senate, to which Senator Concetta Fierravanti-Wells responded, and then subsequently tabled further information, I think it was the next day, where the senator said:

I wish to add to remarks I made in question time yesterday in response to a question from Senator Siewert regarding debt recovery to people with a vulnerability indicator who are receiving income support. I've confirmed that no farmers have been included in the initial phase of the trial.

I also wish to add to an answer regarding your question, Senator Siewert, about the number of people involved in the trial. I am advised that less than 300 people have been contacted by the Department of Human Services to update their details in the initial phase. Further, I can advise the Senate that the Department of Human Services ceased contacting recipients in these cohorts on 2 August 2018 whilst the minister assesses the recent outcomes.

I have some questions about that, anyway. Subsequently to that you will note that I asked a question on 2 August about this. That's about when the trial or letters ceased. In answer to the question I was told, 'No, there are no recent policy changes to online compliance. No individual in remote areas are identified as vulnerable and have begun receiving OCI letters.'

Ms Leon: That's all true.

Senator SIEWERT: Who are the 300 letters that have been sent out, then?

Ms Leon: It's less than 300 people. Those people are not subject to the online compliance process. We designed a staff-assisted process specially to attend to their particular potential needs and circumstances. They receive a letter, but they then are contacted by telephone to work through their potential overpayment so they are not sent to the online compliance portal. They weren't at any point in the sending of those 300 letters.

Senator SIEWERT: So they receive a letter. Could you table a copy of the letter or, if you don't have a copy, take on notice to provide a copy of the letter they received?

Ms Leon: We'll take that on notice.

Senator SIEWERT: When you say less than 300 have been contacted by the department, how many were sent letters and how many were subsequently contacted?

Ms Leon: At 28 September there have been 289 reviews that have commenced.

Senator SIEWERT: I asked about reviews commenced. Is that letters, or do you mean that's when the number of people the department has subsequently contacted were phoned?

Ms Cross: That's the number of letters that were issued.

Senator SIEWERT: How many have the department—my understanding was that there was a letter sent, and then I understood from your comment, Ms Leon, that the department subsequently followed that.

Ms Leon: They can then call us on a dedicated phone number. There are 114 that we have now had that telephone contact with.

Senator SIEWERT: They have phoned you?

Ms Leon: They have phoned us or we have phoned them.

Senator SIEWERT: So there have been 289 letters and 114 contacts.

Ms Leon: And the others remain on foot. It's not that they are abandoned. We'll continue to work through the 289 cases that have been commenced.

Ms Cross: If I could just add to that, you know that we have moved to registered mail, so there are a number where the letters were returned because they weren't receipted. We're not pursuing those further.

Ms Leon: There were 222 that have been receipted, so we know the person has received them.

Senator SIEWERT: Could you tell me what sort of vulnerability indicators there are? How did you choose the people you sent letters to? What are the vulnerability indicators?

Ms Cross: Of the 289, some 52 of those have vulnerability indicators. The other 237 were from remote areas. In terms of vulnerability indicators, these are the flags that are put on job seeker records. Examples are psychiatric illness, drug/alcohol dependency, homelessness, significant lack of literacy or language skills—the normal indicators we use for job seekers.

Senator SIEWERT: So they covered that full range?

Ms Cross: Yes.

Senator SIEWERT: You say 52 had vulnerability indicators and the rest were for remote areas—but not farmers.

Ms Cross: Yes. It was the trial of vulnerability and remote.

Senator SIEWERT: Thank you. So it was suspended—sorry, I have used the wrong word, I think.

Ms Cross: Suspended or paused.

Senator SIEWERT: It says 'ceased contacting recipients ...while the minister assesses the recent outcomes'. That was on 2 August. What does that mean?

Ms Cross: From 2 August we have issued no more letters. We are now proceeding with the ones which were issued and we will evaluate the outcomes of that process.

Senator SIEWERT: What's the process for assessing the outcomes, and what's the time frame?

Ms Cross: What we will look at is how the customers responded to the letter, whether they accessed social work services, whether some of them voluntarily said they'd prefer to complete the process online, whether they wanted to do it through an assisted channel, how much support they needed, what issues came up so. We'll look at all of that so we can see whether there were any issues in the handling of those customers in response to the letters.

Senator SIEWERT: What is the time frame for that? Are you going to wait till—

Ms Cross: We'll continue through the group of recipients until we have a sizable response pool. We will actually contact some of them to discuss directly what their experience was.

Senator SIEWERT: These 289, were they identified by the same process that you used for identifying—how were they identified?

Ms Cross: I'll have to check exactly how we identified them.

Mr Storen: We drew them out of the same pool as the rest of the employment income data matching. We did that intentionally because we didn't want to unbalance the trial by selecting particular types. At 300 I couldn't tell you it's statistically valid, but it is a genuine cross-section of vulnerable and remote customers where the data indicates that we need to resolve the income mismatch.

Senator SIEWERT: I will follow up with the rest of the questions in the normal section.

CHAIR: Senator Watts on outcome 1?

Senator WATT: Could I begin by dealing with performance rates for the department. We've had a look at the annual report for 2017-1 and compared it to 2016-17. It seems to me, if I am reading this correctly, that the satisfaction rating for users of different services of the departments has fallen in a number of respects between 2016-17 and 2017-18. For instance, in 2016-17 the satisfaction rate with Centrelink was 50 per cent. In 2017-18 it has fallen to 46½ per cent. For Medicare it has fallen from 71 per cent in 2016-17 to 70½ per cent, so that is basically about the same. For child support it has gone down from 46 per cent to 38.8 per cent. Is there a reason across these services that the satisfaction rate has fallen, particularly child support?

Ms Leon: In relation to child support, I think we have canvassed at estimates on previous occasions that there was in 2017-18 an increase in time taken to answer the phone and some impact on time to process. They are factors that we have since addressed, so the time to answer the phone in child support, which had gone out past our usual KPI for part of last year, we have now got back down to a figure more like our usual KPI performance. We acknowledge that if people have to wait longer on the phone than they are used to then that probably does impact their satisfaction because of the degree of effort they've had to put in to get through to us. We have taken steps to resolve that so that the phone answering now is occurring much more quickly. I expect that will be reflected in the statistics for the current year.

Senator WATT: Do you think that fall in satisfaction was largely a function of the length of time that people were waiting on the phone and the busy signals and things like that?

Ms Leon: I don't know that for certain, but I think it's fair to say that if you have had an increase in your telephony answering time, it wouldn't surprise me if that flowed through to a decrease in satisfaction. In relation to customer satisfaction on social security and welfare, I don't have the 2016-17 report with me, but I have an extract from the figures. I will check that we are looking at the same thing. My advice is that in 2016-17 customer satisfaction was 69.5 per cent and in 2017-18 it was 75.2 per cent.

Senator WATT: Which category was that?

Ms Leon: That was customer satisfaction—achievement of customer satisfaction standards, for social security and welfare.

Senator WATT: The figures I have here are for Centrelink, Medicare and child support. The figures you have given, are they for an overarching category?

Ms Leon: Medicare customer satisfaction, our health customer satisfaction, the total of providers and customers has gone up from 81.7 per cent to 83.7 per cent.

Senator WATT: This might be related to what you were just telling me, but did the department meet its target of 85 or more per cent of survey respondents being satisfied with their most recent interaction for 2017-18?

Ms Leon: No. Eighty-five per cent is our target, and we are at 75.2 per cent. Obviously we are still—

Senator WATT: They were the figures you were just giving me?

Ms Leon: Yes. We still aim to meet the target, and we are putting a lot of work this year into improving customer experience and better understanding the drivers of customer satisfaction.

Senator WATT: I think I'm right in saying that the department has failed to meet that target—that 85 per cent or more of survey respondents are satisfied overall with their most recent interaction with the department—for three years running: 2015-16, 2016-17 and 2017-18. Is that correct?

Ms Leon: Yes. As I said, we're putting a lot of effort now into understanding the drivers of customer satisfaction and into seeking to address those, so that people, when they ring the department, will get through more quickly. We have deployed a lot of extra resources onto telephony to try to achieve that. The deploying of additional resources onto telephony is freeing up staff resources to address processing, so that people's claims will be processed more quickly. Those are significant drivers of satisfaction. So we expect that, as we improve the customer experience on both those fronts, we will see an improvement in customer satisfaction.

Senator WATT: You were saying that your theory—I'm not trying to use that in a pejorative sense—on why your target has failed to meet that target and for the falls in satisfaction ratings for some of those services that we were talking about before, is that it is largely due to the length of time that people were waiting on phones or getting busy signals and things like that. Was there any research conducted to back up those—

Ms Leon: I will pass to my service delivery experts in a moment, but we have data about what people complain about. That is a useful source of information and evidence about what people are dissatisfied about.

Senator WATT: What were the top two or three things?

Ms Leon: For Centrelink, for example, for the 2017-18 financial year, there were 96,331 complaints about claims and applications. More than half of those, nearly 60,000, were about how long it took. There were 28,622 complaints about the phone service. Of those, over 80 per cent were about either receiving a busy signal or having a long wait time. So, although the complaints are only a very small proportion of our interactions—

Senator WATT: That's 2017-18, isn't it?

Ms Leon: That's right. Although the complaints are less than two per cent of our interactions that lead to a complaint, it's nevertheless a useful source of information about what things are making our customers less than satisfied.

Senator WATT: I hear what you are saying: you're putting in a lot of effort into trying to address these issues. When did you start as secretary again?

Ms Leon: A year ago.

Senator WATT: I thought so. So I realise you haven't been in that role for all of that time, and maybe this is a better question to direct to the minister. Minister, why is it that the poor performance on satisfaction targets was allowed to continue, year after year, before action was taken in the way that we are hearing from Ms Leon?

Senator Fifield: Well, action is being taken.

Senator WATT: It is now, but the department has failed to meet its target for at least the last three years. There has been a flurry of activity, it would seem, in the last 12 months, which is good, but why did it take that long?

Senator Fifield: Well, there is action being taken to improve the circumstance.

Senator WATT: How many years have you been in government? Five?

Senator Fifield: You can do the maths, Senator.

Senator WATT: Is there any reason for the first four years when things weren't deemed serious enough to—

Senator Fifield: I don't necessarily accept the premise on which your question is based—that there wasn't work being undertaken to improve the situation previously. I'm sure that the Department of Human Services and the ministers who have held the office have always been seeking to improve the service to the community.

Mr Jackson: I can add to that as well. One of the criteria that we measure satisfaction on is the outcome of the claim. If we reject a claim, then that does lead to a perceived dissatisfaction, even though we've handled it very well. And, given that there is a reasonably high rate of rejections, particularly in certain claim types, that will feed into that rating, which, in some regards, almost challenges whether the 85 per cent could ever be achieved if you're rejecting—

Senator WATT: Yes, but that doesn't impact on things like the time taken to receive a service, where I think there was 55½ per cent satisfaction, and ease of access of services, which was at 66.6 per cent satisfaction. That's got nothing to do with whether claims are accepted or rejected.

Mr Jackson: Understood.

Senator SINGH: I want to ask about some of these complaint figures. I notice that your 2016-17 annual report outlined that complaints about Centrelink rose from 168,709 to, in the 2017-18 annual report, 236,563. That's about a 40 per cent increase year on year. Is that right, Ms Leon?

Ms Leon: I haven't done the maths, but clearly it's a substantial increase in that year.

Mr Jackson: The evidence we've given at previous committees is that, I think that at about that time, we also changed the manner in which people could complain to the department. We actually made it a lot easier for people to complain by including the facility on our public website, so we actually encouraged people to complain where they could so that we could improve our services and get greater data. That obviously is a two-edged sword, because, as you pointed out, if you make it easier for someone to complain, they will do so. But the positive side of that is it has given us a lot richer data, which we're now using through the voice and analytical to

actually listen to the complaints and actually then survey these people to then be more targeted in how we do respond to that. We do see some significant benefits with regard to when we make improvements on a certain aspect where we can actually measure that the complaints associated with that particular issue are dropping significantly, so we do have some empirical data that supports that as well. So, whilst your point is mathematically correct, it equally enriches our data to improve our services.

Senator SINGH: I presume that's the same reason why there is also a large increase in complaints about the department's services as well in those two annual reports from those two years—204,583 to 265,293 in those two years. That's 30 per cent, isn't it?

Ms Leon: We won't know until we've gone on a bit longer the extent to which the ease of making a complaint is feeding that increase compared to the empirical experience of either telephony or processing times. The 2017-18 year is the first year where people could just hit the button on the website, and so we will be able to assess, with the passage of a bit more time, the extent to which that ease of making a complaint is driving an increase or whether it is more closely related to the factors we've been discussing about timeliness.

Senator SINGH: Let's look at the resolving of complaints. Again, in the annual report for 2016-17, the department resolved 71 per cent of Centrelink complaints within 10 working days. What was the resolution rate for complaints completed in 10 days in 2017-18?

Mr Jackson: Is your reference the actual 2016-17 annual report?

Senator SINGH: Yes.

Mr Jackson: I don't have a copy of that in front of me.

Ms Leon: Which page are you looking at, Senator?

Senator SINGH: I haven't got the page number on me, but I'm asking specifically now about 2017-18, because it doesn't seem to be included in that annual report.

Mr Jackson: We can certainly take that on notice.

Senator SINGH: I'm not sure why it's in one annual report and not in the other and why you wouldn't have that rate of resolution of complaints in the current annual report?

Ms Leon: I'm happy to take that on notice.

Senator SINGH: You don't know why that has been omitted?

Ms Leon: I am not aware that a specific decision was taken to leave it out, but I don't know what occurred in the production of the annual report that led to that. I am happy to get back to you both about that and about what the resolution rate was.

Mr Jackson: We would have that data, because we track every complaint, record how we deal with them and their outcomes, and learn from them where we can. We can absolutely get back to you.

Senator SINGH: That's why it's a bit surprising that it's not there. On that, can you also advise the committee of the 2017-18 resolution rates for Medicare and child support allowance, with the percentage of complaints resolved within 10 days. I think that's still the kind of matrix that you use, isn't it?

Mr Jackson: We're happy to provide that.

Senator SINGH: I might move to staffing.

Senator WATT: Just before you get into it, we have been looking at the telephony report that you provided. Thank you for doing that. I can see that that compares the most recent quarter with the same quarter 12 months ago. There's also a page here, which is a sort of financial year figure.

Ms Leon: We are trying to be guided by what you usually ask us. We did give you both versions.

Senator WATT: Yes, that's good, very helpful. I take it that the 2017-18 report is for the full financial year?

Ms Leon: That's correct.

Senator WATT: I don't suppose anyone has a similar one for 2016-17?

Mr Jackson: Not with us, but we can put it together—

Senator WATT: Do you have overall 2016-17 figures at hand that we can be asking you about?

Ms Leon: I have overall numbers only for calls answered, busy signals—

Senator WATT: You have some of it.

Ms Leon: but I don't have it broken down by the individual lines.

Senator WATT: That's okay. We will get to that a little bit later.

Senator SINGH: Has the department engaged a private company to provide at least 12 labour hire workers from next week in Hobart?

Ms Leon: Yes, we have.

Senator SINGH: How many labour hire workers?

Ms Cattermole: We have engaged two staff through a recruitment agency, starting on Monday or thereabouts. What was contemplated with that engagement was the possibility of up to 10. When and how we bring those others on will depend on the need over the coming weeks, months and beyond. At the moment, none of those people have started yet but we do have two people who I'm expecting to start on Monday. If there proves to be a continued need, the intention is that we would bring on up to a further eight, all of whom are performing very simple administrative tasks for us on the back end of our systems on a time limited basis because it's the kind of work that we see reducing over time, particularly as we put a fairly significant investment into the modernisation of the systems. The idea is that we will have that small number and that will free up some of our customer-facing staff in our Hobart office, who spend a bit of their time having to do that very simple administrative work. This frees them up to spend more time on all their more complex, customer-facing work.

Senator SINGH: This is in the Department of Human Services?

Ms Cattermole: Yes.

Senator SINGH: In Hobart?

Ms Cattermole: That's correct.

Senator WATT: Is it the department office overall or is it in a Centrelink bit or a Medicare bit?

Ms Cattermole: It's a bit of both. I am contemplating that the staff we've engaged on this occasion will be doing work related to the health parts of the business. We have two offices in Hobart down the street from each other, and they will be sitting alongside staff who primarily work on the social services part of the business, simply for room reasons.

Senator WATT: But these people will primarily be doing health-related work?

Ms Cattermole: Yes. Just to explain it: as I'm sure you know, we have an enormous, diverse range of programs and services that we deliver through my part of the Department of Human Services. Some of that work comes in via email inboxes—for example, applications for registrations to the Australian Organ Donor Register and applications for updates to people's information on the Australian Immunisation Register. A lot of that work is often sent via email. Even though we're a very highly digitised business, there are pockets of the health part of the business that are less digitised. What happens is that because we're still working on some quite older systems, particularly through those emails and then, obviously, working on our newer ones, those documents need to simply be printed and scanned to then be drawn down by staff who do the processing work and turn that around as quickly as possible.

Senator SINGH: Who's their employer?

Ms Cattermole: They will be employed by a local recruitment agency.

Senator SINGH: So they're not employed by DHS?

Ms Cattermole: That's correct.

Senator WATT: Just to be clear: in total we're talking about up to 10 individuals?

Ms Cattermole: That's correct. None of whom have started yet, but I'm contemplating two next week.

Senator WATT: When you say the health-related part of the business, is that another way of saying Medicare? Are they all, in some way—

Ms Leon: The health-related part of the business, as Ms Cattermole was outlining, covers Medicare and a wide range of other programs, including things like the Organ Donor Register and the Immunisation Register. We run multiple programs for the health department. Obviously, Medicare is a very large program that we deliver, but we also run these many smaller programs, and people contact us by email to provide information, which has to then be electronically translated into the systems for processing.

Senator WATT: Is this the first time the department has engaged people via labour hire to perform this Medicare and other health-related work?

Ms Leon: To perform that work that we're discussing it's the first time we have. Up until now, what we've been doing is using our more highly skilled customer-facing staff to do this work, which actually would be better

done by people at a lower level so that we can free up our customer-facing staff to process applications and talk to customers.

Senator SINGH: How many jobs have been lost in Tasmania to make space for these labour hire jobs?

Ms Leon: None.

Ms Cattermole: None whatsoever. These are additional resources that we're bringing in on a short-term basis because the nature of the work, as the secretary was describing, takes up time for our customer-focusing staff. Also, it's the kind of work that is starting to reduce over time. As we modernise the system and we're putting in—as I think you know, we have a recent budget measure putting in a significant investment. The more we do that—and we're working a lot on the back end—the less we have of that work, and that's the idea. It's actually a reducing body of work. What we want more and more is for our customer-facing staff to be not only fully brought to bear on that work but also continually trained and focused on that what is more complex work, of which there will be more and more over time as we modernise the back end of the system.

Senator WATT: So, we have up to 10 people being engaged through a private company on labour hire in Hobart to perform work related to Medicare and other health services? That is the first—

Ms Leon: I think I did say it's not Medicare; it is other programs that we deliver for the Department of Health.

Senator WATT: I thought you said it was health work including Medicare.

Ms Cattermole: Perhaps I could be absolutely clear. The vast majority of the sorts of documents that would come in through our email inboxes, which is one of the many channels through which people engage with the health services that we offer, relate to the PBS. They can be scripts, which are frequently still sent in letters in envelopes, and things like registrations for our registers. There is also a body of other things that occur—for example, pharmacists will send in requests for scripts, because we still, obviously, as you know, issue paper scripts. They will send in requests, and these people would be processing those requests.

Senator WATT: Is that like paper-based Medicare claims?

Ms Cattermole: No, you actually get the stationery, which we issue.

Senator WATT: These people will be processing those claims?

Ms Cattermole: No.

Senator WATT: You probably said this, but they will be doing what exactly?

Ms Leon: They will print out the emails. Because this part of the system hasn't yet been modernised, though we do have a program on foot now to modernise that back end of our health system, these things come in by email but then have to be electronically connected to the processing system. The way that we do that is by having someone—and that's what we're engaging some people for that are kind of equivalent to an APS 1 that we don't have any of—print them, scan them and then upload them to the system, where they get processed by our own staff.

Senator SINGH: If it is an APS 1 position, why not employ APS 1 candidates? You've had thousands of candidates apply for jobs in the department. It's in your annual report for 2017-18. You had 28,000 candidate applications. You had 658 vacancy notices. Why go to a labour hire company to do this work?

Ms Leon: Because, as Ms Cattermole said, this work is going to disappear. You don't want to put people on who you're then going to have to get rid of. It's a flexible workforce so that when we no longer need that workforce we no longer need to continue the labour hire arrangement.

Senator SINGH: You're saying the department doesn't employ anyone on a temporary contract?

Ms Leon: We do, but it's just as easy to employ people for labour hire.

Senator SINGH: Why not employ someone on a temporary contract?

Ms Leon: This is for people who we're only going to need for a short time.

Senator SINGH: But you could do the same things yourselves. You had 28,000 candidate applications. You've ignored all of them and gone to a labour hire company, which you're obviously paying.

Ms Leon: I don't think any of those 28,000 applications were for these jobs.

Senator SINGH: Are you certain?

Ms Leon: Yes, because we haven't advertised them.

Senator WATT: I think the point is that there are plenty of people out there who are looking to be employees of the department at all levels, as opposed to looking for labour hire positions. How long is the contract for for these labour hire positions?

Ms Cattermole: Up to 12 months.

Senator WATT: We know from past estimates that you've got plenty of people working on a temporary basis for up to 12 months—in fact, some would argue too many. It's not as if the department doesn't already do that.

Ms Leon: We make decisions each time we're filling an employment need about what's the most suitable mechanism to do that. On this occasion, we've selected labour hire as the most convenient, flexible approach to fill these roles.

Senator WATT: What's the value of the contract?

Senator SINGH: The labour hire contract.

Ms Cattermole: I don't have that on me. I could take that on notice.

Ms Black: It would depend on how many people were engaged under the contract.

Senator WATT: Is it on a per-person basis, that you pay X dollars per person?

Ms Black: That's my understanding. I would like to take it on notice to check for you. There's no total value of the contract I can provide you.

Senator WATT: Was there any comparison done prior to embarking on labour hire to work out what the equivalent cost would be of employing people directly to do this work?

Ms Leon: We went with labour hire because it's quick and convenient for a small number of jobs that are inevitably going to disappear. It's a quick, convenient, flexible way to get some people in to do some work. It's not only about the cost per employee—I think the cost per employee is likely to be comparable—it is a very convenient way to engage a short-term, flexible, temporary work position.

Senator WATT: Sure, but is that the only consideration here? You have people who are being engaged—they might not be processing PBS claims, if that's the right terminology, but they're involved in the processing of them. They receive emails, they print emails, they upload emails, they have access to people's personal information—

Ms Leon: And they are subject to all of the same training and privacy requirements as our own staff.

Senator WATT: What I am asking is: is quick and convenient for the department necessarily what members of the public who rely on your services are looking for?

Ms Leon: The public would also expect that their privacy is protected—

Senator WATT: They would.

Ms Leon: and it will be by all of these staff who are working under our supervision.

Senator WATT: My experience in other estimates committees, if not this one, is that very often I've been told that labour hire solutions are actually more expensive to departments than employing people directly, which is why I'm interested to know whether anyone looked at whether—it might have been quick and it might have been convenient for the department, but was it more costly for taxpayers? Are there other problems for taxpayers that arose?

Ms Leon: If you're wanting to look at a cost-benefit analysis then it's not as straightforward as simply saying, 'How much did we pay in the contract?' because, as I think we've canvassed in this committee before, the employment of staff has a whole lot of overheads that we're carrying across the whole department. If we were going to do that kind of cost-benefit analysis, we'd have to also do an assessment of the time taken to recruit, to referee recheck and to engage and the overheads that the department incurs by way of all staff on-costs. For an engagement of up to 10 people, I don't think it's necessary for us to undertake a substantial cost-benefit analysis to gather up all of those overheads when our experience across the board is that you can get a labour-hire employee for a cost that is broadly comparable—when you take all of those costs into account—with our own engagement. The reasons for selecting labour hire versus employment go to more than just cost.

Senator SINGH: That's a fairly philosophical position you've just put. You're talking about the Australian Public Service and you're talking about the outsourcing of the Australian Public Service—

Ms Leon: We haven't outsourced it.

Senator SINGH: for what you say is quick and convenient—

Ms Leon: We haven't outsourced this work.

Senator WATT: Well, it is outsourced. It's a private company.

Senator SINGH: and that is quite a remarkable position.

Ms Leon: No, outsourcing is when you ask a private company to undertake the work for you. We have engaged labour hire to bring people in who are working on our premises, under our direct supervision, so that's not outsourcing.

Senator SINGH: You're creating a second-class workforce within the Public Service because you have one lot who are actually part of the Public Service and another lot who are employed by a labour-hire company. Ms Leon, you said that these jobs are equivalent to an APS 1.

Ms Cattermole: They're an APS 1 or 2.

Senator SINGH: Can we just break that down. APS 1 or 2—what are we talking about salary-wise there? What's the salary of an APS 1 or 2?

Ms Cattermole: I don't know. I'd have to take that on notice.

Senator SINGH: You can't tell me how much.

Ms Leon: We hardly have any more APS 1s or 2s in the department.

Senator SIEWERT: That is because you've labour hired them all.

Senator SINGH: You've labour hired them all out.

Ms Leon: No. There is very little work left in the department at that level.

Senator SINGH: Isn't this really a cost-saving exercise?

Ms Leon: No, it's because there are very few jobs—

Senator SINGH: I think you've just admitted it. You just said that the people who were doing these jobs within the department were on a lot higher than APS 1 or 2, and now you've employed people who are in a labour-hire firm to do them at APS 1 or 2.

Ms Leon: People who are skilled and capable staff with customer-facing skills, experience and the ability to process people's applications do feel that it is a bit of a waste of their time to do much lower-level work. Any business would say that you try to allocate work at the skill level that the people are equipped for.

Senator SINGH: That's fine. You've explained that philosophical argument a few times. Senator Patrick has just given me a table from the Department of Health's website which shows APS 1 is a band of \$44,000-\$50,000. Can I get some confirmation of what salaries these employees being employed through the labour-hire company would be paid.

Ms Leon: We'll have to take that on notice. I haven't got the contract with me.

Senator WATT: This hiring of labour-hire staff in Hobart, is that being considered for any other locations or for other roles with the department?

Ms Leon: We have labour hire already in many places throughout the department, and we'll continue to look at what's the most appropriate form of engagement for a range of functions going forward.

Senator WATT: Are there particular functions that the department is currently considering engaging labour hire to perform?

Ms Leon: We already have a substantial number of labour hire who are undertaking compliance work. We have some labour hire already in our corporate and enabling services. We have a small number of labour hire on a trial basis, helping people in front-of-house to use our digital systems. And we have a lot of labour hire or contractors in our IT department.

Senator WATT: With the front-of-house roles, do you know how many—for instance, in a Centrelink office or a Medicare office—

Ms Leon: That's right.

Senator WATT: are training permanent staff?

Ms Leon: I think there are about 30 in front-of-house roles. I'm sure Mr Jackson will be able to intervene if I have that wrong.

Senator WATT: It's 30, as in three-zero?

Ms Leon: Yes. I don't know if you've seen the front of a Centrelink office, but usually we have a set of self-service terminals—

Senator WATT: Yes.

Ms Leon: where people can self-serve with digital services. These front-of-health roles are just to help people by showing them how to log on, how to get a MyGov account and how to use Centrelink online services. It frees

up our staff, as with the health one we've been talking about, to do the more complex work helping customers back in the office.

Senator WATT: When were those front-of-house people first engaged as labour hire?

Mr Jackson: The exact date I would take on notice, but I'd say it's been in place for about three to four weeks.

Senator WATT: That's quite a new thing.

Mr Jackson: That's correct, yes.

Senator WATT: And what's the length of the contract for those?

Mr Jackson: It's a pilot to trial. I think we're trialling it for about two to three months to see how it goes. Then we'll review how well we believe it has gone with regard to performance. Equally, I was in Western Australia recently and I met with a number of these people, including the site managers at four of the sites. Certainly, the staff have received the additional resourcing to trial them there very well. They think it's a good idea to bring this through. Certainly, the people who are working in there and our staff don't regard them as second-class staff members; they just see them as staff members there to help and they're very appreciative of it.

Senator WATT: Did you say a two- or three-month trial, or three- or four-month trial?

Mr Jackson: I believe it's two to three months.

Senator WATT: And that's spread around the country?

Mr Jackson: I think there are about 30 separate locations. There's one person in each location.

Senator WATT: One person in every location. If the trial is deemed as successful and is extended, has any consideration been given at this point to whether the people who perform those roles would be engaged as labour hire or direct employees of the department?

Mr Jackson: That would be on outcome of the trial. But it would be consistent with the secretary's other responses. This work allows us to free up the more highly trained people we have to do the processing and more detailed work, as opposed to, 'Here's a user logon and here is how you come through.' It would fit into the same category of a blended workforce to free up greater resources elsewhere.

Senator WATT: Do you know what pay level these people are on?

Mr Jackson: I'd have to take that one on notice, I actually don't know—sorry.

Senator WATT: Would it be at relatively low levels?

Mr Jackson: I wouldn't hazard a guess.

Senator WATT: Again, depending on the outcome of the trial, I wouldn't imagine that you'd engage people to do that sort of work on a temporary basis. That would be something where there would be an ongoing need to assist customers as they come through your offices to use the self-service counters. Is that right?

Mr Jackson: It is an ongoing requirement. Having said that, though, it doesn't necessarily always have to be the same person.

Senator WATT: No.

Mr Jackson: That's because of the nature of the work. But, again, all those considerations you're alluding to would be part of the assessment for the trial.

Senator WATT: Yes.

Senator SINGH: So what happens in 12 months?

Senator WATT: Yes. The justification we've been given for the Hobart labour hire is that this is a relatively short-term piece of work that isn't going to exist down the track. And we can have an argument about that, about whether that's appropriate or not. But with this kind of work that you're talking about, it would seem to me that there's going to be an ongoing need to assist customers in the offices; so why would you go down a labour-hire route rather than employing people directly to do that?

Ms Leon: All that will be what we think about when we decide what to do after the conclusion of the trial.

Senator WATT: The argument about it being quick, convenient and flexible doesn't apply as much if we're talking about an ongoing function, does it?

Ms Leon: No. There are a range of reasons for why you'd use different forms of employment and we'll take all that into account when we review the way the trial works out and what we might do going forward.

Mr Jackson: And, equally, given the enhancements coming down with the delivery modernisation work and the desire to have as many people as possible doing work online and not actually coming into the sites, we're

seeing reduced foot traffic and so the need for the number of these could change. All of these are variables which, as we said, will be considered.

Senator WATT: So we now have labour-hire staff working in 30 locations across the country, assisting people to process their Centrelink and Medicare claims—

Mr Jackson: No. They do no processing—

Senator WATT: Well, I'm not saying that the staff are processing, I'm saying they're assisting people who walk through the door to self-process their claims, if you like.

Ms Leon: They're helping them. They're showing them how to log on and how to get a MyGov ID, for example.

Mr Jackson: It's very basic.

Senator WATT: Which is something that was done previously by direct employees of the department, over the counter?

Ms Leon: That's right.

Mr Jackson: At a much higher level—

Senator SINGH: Even though they're not APS employees, are they still required to comply with the APS Code of conduct and Code of Ethics for employees?

Mr Jackson: Yes.

Ms Leon: Yes. They're subject to all of our expectations for our own employees. And, as I think we've canvassed here before, if there is any failure by labour-hire staff to comply with the expectations of the workforce we would take that up very actively with their employer, and expect pretty rapid action to be taken.

Senator WATT: I think you said that these labour-hire staff started about three weeks ago?

Mr Jackson: I believe that's correct, yes.

Senator WATT: Leaving aside the IT contractors and people like that who you bring on from time to time for particular projects, for the core functions of the department are there any other labour-hire workers who have been engaged in, say, the last six months?

Ms Leon: I think I said that we have about a thousand doing compliance work. That's a core function of the department.

Senator WATT: Which is checking on people, whether they've made an accurate claim and that kind of thing. Again, how long ago did you start that compliance work being done by labour hire?

Ms Leon: Around the beginning of this calendar year.

Senator WATT: So since the beginning of this calendar year there have been a thousand people engaged as labour hire—

Ms Leon: That's right.

Senator WATT: to do compliance work?

Ms Leon: That's right.

Senator WATT: And that was in addition to existing direct employees who were doing compliance work?

Ms Leon: That's right.

Senator WATT: Do you know how many direct employees you have doing compliance work?

Ms Leon: We might have that here. We have substantially increased our compliance work, as you know. We're doing 10 times the number of compliance reviews as we used to, so this is an additional workforce on top of our usual workforce.

Senator WATT: I'm conscious that we've had a fair go so I'll try to wrap this up quickly.

CHAIR: That should have been 15 minutes ago!

Senator SINGH: It's expanding!

Senator WATT: It's a can of worms that keeps opening up! Since the beginning of this year, the department has engaged about a thousand people through a private company—

Ms Leon: Several—two companies.

Senator WATT: Well, through several private companies, to check up on people's Centrelink—

Ms Leon: To identify whether there are discrepancies between the income they've told us they earned and the income they've told the tax office they've earned.

Senator WATT: Okay, so particularly around Newstart and other benefits?

Ms Leon: Yes.

Senator WATT: Okay. So since the beginning of this year the department has engaged about a thousand people through private companies to check up on benefit claims; there are now 30 people around the country engaged through private companies to assist people to make claims in Centrelink offices; we've got up to 10 people engaged by through private companies in Hobart; and we haven't even got to the contracts that have gone to Serco for call centres—most of which I think has happened in this calendar year?

Ms Leon: That's correct.

Senator WATT: And how many are we up to now through Serco?

Ms Leon: I'll get that for you.

Mr Jackson: Serco have in the order of 490.

Senator WATT: So the 490 are engaged?

Mr Jackson: Correct.

Senator WATT: And are there any other big categories that I've missed for outsourced or labour hire?

Ms Leon: The minister announced, some time ago now I think, that we're in the process of onboarding some additional outsourced service providers, which are Concentrix, Datacom and Stellar. They are progressively onboarding more workers, but at the moment I think we're only up to a few hundred from those contractors.

Senator WATT: That's separate to the Serco numbers we were talking about?

Ms Leon: That's right, yes.

Senator WATT: They're in call centres?

Ms Leon: Those three contracts are all going to be in call centres.

Senator SINGH: Is that because it was 1,250, wasn't it, that you were getting up to with the outsourced call centre workers?

Ms Leon: The announcements that have been made are: 250 initially for the pilot with Serco, another 1,000 equivalent operators that were announced by the minister on 23 April and up to 1,500 that were announced by the minister on 8 August.

Senator WATT: Would you expect most of them to be on board by the end of this year?

Ms Leon: No. It will take a little bit longer than that. I think we're expecting that most of them will be on board by April next year.

Senator WATT: Over the course of this calendar year then, whether we're talking about people engaged through outsourcing of call centres or people engaged in front of house offices or through compliance activities, your department will have engaged roughly a couple of thousand extra people through private companies rather than direct employment?

Ms Leon: That's right.

Senator WATT: If someone's sitting outside watching this how can that be seen as anything other than the wholesale privatisation of the services of this department?

Ms Leon: All of the services are still completely under our control.

Senator WATT: But they not performed by your department are they?

Ms Leon: But they are subject to our supervision as to the performance of the services. They are done to our specifications. They are required to deliver the outcomes that legislation sets for the handling of customer claims. They are conducted on our systems using both the electronic and the data supervision of our own IT—

Senator WATT: But they're still privately provided?

Ms Leon: They are provided by people who are employed not by the public service, yes.

Senator SINGH: If I go into Centrelink in Hobart and there's a worker that I engage with on the self-service desk, they may look like a government public servant—I presume they wear the same clothing and identification as the rest of the Centrelink public service workers—but they, in fact, are not public servants. They're not a government public servant.

Ms Leon: That's correct.

Senator SINGH: How is that anything but creating a second-class workforce within the public service?

Ms Leon: They are completely working on equal terms with our own staff. They are not—

Senator SINGH: You can't even tell me what they're employed as. How do you know that? You can't tell me what their salary is.

Ms Leon: As you said, they're not wearing a separate uniform. We don't put a sign on them saying, 'not with us'.

Senator SINGH: But it's about their worth as an employee and you can't even tell me what they are paid, what their conditions of employment are.

Ms Leon: They're required by the contracts we have with labour hire, they must be employed in accordance with Australian law, meaning they have to be employed under either an award or an industrial agreement.

Senator WATT: They're not necessarily being paid the same rates and conditions as they would be if they were direct employees of the department are they?

Ms Leon: Not necessarily.

Senator WATT: In fact, they're probably being paid less?

Ms Leon: I think we have taken on notice to provide the salaries.

Senator WATT: What's your current ASL cap or staffing numbers cap in lay person's terms?

Ms Leon: The ASL in the 2018-19 portfolio budget statement is 27,307.

Senator WATT: What was it last year?

Ms Leon: The estimated ASL in the PBS was 28,587. But our actual ASL over the course of the year, is very close to that, was 28,521.

Senator WATT: Do you have the figures from the year before?

Ms Leon: No, I don't think I do.

Senator WATT: Over the course of the last financial year, the number of direct employees that the department is funded to engage has been reduced by roughly 1,200.

Ms Leon: That's correct.

Senator WATT: And surprise, surprise over the course of that 12 months the department has engaged over 2,000 people via private companies rather than direct employment.

Ms Leon: We don't want to let our service levels drop.

Senator WATT: No.

Ms Leon: If we were just to allow our staffing levels to drop to the ASL cap then there would be an impact on service.

Senator WATT: The ASL cap—

Ms Leon: We are engaging staff by other means so that we can continue to provide the service that customers want.

Senator WATT: Minister, what on earth is the point of reducing the funding to departments for them to employ people on a direct basis, as has happened year after year after year—even just in the last financial year, with you providing funding for 1,200 fewer direct employees—when, as Ms Leon says, to meet people's service expectations, you've now have to go and hire even more people through private companies? How on earth is that benefitting taxpayers?

Senator Fifield: I think the secretary has indicated that, in the case of those in Hobart, this is short-term work.

Senator WATT: That's 10 of 2,000 people.

Senator Fifield: If I could complete a sentence, that would be appreciated. As the secretary said, in Hobart, those people are engaged on tasks which won't be there beyond the short-term. From what I heard Mr Jackson say, in other places where there are staff who are engaged, in some of those circumstances, the department is assessing what the best mechanism will be for providing those particular services—whether it will continue to be by way of an arrangement of engaging people on those sorts of arrangements or whether the department will look to have those roles onboarded. So, I think the department is adopting an appropriately flexible approach. They're not, in any way, being what someone might term taking a philosophical approach or an ideological approach; they're just taking a very practical, sensible business-like approach.

Senator WATT: The two examples you just gave us account for 40 of the 2,000 or so privately engaged staff over the last 12 months. How is it benefitting taxpayers to cut the number of direct employees in one financial year by about 1,200 only to engage—let's leave out your examples—about 1,960 people through outsourcing, labour hire or privatisation? How's that benefitting people?

Senator Fifield: The approach that this government takes, and which the government expects the department to take, is to be the best possible steward of taxpayer money that they can.

Senator WATT: But, you're not. You're spending probably more. You're hiring more people through outsourcing than you would be by maintaining your staffing numbers.

Senator Fifield: That's an assertion.

Senator WATT: What? 1,960 isn't more than 1,200?

Senator SINGH: You're paying a labour hire company.

CHAIR: All right; it's time for another person.

Senator DEAN SMITH: I'm interested in seeing this in a broader historical context. I'm wondering if you've got some data that might take us back six or seven years. I'm not disputing what Senator Watt is saying, but I'm more interested seeing the historical trend over the medium to longer term. When was the department established? Was it 2010?

Ms Leon: In the 2010-11 year, yes.

Senator DEAN SMITH: Are you able to give me a sense of what the ASL increases or decreases have been in each of the financial years since the creation of the department?

Ms Leon: These are just figures from our annual report. In the 2010-11 year, when the department was established, our ASL was 34,973. In 2011-12, it was 32,592, which was a reduction of 2,381. In the 2012-13 year, it was 31,795, which was a reduction of 797. In the 2013-14 year, it was 30,089, which is a reduction of 1,706. In the 2014-15—

Senator DEAN SMITH: And then the government changed at the 2013 election. That's my commentary, sorry, not yours.

Ms Leon: In 2014-15, it was 29,711, which was a reduction of 378. In 2015-16, it was 30,197, which was an increase of 486. In 2016-17, it was 29,837, which was a reduction of 360. And I think we've now dealt with 2017-18 and 2018-19.

Senator DEAN SMITH: This won't be in the annual report, but in my quick calculation under the tenure of the previous Labor government there was a reduction of 4,880 or 4,890—my maths is not as strong as others—and in the period from 2013, the election of the coalition government, 2016-17, there's been a reduction of 2,840 or 2,850. So the bulk of the reduction, almost twice as much, happened under the Labor administration.

Ms Leon: I haven't added it up but that sounds about right.

Senator DEAN SMITH: I've quickly added it up. Does anyone want to dispute that?

Senator Fifield: I trust your maths, Senator Smith.

Senator DEAN SMITH: Thank you, Secretary; you just gave us the last headcount figure. It was 29,837.

Ms Leon: That was in 2016-17. And, I think, in 2017-18 I had said that our actual ASL was 28,521. But I haven't got the calculation of that reduction.

Senator DEAN SMITH: I think that makes a very powerful point, that the largest reduction in ASL count happened under the Labor administration—almost twice as much as the headcount reduction under the coalition. So if you were generous, you'd say that all the heavy lifting, in terms of cutting staff at the DHS, was happening under the Labor administration. Thank you, Chair.

Senator Fifield: Thank you for the context, Senator Smith.

Senator SINGH: Minister, do you see a distinction between the employees employed by the labour hire working in, say, Centrelink, and those APS staff?

Senator Fifield: I don't see a distinction, in terms of the value of their contribution to the workplace.

Senator SINGH: Ms Leon said if labour hire staff performed outside of the Australian Public Service Code of Conduct Centrelink would talk with the labour hire staff's employer. That's a clear distinction between what would happen to an APS public servant, if they fell outside the code of conduct, compared to a labour hire staff—

Ms Leon: They would both be subject to appropriate disciplinary action by their employer. In one case it's the labour hire.

Senator SINGH: It's a complete distinction.

Ms Leon: And in another case it's the department.

Senator SIEWERT: I want to go to the telephony reports. Can we take it that you've tabled the telephony report?

Ms Leon: I can see that we were very helpful by providing it to you in advance, but I'm happy to have it properly tabled.

Senator SIEWERT: Yes, you were, and it's much appreciated. It saves us a lot of time. Thank you.

Ms Leon: So has the secretariat for the committee got those for the rest of the members?

Senator SIEWERT: Yes, everybody's got a copy, thank you. I want to ask some questions about it. I notice there has been a drop in the overall number of calls to the social security and welfare-particular lines. I presume that's a response to the work you've outlined in previous estimates that was being undertaken.

Ms Leon: We expect that the number of people calling us and the number of people coming in to service centres will continue to decline, going forward, as more people are able to self-serve and conduct their business online. There is also another factor impacting on the number of calls, and that is that we have—as we outlined here on another occasion—reduced the number of calls needing to be transferred from one service officer to another by upskilling our staff to answer the whole call where possible. Previously, if you called Centrelink, your call would have been answered by a customer service officer who would have dealt with part of your question and then transferred you to someone else to answer another part of your question, which counted as two calls. Now your call will be answered by someone who, hopefully, will answer your entire question, and that will only count as one call. So it's still the same amount of customer service, but it will come up as a smaller number of calls because you got your matter resolved by the first person you spoke to.

Senator SIEWERT: Thank you. I noticed that the calls are down. Probably one of the highest levels that had been reached was in September last year. For the quarter there were 18,240,979 busy calls. Comparing like with like, this quarter we got nearly 11 million.

Ms Leon: Yes. There's been a substantial reduction in busy signals, and we attribute that to all the work we have been doing to improve the telephony system as well as the onboarding of additional service delivery positions. Mr Jackson might want to add to that.

Senator SIEWERT: That's a correct understanding, isn't it?

Mr Jackson: That is. I can give you a two-minute summary of the comparisons year on year, if you would like. That would be beneficial.

Senator SIEWERT: Yes, if it's quick. We're been getting some long answers and I'm trying—

Mr Jackson: I promise brevity is my strength.

Senator SIEWERT: I've got quite a lot to get through.

Mr Jackson: If we compare it year on year—the senators asked us this last time—year to date is at 30 September 2018 compared to the same time last year. The average speed of answer has gone down 48 seconds. The number of busy signals has gone down 7.2 million. I'm rounding. The average speed of answer for the disabilities line has gone down 5 minutes 54 seconds. These are all reductions. Employment services has gone down 9 minutes and 34 seconds. Families and parenting has gone down—

Senator SIEWERT: You're just reading from the table?

Mr Jackson: I am giving you the change.

Senator SIEWERT: I can do that.

Mr Jackson: Sorry, I thought it would be useful.

Ms Leon: Overall, we are achieving substantial reductions in both busy signals and call wait times.

Senator SIEWERT: I've been pursuing this for a significant number of years.

Ms Leon: Yes.

Senator SIEWERT: While I appreciate that the calls have gone down by seven million over this period, we're starting from a pretty high base. I heard what you said about reducing it but—

Ms Leon: We're going to continue to reduce it.

Senator SIEWERT: Hopefully. But, if you times that by four, that's still around—sorry, that was just for the quarter, isn't it?

Mr Jackson: Correct, for the three months.

Senator SIEWERT: So, if you times it by four, you're up around 40 million busy signals for the year.

Ms Leon: We hope we are going to continue to drive it down. We haven't finished yet.

Senator SIEWERT: I take your point. But we thought it was high when we were getting to 22 million and that was 2014-15, so we still have got a significant way to go.

Ms Leon: Yes, Senator.

Senator SIEWERT: It reached a really high peak. Although we're celebrating—and as I said, it's good to see that it's come down—but I'm sorry if I'm not popping any party poppers yet.

Ms Leon: We aren't giving up on it. We're going to continue to drive it down. We aren't considering this a mission accomplished.

Mr Jackson: As you have worked out, Senator, year on year for a full year we dropped 7.4 million for 2017-18 to 2016-17. We've dropped another seven million in the first quarter of this year, bearing in mind that the first quarter is always the highest because of the seasonal peak—

Senator SIEWERT: And you get a peak around Christmas.

Mr Jackson: A straight times four would actually not be a straight extrapolation.

Senator SIEWERT: I'm comparing like on like from last year to this year.

Mr Jackson: Correct. I accept that, but you extrapolated the first quarter to be the trend for the full year.

Senator SIEWERT: I take your point. But even if I just doubled it, you're about at the point where you were four years ago.

Ms Leon: Senator, I don't know that we're going to solve it this year, but I hope that we will continue to drive it down. And I'm sure you'll ask us—

Senator SIEWERT: Oh, yes.

Ms Leon: to keep giving you the data and I hope we'll continue to be able to say that we are improving the performance all the time.

Senator SIEWERT: There are some key areas that are still high, though.

Ms Leon: Yes.

Senator SIEWERT: There's a data point that I would just like to double check. Does that mean there are now no busy signals on employment services?

Mr Jackson: For the first quarter there were no busy signals.

Senator SIEWERT: And the speed of answer was about 20 minutes, give or take eight seconds—18 seconds.

Mr Jackson: That's correct. Down 9½ minutes from the previous period; so it's about 20 minutes.

Senator SIEWERT: I'm particularly interested in youth and students, and the older Australians. Older Australians dropped but it's still nearly 22 minutes. Youth and students hardly dropped. It dropped 21 seconds. There's still a very high number of busy signals and there are fewer answered calls, from last year, which isn't made up just by the drop in the number of—in fact, the number of successful calls has dropped.

These are the two areas where we have a significant number of complaints—I'm sure the others are getting it as well. I certainly am—in terms of the number of the time it's taken to process youth allowance and the time it's processing now for aged care. Are these two interrelated?

Ms Leon: I doubt you'll be getting any complaints about youth and student, at the moment—

Senator SIEWERT: Not aged care, sorry.

Ms Leon: because youth and student claims are at their lowest level for three years.

Senator SIEWERT: I want to come back to that.

Ms Leon: There was a seasonal peak for students and we did have some complaints at that time, but I think you'll find that youth and student claims are—for youth allowance, student, we are currently reaching 95 per cent being processed within KPI against a target of 80 per cent.

Senator SIEWERT: Forty-two days.

Ms Leon: That's right.

Mr Jackson: In real terms, we have on hand 1,800 claims. That's all of the claims that we have—to put that into perspective, it's probably about three days work.

Ms Leon: That's students. Only 150 of those claims are over-standard, and with 140 of those we're waiting for the customer.

Senator SIEWERT: What were those figures for?

Ms Leon: That was student.

Senator SIEWERT: They're for now; what about for the whole of the quarter, for a start, and, secondly, what about the broader youth allowance payment?

Ms Leon: I might not have that here.

Mr Jackson: Could you repeat the exact question, sorry?

Senator SIEWERT: Broader youth allowance payments. That was youth allowance student. What about youth allowance—

Ms Leon: For youth allowance, jobseeker, I can tell you that the median—I haven't got the number of claims on hand—days to process in 2017-18 was 18 days, and median days to process in the first quarter of this year, up to 19 October, was six days.

Senator SIEWERT: I'll come to the age pension in a minute. Can I go back to those two lines, please, in terms of where there's still a high wait, the wait time. The number of busy signals is still high and the wait time is high compared to the others. Is there a reason that those lines are higher? Are there fewer people on those lines? Are they more complicated?

Ms Brill: We are continuing to reduce busy signals across all our lines. In some of our areas, where there are major peaks, that's a little bit more challenging. But if I could share some data, noting that you've had a long historical relationship with busy signals over the past few years, we had 397,000 busy signals in youth and students in October 2016. In 2017 we reduced it by about 120,000 and we've reduced it again this October. While we haven't finished the month yet, it's only 123,000 busy signals. We are seeing year on year and, in fact, month on month it is compounding the work we've been doing on telephony optimisation to improve the functionality of the platform and to ensure that the call is being resolved when the caller speaks to an officer. That's again why you're seeing successful calls start to drop. You'll recall that, when we talked about this last year, every time we transferred it counted as a successful call. We are now transferring less than seven per cent of our student calls. We used to transfer 25 per cent. That's why you'll see that trend in successful calls slightly dropping, but also our busy signals year on year have still come down on students, albeit not as much as in some of the other queues. We continue to work on that and we'll have a better news story to tell you next time we meet.

Senator SIEWERT: Thank you.

Mr Jackson: Equally, as you'd expect with that very low volume of claims on hand, the number of complaints has substantially reduced, the number of people coming into service centres has substantially reduced and the number of calls has substantially reduced. That is a direct result of that.

Senator SIEWERT: You've still got a lot of calls coming in. You've still got 270,000-old calls coming in—

Ms Leon: That's since the beginning of the financial year, yes.

Senator SIEWERT: Yes, in the last three months. In the last three months you've still had a hell of a lot of calls—over one-quarter of a million calls.

Ms Leon: In that time we have cleared student claims on hand, so I expect in the next quarter there will be a very substantial reduction.

Senator SIEWERT: What were the claims at hand as you started July? Are you able to tell me that?

Mr Jackson: No, but we can certainly take it on notice.

Senator SIEWERT: How many claims did you deal with in that three-month period?

Ms Leon: We might have to take that on notice.

Mr Jackson: We are looking for the information, but we may have to take it on notice.

Senator SIEWERT: You take it on notice. What I took from what you just said, Ms Leon, was you cleared in those three months a lot of claims that were there in July. Is that correct?

Ms Leon: I don't know if it only started in July, but we have certainly been clearing claims very substantially since July or around that time.

Senator SIEWERT: So you had a substantial backlog?

Ms Leon: There were more claims on hand over standard than we would have liked.

Senator SIEWERT: Can you please take on notice then for each month since the beginning of this calendar year how many student claims you had each month and what you were clearing?

Ms Leon: Yes.

Senator WATT: One thing I have noticed—and it's good that the successful calls are going up et cetera—is that there has been a really significant fall in the number of calls overall that you're taking, hasn't there?

Ms Leon: Yes, but that is because we used to count every call that was transferred as another call. If you rang up with a question, we might transfer you twice and that would count as three calls. Now when you ring up the first person might speak to you for longer but deal with all of your questions at once, and that will count as only one call. It's still the same amount of people ringing us and getting their questions answered. It will look like there are fewer calls, yes.

Senator WATT: All I'm saying is that, before we get too excited about the reduction in the number of busy signals, we should actually also notice that the number of incoming calls has also fallen by several million.

Ms Leon: Yes, but the average handle time has increased, so the amount of time we're spending on the phone with our customers has increased per call because we're spending longer with that customer answering their whole question in that call. So the number of calls is not probably the right metric for the amount of customer service. The number of calls multiplied by the average handle time will tell you the amount of customer service.

Mr Jackson: Equally, I think we're now getting through a lot of the call survey work we're doing. Something like 83.5 per cent of the people who ring us are getting first-contact resolution, so they ring once, get their answer and don't have to ring again. That's what we're aiming for. I understand your point, but a reduction in incoming calls is also not a bad thing. We've often said that you cannot look at any one set of data in isolation because of the intricacies between how they all impact on wait times, handling times, satisfaction, resolution, effort et cetera. It's a very complicated beast.

CHAIR: Thank you. We'll now have a break of 15 minutes.

Proceedings suspended from 21:15 to 21:32

CHAIR: We now resume the meeting. Senator Siewert has the call.

Senator SIEWERT: I want to quickly go back to the calls and older Australians line. Actually, before I go there, I've got a series of questions about pension and a couple of constituent issues. In terms of the other line, where income management and the BasicsCard are, does the average speed of answer of six minutes 43 seconds apply to the income management line? That call wait time has gone up very significantly.

Ms Brill: The wait time's gone up around about 2½ minutes or two minutes 50 seconds, and it does also include income management as well as myGov, Australian victims of terrorism, emergency response, international services, et cetera.

Senator SIEWERT: This is a general call about income management. Does it include the one where people are checking their balances? There are two lines, or there used to be, as I understood it. There was the general inquiry line and then there was the balance checking line.

Ms Brill: Yes, that's right. It does include BasicsCard balance inquiries.

Senator SIEWERT: One of the areas that you did used to respond fairly quickly to was the balance line. That's changed, has it?

Ms Brill: The ASA is variable. At the moment, it is about two minutes longer than it has been previously, but it is variable and it's still well within our expected target.

Senator SIEWERT: Are those still the types of calls that are coming from mobile phones in remote communities?

Ms Brill: We can't tell what percentage of calls come from mobile phones or from landlines, unfortunately.

Senator SIEWERT: It's highly likely that those calls are coming from mobile phones from people in remote communities.

Ms Brill: We also know that people in remote communities make good use of our agents and access points, of which we've just increased the number of phones that are in those agents and access points for people in remote areas to use.

Senator SIEWERT: Because this is a conglomeration of a number of lines or areas of inquiry, are you able to tell me how many relate to the BasicsCard and income management?

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

Senator SIEWERT: If you could, that would be great. Can I go to older Australians more generally and the age pension. I've had a number of constituents raise their wait times directly with me. There's also been some media in WA, which you've probably seen. Can you tell me now where we're up to in terms of the processing time? You would have heard the discussion we had with DSS this morning.

Ms Leon: The first thing we should put on the record about age pension processing, including some of the cases that have been in the media, is that people do have to provide us with all of the information about their financial situation before we can process the claim. People do sometimes go to the media and say, 'It took six months to get my age pension,' but quite often it was only at 5½ months that they finished giving us the information. The age pension is one of our more complex claim types where people do have to provide a lot of information about their assets, and people often have quite complicated financial circumstances to be resolved before they will fit within the income and assets test. So I think it's always worth just testing, when people say, 'It's taken six months to get my pension,' how long it's taken from when they finished providing all of the information.

Senator SIEWERT: I appreciate that. However, I've never had so many older Australians contact me about the age pension in the whole time that I've been in the parliament.

Ms Leon: So, in terms of where we are at the moment, there are about 23,000 claims on hand. Of those, only 17,600 are actionable in the sense that we've got all of the information that we need. Of those, less than 5,800 are over the KPI, and we're currently processing 4,300 claims a week. So you can see that, in only a little over a week, we would get through 5,800 claims.

Senator SIEWERT: So you've got 5,800 claims—

Ms Leon: That are over the standard number of days.

Senator SIEWERT: Is that still 42 days?

Mr Jackson: I think it's 49 days.

Senator SIEWERT: This morning—

Ms Leon: I think DSS did say—

Senator SIEWERT: It was 42. Is that a mistake? I thought it was 42.

Ms Leon: Let me just check.

Mr Jackson: It is 49.

Ms Leon: But, in any event, there are only 5,800 actionable claims that are over the standard, and we're currently processing over 4,000 claims a week. So that's really a week and a bit of work.

Senator SIEWERT: Can you do the same thing for me over this year in terms of what I've asked for for youth allowance student? Can you give me each month this year for how many claims—

Ms Leon: Were on hand?

Senator SIEWERT: That were on hand—thank you. Can I just go to this issue that you raised. You need to have all the data. Can I just say it's not just my office that's been getting above average—in terms of aged care, I haven't had as many—

Ms Leon: Age pension.

Senator SIEWERT: Yes, age pension. Sorry. I keep saying 'aged care'. Age pension.

Ms Leon: I appreciate there was a degree of media interest, and there were higher than usual numbers of complaints about age pension processing a few months ago.

Senator SIEWERT: Yes, so there was a problem.

Ms Leon: There were more claims over standard than there should have been, a few months ago.

Senator SIEWERT: How many over standard?

Ms Leon: I think we've taken it on notice to give it to you month by month. I have where we're at now, which is a very substantial reduction in over-standard claims. As I said, there are now only a very small number, in processing terms, of claims that are over standard, and we expect by the end of the month to have all actionable claims processed within the standard.

Senator SIEWERT: So we had youth allowance and age pension over standard. Why was that?

Ms Leon: In relation to age pension, one of the factors that have impacted on that is that, as you know, there was a six-month delay in when you got eligibility for the pension due to the fact that, every two years, the age at which you're entitled to the pension goes up.

Senator SIEWERT: Yes.

Ms Leon: So there is a kind of unmet demand—a backup of demand of all the people who would, in the normal course of events, have been able to lodge in July. They're all kicked over to lodge in January, so we get a spike of people, and this will happen every two years. Our models about how we plan and staff for the workload are not quite working for age pension when we get that six-month delay, so we will have to rescope our workforce planning for the next time that happens.

Senator SIEWERT: Okay. It's not as if they wouldn't be applying; they're just applying six months later.

Ms Leon: I know, but then there are more of them.

Mr Jackson: In one month, we would normally have 7,000 submissions. We saw 15,000. We saw that for three months in a row: basically, the number of claims that came in was almost double.

Ms Brill: Yes, that's right.

Senator SIEWERT: So you had a slack period for a while.

Ms Brill: Correct, and then we had an inflow for a number of months which was 70 per cent higher than it normally would have been. As the secretary said, it's very difficult for us to forecast against that, and we obviously need to work a little bit harder in making sure that we meet that really big spike when that change occurs, if it occurs.

Ms Leon: The next time it happens, we will have some data to go on and we'll be better able to anticipate the demand.

Senator SIEWERT: You will match that workload.

Mr Jackson: We mentioned earlier too that we do monitor all complaints and analyse them. As a result of a major focus, particularly on those claims that were out of standard, we actually have a specific taskforce working on that now where we have physically reviewed every one of the claims that are outside of standard. We have also put into the system a reminder to follow up proactively with the claimants after 14 days to say: 'You should have given us something by now. Why haven't you?' As a result of the work and the processing, we've seen a 40 per cent reduction in customer complaints since July this year. So, between July and September, we've seen a 40 per cent reduction in age pension complaints. It is recognising that there was a problem, because we didn't quite anticipate the full extent of the backlog, but certainly there are strategies we've put in place. Equally, translating, we've seen about 6,500 fewer people come in for face-to-face inquiring about their age pensions. So, whilst there has been a consolidated number of complaints in that period due to the compressed backlog, we're confident that the work we're now doing, with the resources we now have in place, is going to clear. The current aim, albeit in six days time, is to have no claims over 70 days.

Ms Leon: None over standard. All the actionable claims will be processed within standard, which is 49 days.

Mr Jackson: Yes.

Senator SIEWERT: Your task force related, specifically, to the age pension.

Ms Leon: That's right.

Mr Jackson: Correct.

Senator SIEWERT: Effectively, it appears from what we're told that there are various mistakes being made, and it sounds like they're on the part of the agency. For example, a person had to leave their studies to take on a carer role so they informed the department and the department didn't action him being cut off from Austudy.

Ms Leon: I don't know the case that you're talking about. If there are individual cases that you want to refer to us—

Senator SIEWERT: The point being, we are obviously the ones that get all the complaints from—

Ms Leon: We get some as well.

Senator SIEWERT: I'm sure you do. They end up with us when you don't address them.

Ms Leon: When people complain to the department, we always look into their circumstances and undertake service recovery, if we have made a mistake. I should say that sometimes when we do look into it sometimes we haven't made a mistake and the customers just don't like the outcome, but we always do investigate people's complaints and seek to resolve them. If we have made a mistake, then we certainly go back through our systems

to see whether we need to change our scripts or change our training or change anything about our processes so that that won't happen again.

Mr Jackson: And whenever a customer has identified as being in financial hardship, that claim is absolutely prioritised throughout the system—where they have identified.

Senator SIEWERT: I've got a number of questions here, some of which relate to homelessness and carer payments. Someone's application for a carers payment hasn't been processed for a year. He hasn't had a result for a year. He did the right thing and notified the department about Austudy, but he then still got paid a couple of payments. They raised a debt against him.

Ms Leon: It's difficult for us to respond to this without having the information about the customer.

Senator SIEWERT: Fair enough. The problem is that this is a student who stopped his studies to become a carer, but his carer payment wasn't processed and now a debt team is on him.

Ms Leon: If you want to refer the details of the customer to us, with their consent, we're happy to look into it and see if there's any rectification that we need to undertake. I should say, in relation to carer payments, in 2017-18 the median days to process was 43 days. If someone hasn't had their claim processed for a year, then it's possible that we're waiting for information from him or from third parties. But it's difficult for us to respond to it without knowing who the customer is.

Senator SIEWERT: I'll follow this up.

Ms Leon: If you would like us to look into it then, perhaps with the customer's consent, you could share their information with us. We're happy to see what we can do.

Senator SIEWERT: Yes. I've got to say, about the work, when we've been following up some of our constituents' complaints, they've been resolved very quickly.

Ms Leon: Yes.

Senator SIEWERT: But customers shouldn't have to come to us to get their complaints resolved.

Ms Leon: They're welcome to come to us. We have—

Senator SIEWERT: Of some of the complaints we've had, they have been to you and they didn't get anywhere.

Ms Leon: If you can refer those to us, we're happy to look into why that might have been so.

Senator SIEWERT: I'll follow that up and find out why it takes a politician to make a phone call.

Ms Leon: I can assure you there are plenty of people who contact us and we resolve their complaints. Mr Jackson, I'm sure, could take you through the volume of complaints that we receive and the resolutions that we achieve. We appreciate the work that our elected representatives do to respond to constituent concerns, but we certainly don't expect that that is the only way that a person should get their complaint resolved. We receive complaints from a range of sources, including directly from customers, and people do get a very high resolution rate when they contact us.

Senator SIEWERT: A high resolution rate or another no?

Ms Leon: If they're not entitled to the payment that they're seeking, they will get a no. As we canvassed before, sometimes people aren't happy with the outcome of an application, if they're not eligible for the payment. We can't always promise that people will like the outcome. As we canvassed before, people sometimes aren't happy with the outcome of an application if they're not eligible for the payment. So we can't always promise that people will like the outcome.

Senator SIEWERT: And neither can we when we talk to you.

Ms Leon: But we certainly seek to explain the applicable law to the person and to give them an opportunity to provide such information as we might have needed in order to process their application.

Senator SIEWERT: Okay. There's a number of them here that I'll follow up.

Ms Leon: Yes.

Senator SIEWERT: I know I'm going to get pinged in a minute. Do you still have the grandparent adviser positions?

Mr Jackson: Yes, we do.

Senator SIEWERT: Thank you. That's resolved one of my questions very quickly. Can I go to DSP very quickly. I've got about five minutes worth here on DSP. I'm not necessarily finished, but I'll cede, of course. In terms of DSP, we had a discussion this morning with DSS around the issue around treatment and stabilisation of

people's conditions. I've had a constituent asking me about a particular issue, but I wanted to ask about a broader issue. Obviously I want to see that person's issue resolved, but I specifically want to ask you about the stabilising issue and if somebody is in treatment or if they've refused treatment.

Ms Deininger: I might take the question about stabilisation of a condition first, if I might.

Senator SIEWERT: Yes.

Ms Deininger: Under the DSP rules, in broad terms, a person needs to have 20 points under the impairment tables and they also need to not be able to undertake 15 hours of work a week over the next two years. Their condition must be fully diagnosed, treated and stabilised. In terms of the stabilisation of somebody's treatment, I think the discussion earlier today was that people may have episodic conditions that may ebb and flow, which I guess means that the condition is not stable in the sense that it is always the same every single day. From our perspective, in terms of assessing someone for DSP, just because they have a condition which ebbs and flows does not mean that they can't meet the criteria for being unable to work 15 hours a week and aren't able to meet the 20 points in the impairment tables.

Senator SIEWERT: They aren't?

Ms Deininger: No, they can still meet those criteria.

Senator SIEWERT: Yes, that's what I thought you said.

Ms Deininger: Even if their condition ebbs and flows, because it might be sufficiently difficult condition or arduous condition, it means they are able to still meet the eligibility criteria for DSP.

Senator SIEWERT: Yes. Okay. What I'm hearing from people is that that is used as a reason why they're not getting DSP.

Ms Deininger: Well, it might be that the condition is not—there may well be some conditions where, based on the assessments of either the job capacity assessment that they undertake through the DSP eligibility process or the government contracted doctor medical disability assessment, there's a medical assessment that it isn't stabilised. It's hard to comment specifically. As the secretary said, I'm happy to look at individual cases, but certainly, as a general concept, the fact that somebody's condition ebbs and flows does not of itself preclude people from being on DSP.

Senator SIEWERT: Okay, thank you. I'm almost at the end of my five minutes. Can I specifically ask about if somebody's refused treatment because they don't think that the treatment recommended is appropriate. Is that, by and large, in and of itself a reason why somebody could not get the DSP?

Ms Deininger: Again, in relation to DSP, there will be some circumstances where a person may refuse treatment. There's provision where, for example, a person is terminally ill and they may make a decision in their circumstances, with their family and their medical practitioners, to forgo treatment. There is also scope under the rules if somebody, for example, has an objection to a blood transfusion that they are able to say for particular religious or cultural reasons that they won't undertake that particular treatment. So there is scope for people to say, 'I don't want to undertake this treatment for particular reasons,' but it's hard to say exactly how that rule will apply without knowing the individual circumstances.

Senator SIEWERT: So there's no blanket where, if you refuse a treatment, that means you automatically can't get DSP?

Ms Deininger: That's right. In fact, there are certainly explicit circumstances where you can refuse treatment.

Senator SIEWERT: In that case, from here I will take up a couple of specific issues with you separately or through our liaison officer now that we have clarified that. That will make that process a lot easier, I think. Thank you.

Senator SINGH: Ms Leon, how many consultants or contractors—whichever you call them—are in the Payments Reform group of DHS?

Ms Leon: Just one moment. I may have to get someone else to the table. I'm not sure if I have it broken down by group in front of me.

Mr Murphy: Would you mind repeating the question?

Senator SINGH: How many consultants or contractors—I'm not sure what—

Ms Leon: Contractors.

Senator SINGH: How many contractors are there in the Payments Reform group currently?

Mr Murphy: I may need to take that question on notice. I don't think I have that information with me tonight.

Senator SINGH: Ballpark figure?

Mr Murphy: Sorry, I can give you that breakdown. There were 166 contractors as compared to 328 department staff as at 31 August this year.

Senator SINGH: How many were there the year before at around the same time?

Mr Murphy: I will have to take that one on notice. I don't have the information for the previous years with me.

Senator SINGH: It's not in your annual report?

Ms Leon: In relation to Payments Reform group, last year they were engaged in tranche 2 of the Welfare Payment Infrastructure Transformation. This year it's a whole new body of work because we've now been funded to do tranche 3, so there might well be a significant difference in the workload, both overall and as to contractors, because it's not a steady state. It was delivering one whole package of work last year, and now it's commenced a whole new package of work.

Senator SINGH: Are the 166 contractors doing non-IT work?

Mr Murphy: That's a mix. I should be clear that those 166 contractors do relate to the Welfare Payment Infrastructure Transformation program.

Senator SINGH: Yes, I understand that; they are doing IT and non-IT work within that Payments Reform group. What are the salaries of those contractors?

Mr Murphy: The contractor cost for tranche 3 of the WPIT program, 1 July to 31 August, was \$8.411 million. For tranche 2 of the program, 1 January 2017 to 30 June 2018, it was \$76,346,000—I'm rounding. Contractor cost for tranche 1 of the program, which was 1 July 2015 to 30 June 2017, was \$72,314,000.

Senator SINGH: What does that work out to be per contractor? What are they earning?

Mr Murphy: I'd need to do the maths.

Ms Leon: Also, it wouldn't have been a steady state number of contractors for the entire period of the tranches, so we would have to take that on notice.

Senator SINGH: But there are currently 166 contractors, so I'm interested to know what their salary is.

Ms Leon: But dividing that by our total contractor cost won't tell you what their salary is, because we haven't necessarily had all—

Senator SINGH: Well, let's not do that.

Ms Leon: That's why we can't just do that sitting at the table.

Senator SINGH: That's fine. I understand that. That wouldn't be accurate. But you have just told the committee you've got 166 contractors that are doing IT and non-IT work in this—

Mr Murphy: Non-IT work.

Senator SINGH: All non-IT?

Mr Murphy: That does not include the CIO group, our chief information officer group, or other services such as training, recruitment, market research. Call that 'business contractors' as a generic description, as compared to IT contractors.

Senator SINGH: What is the range of salaries for these business contractors?

Mr Murphy: I'd need to take that question on notice.

Senator SINGH: Why is that?

Mr Murphy: I don't have the detail with me.

Senator SINGH: How is the arrangement made when the government signs up these deals it does to get in contractors? You pay \$8.4 million when you're not aware what they—

Ms Leon: We're aware of it. We just don't have it at the table.

Mr Murphy: We don't have it with us. Similar to the labour hire conversation, some of these contractors could be engaged through firms that provide specialist services, where we bring contractors in that are employed by other firms. It is similar to labour hire.

Senator SINGH: This is another kind of layer on top of what we already heard earlier about the outsourcing.

Ms Leon: What we are doing in payment reform is not the normal and core business of the department. It's a temporary body of work in which we are fundamentally transforming the nature of the department's business

processes and IT systems, and so we have engaged on a short-term basis a range of specialists to help us with that work, who we wouldn't expect to need a few years from now, when we've completed the transformation. It is unusual. It's not the normal operation of the department payments reform group. It's a temporary project.

Senator SINGH: I understand it's reform, but it is a lot of money. It is millions and millions of dollars.

Ms Leon: We are operating a very large and complex system.

Senator SINGH: I think it would be good to know how much people are being employed, because again these are jobs that you have chosen not to recruit from within. You've outsourced them.

Ms Leon: The reason for that is that, of course, this is not ongoing work of the department. This is a temporary transformation program while we fundamentally redo our business processes and systems.

Senator SINGH: Please take on notice the salaries of the 166 contractors in that payment reform group.

Mr Murphy: As the secretary said, in most cases we are bringing in capability to help deliver the program, and that capability does not currently exist within the department. What we've been doing not only is ensuring that we can take the program forward but is essentially building skills within the department by having the contractors upskill our workforce—so leaving behind capability.

Senator SINGH: I'm interested in what people are employed, because this is taxpayers' money. That's the thing you haven't been able to tell me from your big folder tonight.

Ms Leon: We've taken that on notice.

Senator SINGH: We'll move on.

Senator WATT: I've just got a few questions about the age pension as well, building on what Senator Siewert has already covered. What is the department's performance criteria for claims processed within standard? Have I expressed that correctly?

Ms Leon: Yes. We might get Mr Jackson back to the table.

Senator WATT: The question again is: what is the department's performance criteria for claims processed within standard? We are talking about the age pension.

Mr Jackson: The KPM we have within the department is 80 per cent within 49 days.

Senator WATT: So, it's 80 per cent within 49 days for someone lodging an age pension application—that it's processed and a decision is made?

Mr Jackson: That's correct.

Senator WATT: Within 49 days?

Mr Jackson: Yes.

Senator WATT: Has that standard changed in the last 12 months?

Mr Jackson: If I could clarify that—it's finalised.

Senator WATT: Finalised?

Mr Jackson: The differential here is that should someone make an appeal against the decision—that is, they were rejected and they appeal—then the time for that appeal to be assessed would also, theoretically, go into the original 49 days, which clearly makes it quit challenging.

Ms Leon: It's not considered finalised until the final decision is made, even if that's at the AAT a year later. It's not finalised until then.

Mr Jackson: Equally, as we've said a number of times, should a claim come in on day 1 and we go back on day 5 and say, 'You forgot to provide some information about your bank account details,' and they come back to us on day 65 with that information then clearly we are outside of the KPM already.

Senator WATT: Has that standard changed within the last 12 months?

Ms Leon: No.

Senator WATT: It hasn't?

Ms Leon: No. We are looking at the standard, in terms of whether it's the right measure, because, as Mr Jackson set out, it includes, as the number of days we've taken to process things, whole chunks of time that aren't within our control. It's a bit of a rough and ready measure of performance because, for a considerable number of the claims that we get, people haven't even provided all of the information within 49 days, so it's simply impossible to process them within 49 days. In relation to a significant cohort of pensions, there are pensions that are payable under reciprocal arrangements with other countries, where both the applicant and the department are

hostage to however long it takes the other country to reply. That can go to months and months and months of waiting for information from another country. So, yes, the KPM hasn't changed. We still work towards it, but there are a lot of factors that make it out of our control as to whether we meet it or not.

Senator WATT: Is the department meeting that standard in respect of age pension processing?

Ms Leon: This year?

Senator WATT: Yes.

Ms Leon: Not at the moment.

Senator WATT: What's it at at the moment?

Ms Leon: At the moment, as well as those factors which always affect the pension, we have over the first three months of the year processed an above average number of older claims, because we've been clearing all of the claims that were over standard. So, the performance against the standard will, of necessity, be lower because we've been prioritising the older claims and doing ones that have been on the books for longer. Very many of the ones we've been processing were already over 49 days. But it's an annual measure. It's over the whole year that we measure it, so you expect at the beginning of the year when you're processing claims, many of which are over 49 days, that, by definition, you couldn't possibly meet the standard of doing 80 per cent within 49 days. But, over the course of the year, when we have cleared the backlog and are then processing claims that are newer, the number that's in the 80 per cent within 49 days increases.

Senator WATT: It seems to make sense to clear the oldest ones first—

Ms Leon: Of course.

Senator WATT: but, if you're clearing the older ones, in doing so there's a new backlog emerging of older ones—

Ms Leon: No, there's not.

Senator WATT: I thought you said that you are not clearing all of the claims within 49 days?

Ms Leon: No.

Senator WATT: There will be a new batch that end up being more than 49 days because you have concentrated on the old ones.

Ms Leon: Not if we keep our processing capability up. While we are processing all of the older ones, we are not just allowing all of the new ones to just sit there and not be dealt with. For every claim that comes in, our practice is to look at it five days after it comes in and to, at that point, identify whether we need to ask the customer for more information. We don't just let it sit there until we have finished processing all of the old ones. We then immediately contact the customer if there is more information they have to provide so that they can get on to that while the clock keeps ticking. If they have then provided all of the information and it is a simple claim that we can process, we do that. For instance, if I can just talk about some of the statistics from recent times—

Senator WATT: I'm sorry to cut you off. We are into our last hour, and we have got a number of other topics that we all want to get to.

Ms Leon: I just wanted to reassure you that we have processed thousands and thousands of claims that are within the first few weeks of arriving.

Senator WATT: Have staffing numbers in the areas of the department that process these age pension applications changed in, say, the last 12 months or two years?

Ms Leon: We have put extra staff onto processing the age pension in the last few months.

Senator WATT: Extra directly employed staff?

Ms Leon: Yes.

Senator WATT: Not any labour hire?

Ms Leon: No.

Senator WATT: It's all directly employed people?

Ms Leon: Yes.

Mr Jackson: Since 1 July, 120 additional staff have been targeted to clear the backlog.

Senator WATT: Your annual report from 2017-18 shows that there were 34,000 fewer claims granted for the age pension this year as compared to last year. Why was that?

Mr Jackson: That is for a number of reasons, not the least of which is the complexity of the age pension claims now. A lot of claims are becoming far more sophisticated in people's arrangements, particularly for self-funded retirees. A lot of the claims that are submitted are actually rejected. That actually has a double whammy effect in so much as an applicant will put a claim in and provide the additional information and then we suddenly find out that they have a substantive amount of money in their bank account. That person doesn't respond to additional requests for information, and 140 days go past. In fact, it's specifically on the 49 days. Equally, the claim will therefore eventually be rejected. There is a degree of tyre kicking from the point of view of, 'Am I going to be able to get a pension or not?'

Senator SINGH: Are those 120 jobs new jobs?

Ms Leon: They are diverted from elsewhere in the department.

Senator SINGH: Diverted from where? Debt collection?

Ms Leon: They're from a range of places. They are people who might be working on some other claim types, but are already skilled in age pension processing. We just rearrange the workforce. The age pension is one of our more complex claims, so you can't easily just take on a new hire and put them straight on to age pension processing. We have had people, for instance, who have since moved to other areas of the department but are recently experienced in age pension, so we have just recalled them from somewhere where they can be spared to be put on to age pension for a few months.

Senator SINGH: And backfilled by labour hire in those other areas.

Senator WATT: Or not backfilled?

Ms Leon: It is a large department, and it has peaks and troughs across its workload. That does give us some flexibility to deploy people within that.

Senator SINGH: I just wanted to clarify that those 120 jobs weren't new jobs.

Ms Leon: No. It is a skilled task that we use people who are already experienced for if we want to get them quickly on to processing.

Senator WATT: Just on the age pension, when was the first time that Prime Minister Morrison told you that he supported retaining the pension age at 67?

Senator Fifield: You are going to a policy issue and those matters are for the Department of Social Services estimates. We are now in the Department of Human Services estimates.

Senator WATT: Which processes age pensions.

Senator Fifield: Which does. The Department of Social Services estimates was the place to ask your questions. You asked some, but now we are in the Department of Human Services estimates.

Senator WATT: When was the first time that the Prime Minister, Mr Morrison, told you that age pensions for people under the age of 70 should continue being processed?

Senator Fifield: You can word it however you like, but policy matters are for the Department of Social Services estimates.

Senator SINGH: This is still on aged pensions.

Senator WATT: We talked about that today and you were quite evasive as to when the decision was actually made to dump the policy of increasing the pension age to 70. I see that tonight an article has broken, which says that Mr Morrison was against dropping the policy to raise the pension age to 70 as Treasurer and, in fact, that move to dump the policy began when Mr Turnbull were Prime Minister. Are those reports correct?

Senator Fifield: The Department of Social Services estimates is where policy is discussed. This is the Department of Human Services estimates.

Senator WATT: Even though we finished the Department of Social Services three hours ago, you are now avoiding answering questions about age pensions when we are talking about age pensions in these estimates?

Senator Fifield: What senators should do is ask questions in the appropriate estimates.

Senator WATT: I did that. I suppose what has changed is that some of your colleagues seem to have been talking to the media over the course of the day. This report has only emerged in the last hour or so. What this report says is this particular journalist has spoken to people involved in discussions about dropping the policy to increase the pension age to 70. They characterised Mr Morrison as being against the move, even as ministers questioned whether it was worth the political pain. Is that true?

Senator Fifield: As I indicated in the Department of Social Services estimates, Prime Minister Morrison announced that there would not be the proposition that the pension age be moved to 70 continuing.

Senator WATT: I am well aware of that. I think was the one who pointed that out to you.

Senator Fifield: No, Prime Minister Morrison announced it.

Senator WATT: But he was against it while Mr Turnbull was the Prime Minister, according to these reports from some of your colleagues?

Senator Fifield: I am not going to comment on unsourced speculation.

Senator WATT: It seems to be pretty highly sourced. It says it was some of your senior colleagues.

Senator SINGH: This morning you didn't outline when the decision was made. We asked that repeatedly and you didn't make that clear. That would have cleared this up. Now it is unclear where the backflip came from. In fact, it clearly wasn't the idea of the Prime Minister, it seems, to start with if he was against backflipping when Malcolm Turnbull was Prime Minister. This could have been cleared up this morning if you were straight with us about when, who and how that decision was made.

Senator Fifield: You are engaging in a range of assumptions and a range of speculation.

Senator SINGH: You just look like you are hiding something.

Senator Fifield: You asked me questions in the Department of Social Services estimates, which was the appropriate place.

Senator WATT: Which you didn't answer.

Senator Fifield: Which I did answer.

Senator WATT: You are using technicalities about estimates programs to avoid answering it now.

Senator Fifield: I was asked questions by you in the Department of Social Services estimates, which I answered.

Senator SINGH: No, what you answered is when the announcement was made, which anyone can look up on the internet. We weren't asking what we already know. This is estimates. We were asking you when the decision was made. It is still appropriate for us to ask it now, because we are still talking about the age pension, regardless of the departments.

Senator Fifield: I answered your questions in the Department of Social Services estimates.

Senator WATT: Did Mr Morrison wait until he knifed Mr Turnbull as Prime Minister before he switched his position on the pension age?

Senator Fifield: I have answered your questions.

Senator WATT: No, you haven't answered that question. I haven't asked you that question before.

Senator Fifield: I answered your questions in the Department of Social Services estimates.

Senator WATT: You actually avoided and refused to answer my questions there.

Senator Fifield: No.

Senator WATT: I haven't asked you that question before. Did Mr Morrison change his position on the pension age after he became Prime Minister?

Senator Fifield: I have addressed these matters in the Department of Social Services estimates.

Senator WATT: It depends if you mean 'refusing to answer' as addressing that.

Senator Fifield: I refer you to the *Hansard* of the Department of Social Services estimates, where I was very clear.

Senator WATT: You are giving yourself a generous interpretation. This newspaper article has recited some of your transcript.

Senator Fifield: It has not recited the entirety of the *Hansard*.

Senator WATT: So you have seen this article?

Senator Fifield: I have. I refer you to the *Hansard* of the Department of Social Services estimates.

Senator WATT: What do you think about the fact that some of your senior colleagues seem to be willing to dump on the Prime Minister about one of his key policy announcements since he became Prime Minister?

Senator SINGH: In a matter of hours.

Senator Fifield: I am not aware that colleagues have.

Senator WATT: Who else would senior sources be? Would it be Mr Morrison's own staff?

Senator Fifield: I am not going to comment on unsourced media reports.

Senator WATT: Would it be the former Prime Minister, who is a bit unhappy that Mr Morrison is rolling over on policies that he opposed while he was Mr Turnbull's Treasurer?

Senator Fifield: Senator Watt, you can monologue for the next 40 minutes, if you like.

Senator WATT: I am not monologuing. I am asking you questions that you are refusing to answer—that is not a monologue; that's a dialogue.

Senator Fifield: You are monologuing and you are editorialising and you are entitled to do what you want.

Senator SINGH: Doesn't this show that there is just more division and disunity within this government?

Senator DEAN SMITH: We have a different Minister for Social Services, different government services, different ministers. Senator Fifield is here in a different capacity now. I think you have prosecuted it as best you can, and we should move on.

Senator WATT: We have another topic that, hopefully, the minister is willing to answer questions on and that is farm household allowances. How many people are estimated to be eligible for this support payment?

Ms Leon: I suppose we won't know until they apply, but I can tell you that, on the current rate of application, there are about 3,500 customers who are receiving farm household allowance. If the rate of applications and decisions continue at the current pace, and we don't know if that will occur until it does, we estimate that, by the end of the year, would lead to 7,000 people being on farm household allowance.

Senator WATT: There are 3,500 farmers, roughly, currently receiving farm household allowance and that is essentially an income support payment to farming families?

Ms Leon: Yes, that's right.

Senator WATT: You expect at the current rate by the end of the calendar year you will have roughly 7,000 receiving?

Ms Leon: If it continues at the current rate.

Senator WATT: Do you know how many are estimated to be eligible? What would be the maximum number who might apply?

Ms Leon: We don't really know. We know roughly how many farmers are in drought-affected areas, but there has been a broad range of estimates about how many of them would be eligible because it depends on their individual financial circumstances. It could be as low as 10,000 or it could be as high as 20,000 or 25,000, but we just can't know without them actually applying because it depends on their individual financial circumstances whether they would be eligible.

Senator WATT: So depending on their financial circumstances, it could be up to 25,000 farmers eligible?

Ms Leon: Possibly but given the current rate of applications, we aren't expecting that it will go anywhere near that number. So it may well be that a number of people are simply not applying because they know they won't be eligible.

Senator WATT: How many claims are currently outstanding—so have been lodged and not finalised?

Mr Matthews: At the moment there would be approximately 1,700 applications on hand.

Senator WATT: We have got about 3,500 people receiving it. Their applications are being processed and they are receiving payments.

Mr Matthews: Yes.

Senator WATT: There are about 1,700 others who have applied and are currently being processed?

Mr Matthews: Yes.

Senator WATT: How many have been rejected?

Mr Matthews: I don't have the figures for the actual rejections, but in the last period following the announcement around the changes to FHA to extend it from three years to four years and provide the additional supplement payments, there have been about 2,547 claims finalised and the granted rates is about 73 per cent and the rejected rate is about 27 per cent.

Senator WATT: So in general terms about 27 per cent have been rejected of claims lodged have been rejected?

Mr Matthews: Yes.

Senator WATT: And when did that change get made to extend it to four years?

Mr Matthews: I haven't the exact date but I think it was made around July.

Senator WATT: Do you know how many of those 1,700 outstanding claims were lodged after then?

Mr Matthews: Not the outstanding claims, no. There will be some claims from there. I don't necessarily have which claims relate to which period.

Senator WATT: Would some of them go back further than that?

Ms Leon: In relation to the claims that are on hand there are very few that are sufficiently old to go back before then. For example, there are only 21 claims on hand that are more than 15 weeks old. With half of those we are still waiting on more information from the applicant.

Senator WATT: You would be aware that there has been quite a bit of criticism of the process around the farm household allowance, the complexity of the process and the length of the process? You are aware of some of that criticism?

Ms Leon: Yes.

Senator WATT: What do you say to that?

Ms Leon: First of all, we responded to the concerns of the farming community about the complexity of the process by revising the application form. The form was reduced in length and number of questions by about a third, as a result of work that we did with customers and with their representatives to go through and simplify the question set. To the extent that there is still complexity in the application process, it is usually about the complexity of farmers' financial arrangements. The only thing that makes it complicated is having to demonstrate your assets and income, and if farmers have, as they quite reasonably often do, some complicated financial arrangements then they have to provide evidence of those, and that might be complicated for them.

Senator WATT: As I understand it, the point of this allowance is to assist farming families that are really struggling at the moment. Isn't it a bit rich to be saying the difficulties with processing these applications are due to their own financial affairs?

Ms Leon: No. It is due to the fact that they have to demonstrate their financial affairs. That is the only reason it is complicated. It is not because we have designed a complicated form. It is just because they are the criteria for being eligible for this payment. It is dependent on an income and assets test.

Senator WATT: You don't think, again, that the need to support people outweighs that and something could be done to modify the criteria?

Ms Leon: We implement the policy of the Department of Agriculture and Water Resources, so we don't determine the policy.

Senator WATT: Have you had any discussions with them about that?

Ms Leon: There have been a range of discussions across government about drought assistance and the complexity of the farm household allowance has been one of the things that has been raised with us. We have said the kind of thing I've just said to you, that it's not about the form. We already have simplified the form. The question of whether people ought to receive an income support payment irrespective of their income and assets is, obviously, a policy question relevant not only to agriculture, but to the Department of Social Services in terms of the way that we normally approach income support payments.

Senator SINGH: What did you strip out of the form? If you have already stripped a third of the form out, it can't all just be about income and assets?

Ms Leon: Do you mean what is still in the form?

Senator SINGH: You are basically putting the blame on the farmer.

Ms Leon: It is not about blame. It is just describing what the eligibility is for the payment.

Senator SINGH: You have put the bar there—

Ms Leon: No, we haven't put the bar—

Senator SINGH: so much that it has made it very difficult for farmers to access this. You admitted that you had to simplify the form. What is it that you have simplified in the form that has led to a third of it coming out—

Senator DEAN SMITH: Senator Singh is saying that she likes the idea of complicated forms for farmers experiencing the drought—

Senator WATT: I don't think she is saying that.

Senator SINGH: Senator Smith, I don't think you and I need to get into a debate about simple forms.

Ms Rule: Farm household allowance is assessed based on the income of both partners. We previously had two sets of questions that related to each partner. We stripped out some of that double up where possible. We've put some questions up-front that would immediately help you to ascertain whether you were eligible or not, so that some people don't have to go all the way through the process to work out whether they are eligible. We have streamlined some of the questions sets that we've asked to make sure that we are gathering the bare minimum of information that we need in order to make the assessment against the income and assets test, because this is a highly targeted income support payment like all the other income support payments that we deliver.

Senator WATT: Why is it, then, that only two days ago, on 23 October, Mr Alan Brown, the president of the Wagga branch of the New South Wales Farmers Association, was quoted in the Wagga Wagga *Daily Advertiser* as saying that the feedback filtering back to him was that many people were not sure whether they qualified and that they were finding the application process simply too hard? He said: 'I understand that when you're applying for government money there needs to be a high standard, but some parts of this application process are something else.' If you've reduced the size of the application process, why are these complaints still being made—only a couple of days ago?

Ms Leon: Our understanding is that farmers often find it more complicated than they just have on hand to be able to say what the value of all of their assets is. So, they then need—and the government's funded the financial counselling services—to talk to someone about their finances so that they can better understand how to value their assets and describe their income.

Senator SINGH: Are they required to provide accurate income and assets, or an estimate?

Ms Rule: It's an estimate. It's a best estimate—just as all our other income and assets tests require.

Ms Leon: We're happy to give you a copy of the form, on notice. On the form, for example, you can provide your last tax return. Most people should be able to lay their hands on that and that will show—

Senator WATT: Shouldn't you be able to obtain that through the tax office?

Ms Leon: We don't yet have real-time data exchange with the ATO. We are working towards that—

Senator WATT: I'm having flashbacks from robo-debt. This was one of the problems with robo-debt, wasn't it?

Ms Leon: But it's not real-time. With income compliance we're getting income data from the tax office from some years ago, and I'm sure farmers don't want to wait some years while we get to post end of the financial year from a couple of years ago from the tax office. So, people are asked to provide their last tax return, and that's then their evidence of what their taxable income was.

Senator WATT: Just to give you another example—again, from I think the same newspaper, only two days ago, with farmers' complaints: 'Multiple forms are required, including an original birth certificate. They also need to produce paperwork about income and outgoings. The government's own tax records are not enough to prove eligibility and as a result Centrelink has had to extend their service hours for farmers struggling to make sense of the application process.' That sounds like a bit of a disaster for people who are already in a lot of distress.

Ms Leon: We are—and we're pleased that it's recognised—opening our service centres in drought affected areas on the weekend and teaming up with the Rural Financial Counselling Service to provide that weekend service to farmers to either give them advice or help them fill out the form. We've also re-routed both the mobile service centres—the buses that travel around Australia to take Centrelink services to places that don't have a service centre—to travel through the drought affected areas for the rest of the year to provide as much support as we can.

Senator SINGH: But why aren't tax records enough to meet eligibility?

Ms Leon: It's about income and assets. The tax record will tell you about income, and that is one of the pieces of documentary evidence that we ask people to submit—their last tax return—but they also have to provide information about their assets. They might have a trust, they might have rental property, they might have water rights or they might have assets on the farm. Quite often the assets of a farming business are more complicated than just the assets of an average household.

Ms Rule: There's also a timing thing. Personal tax returns are not due to be lodged until the end of this month. If you applied for the payment in August, what you received in the previous financial year as personal income could well be reduced because of drought conditions and the like. So, it's also about currency of information that means that tax returns are not always the most appropriate mechanism.

Senator SINGH: How many mobile service centres are there?

Ms Leon: Two.

Senator SINGH: In the whole country?

Ms Leon: We have more than 500 sites where we provide fixed services. So, we have the mobile service centres to go around—

Senator SINGH: This is rural and regional Australia we're talking about.

Ms Leon: Where we have hundreds of service centres—permanently.

Senator DEAN SMITH: Are all those service centres open on Saturday morning for those extended hours, or just the larger centres?

Ms Leon: We are opening them on a rolling basis through the drought affected areas. For example, there's a whole range of dates that we could provide on notice—

Senator DEAN SMITH: On notice will be fine.

Ms Leon: We opened Dubbo on 22 September. We opened Tamworth on 6 October and Gympie on 13 October. This weekend—the weekend that's just passed—we had Bathurst, Kingaroy and Bundaberg open. There's a rolling schedule of service centres, which we're advertising in the local region.

Senator DEAN SMITH: It sounds like every week there's a new service centre.

Ms Leon: That's right.

Mr Matthews: It's probably worth noting that that's on top of the Rural Financial Counselling Service, which is a service provider where part of its mandate is to assist people in their applications for farm household allowance. It's funded through the Department of Agriculture and Water Resources, and there was an increase in funding of about \$5 million as part of the government's announcement around drought. That was specifically also to help people through the application process. It's a combination of what comes in through that and through opening our service centres and the mobile buses. So there are a range of things in place to help people with their applications.

Senator SINGH: Is there a third of any other DHS forms that could be stripped out?

Ms Leon: We are progressively improving all of our forms. Part of delivering modernisation is that we are going through and undertaking work with customers, doing user-centred design to redesign the forms to make them simpler and more accessible. Part of the welfare payment structure transformation, which we often talk about in this committee, is to simplify all of the claiming process for our customers.

Senator SINGH: But you've already done this for the forms for the farmers, so—

Ms Leon: Yes. And we've already done it for students. We've reduced the question set for students, in most cases, from 117 to 37.

Senator SINGH: From 117 to 37? Gee, it was a big form before.

Ms Leon: That's not for every student, but that largely relies on prepopulating the form and also having digital enablements. Depending on how you answer one question, you might not need to answer the others.

Senator SINGH: I understand.

Ms Leon: But it does require us to turn the forms into smart forms. It's not just a matter of redesigning it on a piece of paper.

Senator SINGH: What about people seeking disability support who are suffering a terminal illness and trying to access DSP or another payment? Have you cut their form down?

Ms Leon: The disability pension is to be reformed in tranche 3 of delivering modernisation, which we were funded to deliver over this year and next year. It's on the schedule to be completed in tranche 3.

Senator SINGH: When will that happen by?

Ms Leon: Tranche 3 is funded for this year and next year. By the end of next financial year we should have substantially reformed that form.

Senator SINGH: That's June 2020; is that right?

Ms Leon: Yes.

Senator SINGH: The end of next financial year?

Ms Leon: That's the end of tranche 3.

Senator SINGH: All right. It's still a while away. It's interesting: with what you've obviously tried to highlight in relation to reducing the form for farmers by a third, you specifically highlighted the income and assets as the stumbling block.

Ms Leon: That's the feedback we've had from farmers. We aren't just making this up. We've been engaging with farmers and their representatives and we understand from them that that is the part they find most complicated. The rest of the form is really just about proving their identity, proving that they're an Australian citizen or resident, providing us with information about who they live with so we know whether it's single or partnered—the usual kinds of questions you have to answer to apply for an income support payment.

Senator SINGH: Yes, but clearly some of them already have part of the process done—they'll have the income.

Ms Leon: That's right. And people who—

Senator SINGH: So in those circumstances do you start—

Ms Leon: No. With people who've previously received farm household allowance, we can verbally go through it with them: 'Is it all still the same as the last time we had information about you?' They don't need to do the whole claim form. But if they're a new customer, about whom we don't yet know anything, then, yes, they do have to provide us information about their identity, their Australian citizenship and the usual eligibility requirements before they get in the door for getting an Australian income support package.

Senator SINGH: Obviously, these are farmers in desperate need.

Ms Leon: Of course.

Senator SINGH: I'm just trying to understand how these stumbling blocks can be removed, or at least how you can start processing—if they've provided the tax return, for example—and what the whole time frame is at that end as well.

Ms Leon: The median days to process the farm household allowance at the moment are 24.

Senator SINGH: Twenty-four days?

Ms Leon: That's right. It's not an unreasonable amount of time. Yes, I know we want to get these done as quickly as possible. We have doubled the workforce on farm household allowance processing and we have deployed that extra support on weekends and in the mobile service centres to help people with the form, so there are not substantial backlogs of people waiting. As I mentioned, in the oldest category of claims—over 15 weeks—there are only 21 claims on hand and half of those are not actionable because we're waiting for information. With all of those older ones—12 weeks, 13 weeks, 14 weeks—there's only a handful of claims on hand. Most of the claims on hand are being processed quite quickly.

Senator SIEWERT: Did you have a general glitch where family tax benefits statements were going out saying that people had received more than they had?

Ms Leon: No.

Senator SIEWERT: You didn't have an overall glitch?

Ms Leon: No. I did see the discussion you had with DSS this morning, and we looked into the issue you raised. There was a media report that said that had occurred. We investigated and that report was wrong.

Senator SIEWERT: Okay. So, people that received inaccurate payment statements—

Ms Leon: They weren't inaccurate. The media report was inaccurate, but the letters that we sent to people were accurate.

Senator SIEWERT: I've got an example of a case where somebody was actually sent something inaccurate. I'm not going from a media report; I didn't know it had been raised in the media.

Ms Leon: I'm happy for you to refer it to us, but we aren't aware of there being any reason to believe that the letters we sent out weren't accurate.

Senator SIEWERT: Reason to believe?

Ms Leon: If there's another case that we're not aware of, we're happy to look at it.

Senator SIEWERT: Alright, I'll seek permission to forward this to you or bring it up.

Ms Leon: Yes, good.

Senator SIEWERT: I can't do it without seeking that person's permission.

Ms Leon: The person's consent—I understand. We are always happy to have an opportunity to resolve a customer's—

Senator SIEWERT: But you're saying there's no overall—

Ms Leon: There's no overall failure of the family tax benefit letters, no.

Senator SIEWERT: Have you had any other complaints?

Ms Leon: Not that I'm aware of.

Senator SIEWERT: Thank you. I'll take this one up separately then. Are you able to tell me how many people on DSP who are detained have applied to have their DSP suspended for the period of their detention?

Ms Leon: Yes. Regarding the number of people who have been detained who have had their payment suspended in 2017-18, there were 85 customers who had their payment cancelled and 7,937 customers who had their payment suspended due to imprisonment.

Senator SIEWERT: Thank you. We were talking this morning with DSS about how many people had or had not done the Program of Support. Can you cast more light on that?

Ms Rule: I haven't got much data on Program of Support, because I understand from this morning that DSS undertook to do a comprehensive data analysis on POS and get back to you.

Senator SIEWERT: Yes.

Ms Rule: So we haven't done—

Senator SIEWERT: You haven't got anything beyond what they were able to—

Ms Rule: No, not at this stage.

Senator SIEWERT: Okay, thank you. Do you have data on how many people who applied for DSP have had multiple medical exemptions while on Newstart?

Ms Rule: No, because we can't necessarily see through our system easily the transfer of a person who's claimed DSP, then onto Newstart, then the number of medical exemptions. It's quite a complex data picture to be able to trace for those individuals. Again, we heard that question this morning. We couldn't source that data by tonight, but we're happy to take it on notice and see what we can provide.

Senator SIEWERT: I'm interested in both ways—those around DSP that have been transferred through to Newstart and then seek medical exemptions, but also people going the other way, who have been on Newstart, had medical exemptions and then go onto DSP.

Ms Rule: We can take that on notice.

Senator SIEWERT: Thank you. I have a whole lot of really technical questions that I'm just going to put on notice, hence my hesitancy to make sure I have actually filtered them out, because I think some of them will just take too long to answer. Can you tell me—or do you need to take this on notice—how many people and what percentage of people who have been through a program of support have actually obtained employment?

Ms Rule: No, I don't have that data. We can take that on notice.

Senator SIEWERT: Okay. You don't have the data now, but you are actually able to tell me—

Ms Rule: I'm not sure.

Ms Leon: We will know if they've gone off payment. I don't know if we will necessarily know whether that's because they've gained employment. So I think we'll have to look and see what our systems can tell us.

Senator SIEWERT: Okay. We could use them going off payment for a sort of substitute, but not quite, because they may have just dropped out of the system.

Ms Leon: Yes. Once they've left payment then we don't necessarily know what they're doing after that.

Senator SIEWERT: Could I also ask you to break that down, if you can, to people that identify as Aboriginal and not.

Ms Rule: Indigenous and non-Indigenous?

Senator SIEWERT: Indigenous and non-Indigenous, yes.

Ms Rule: We can take that on notice as well.

Senator SIEWERT: I'm really interested also in looking at how many people that identify as Indigenous are going onto the program of support and then transitioning through to DSP.

Ms Rule: Sure. We can take that on notice as well.

Senator SIEWERT: If you could take that on notice, that would be appreciated.

Ms Deininger: Can I just make a general comment in terms of numbers. We'll certainly take those questions on notice. For the 2016-17 year, in fewer than two per cent of cases where people were rejected, it's because they didn't undertake a program of support. I just wanted to mention that the program of support applies in relatively limited circumstances for those who are seeking to go onto DSP.

Senator SIEWERT: Sorry, can you—

Ms Deininger: In terms of the people whose application for disability support pension was unsuccessful, only two per cent of those cases were because the person had to undertake a program of support. So I guess what I'm trying to say is that there are a whole range of reasons why people might not be eligible for DSP. A program of support is one potential reason, but they might need to undertake that before testing their eligibility. My general point is that that is a relatively small proportion of the overall group of people who are unsuccessful in their application for DSP.

Senator SINGH: I want to ask about welfare recipients that are transferring from Newstart to the age pension. It's been reported that people are facing delays of weeks or even months in transferring from Newstart when they're 65 to the age pension. Surely they wouldn't have to start a whole process from scratch when they're already receiving Newstart. Why would it have to take so long?

Mr Matthews: I don't have exact data on the number transferring, but in transfer to age pension there is generally a process where a person can start applying about 13 weeks prior to reaching age pension age to transfer into age pension. For people on payments that haven't responded to that, we do give them letters and approaches to remind them that they're able to do that. That circumstance does include some pre-populated information et cetera. There are some mechanisms in place to assist people to transition from that payment into age pension. But I don't have any data on hand about how many have gone through or the time taken for that to occur.

Senator SINGH: Are those Newstart recipients, the ones we're talking about that reach that age, being forced to put in a whole new application for the age pension?

Mr Matthews: They do need to apply to the payment, so, yes. Where we have information, we can reuse information, but if for whatever reason their information has changed et cetera then we would need to seek some new information that was missing. It would depend on a case-by-case basis.

Senator SINGH: So they don't necessarily have to put in a whole new—

Ms Leon: If it's information we already have, we will prepopulate it.

Senator SINGH: They're already on Newstart. So obviously you've already got information.

Ms Leon: Yes. We've already got a lot of information.

Mr Matthews: But it is a different payment, so, yes, they do notionally need to reapply, but we do assist them by basically running through a transition process, and there are assets thresholds.

Ms Leon: The assets test is different for the pension. A little bit like we talked about with farmers, sometimes people have more complicated assets than income.

Mr Matthews: Generally they do have more complicated arrangements.

Ms Leon: But we do remind them that they can apply 13 weeks before so they can get started, and we do prepopulate with the information that we already have. If they're in financial hardship, then we can prioritise the processing of their claim as well. If people tell us they're in financial hardship for this or for anything else, then we do prioritise the processing of their claim.

Senator SINGH: I think anyone on Newstart would be in financial hardship.

Ms Leon: Well, they are not in as much financial hardship as people who are not on any form of income support.

Senator SINGH: Come on! Who could live on Newstart?

Mr Jackson: Just to expand on the secretary's point, we actually prioritise all people moving from Newstart. They are done as quickly as possible, because it is a fairly seamless process to move through.

Senator SINGH: You're saying it's a seamless, Mr Jackson. Then why are there people that are facing delays of months to go from Newstart to the age pension? I don't know how they live in the meantime.

Ms Leon: If there are any particular cases you want to refer to us, we're happy to look into them. As we mentioned in relation to the pension more generally, the biggest hold-up we face is when people haven't given us

the information that we need to complete their claim. If people haven't given us their asset information, we can't complete their application.

Senator SINGH: These are some of the most vulnerable people in our community. It just does not make sense why it has to take months.

Ms Leon: It won't take eight months if we have all of their information.

Senator SINGH: We have had a number of complaints from people who have applied to Centrelink for sickness benefits. They have described the process as nothing short of humiliating, time-consuming and downright horrible. There are cases of people rushing to get their affairs in order due to a sudden diagnosis, subsequent operations, at the commencement of chemotherapy. Have you been aware of some of these complaints of sick Australians who are struggling to manage to get through this Centrelink system?

Ms Leon: I'm not aware of the cases that you're referring to. I can tell you that our median days to process sickness allowance in 2017-18 was 35 days and that it is still running at 35 days now in 2018-19.

Mr Jackson: Equally, I think we had 318 sickness benefit claims.

Senator SINGH: I understand these complaints have been raised with the department and with the minister. But you're saying you don't know anything about them.

Ms Leon: I don't personally know about them, but I'm happy to take on notice whether we've had complaints about sickness allowance.

Senator SINGH: Who in the department here does know about them? There are probably at least 30 people sitting behind you.

Ms Leon: I've asked Mr Jackson, who's responsible for service delivery, and he's not aware of them.

Mr Jackson: In part of the earlier session today we spoke about the number of complaints that we had. I think it was 239,000 complaints. So I apologise for not knowing the details of all of those. But we absolutely do track them, as I said before, and we are more than able to go back and look at whether there have been any specific complaints, and if it's been to the minister then the minister's office could have forwarded to us. Certainly if it's come direct to the secretary, me or even through our escalation process, which is well organised, we can certainly come back and advise you of any complaints that we have had on that particular issue. Equally, as the secretary has said, if, with the customer's consent, they wish to seek us to have a look at it and do a service recovery, we are more than happy to help.

Senator SINGH: A lot of this comes back to the forms and the process that's in place. As you've simplified the forms for farmers, why can't you simplify them for sick Australians?

Ms Leon: We are going through a process of simplifying all our processes, but we can't do it all at once. So it's a seven-year program of work—the welfare payment infrastructure transformation—and we're about halfway through. In tranche 3 we have already simplified the online claim form for jobseekers, which is a cohort of over a million people every year. The next one we're doing will be age pension and then we'll progressively move through all the main payment types. We are undertaking the most significant transformation in the history of welfare in Australia, so it can't all be done in one year, but we are getting about it in as quick a way as we possibly can.

Mr Jackson: Without wanting to cut into Ms Rule's space as well, we obviously have to engage with policy agencies who own the particular policy, because a lot of information required on the forms is mandated by those policy agencies, so we do not have the sole ability to do that. But we work very closely with those agencies to provide feedback and seek to improve forms continuously.

Senator SINGH: This is not just about waiting for asset information, as you keep referring to. This is also about staff ratios. This is also about processing procedures that are in place. I think it's a bit rich that you keep coming back to this one point.

Ms Leon: Only in relation to the pension, Senator. I raised the point about assets.

Senator SINGH: You've just raised it again in relation to—

Ms Leon: I haven't raised it in relation to sickness allowance.

Senator SINGH: You raised it with farmers; you raised it with pensions.

Ms Leon: Because they both often are circumstances where people have complicated assets. It's just a fact.

Senator SINGH: There are a number of Centrelink inquiries from distressed constituents on a range of different payments. We're talking at the moment about sickness benefits. They have had their claims delayed,

when what would be for most people acceptable time frames. So can the department explain what changes, if any, have occurred with staff ratios, with processing procedures that have led to this?

Ms Leon: There hasn't been any reduction in the median days to process for sickness allowance between this year and last year. It's still at 35 days. In terms of the overall staff of the department, we have more total staff this year than we had last year. I think I gave evidence last year that we had more staff than the year before. So it's not about a lack of people to process these, and that's why we're bringing down telephony wait times and that's how we're bringing down the processing backlog—because we are deploying more and more hands on deck to do that.

Senator SINGH: That 35 days for sickness benefits is on average though, isn't it?

Ms Leon: It's median. Bear in mind we have something like 800 million transactions a year. So I'd like to say that 100 per cent of those are perfect, but I do acknowledge that in 800 million transactions a year not all of them are going to go as seamlessly as all of the rest. We aim to achieve customer satisfaction for all of them, but it is a very large and complex operation.

Senator SINGH: You keep trying to fix that system.

Ms Leon: We are, Senator.

Senator SINGH: And we might end on that.

CHAIR: At this point I will thank all the officers of the department for being here tonight and for your attendance today. Thank you very much and good night.

Committee adjourned at 22:59