

# UNCORRECTED PROOF ISSUE

Wednesday 29 June 2011 - Estimates Committee B (O'Connor) - Part 1

## LEGISLATIVE COUNCIL

### ESTIMATES COMMITTEE B

Wednesday 29 June 2011

#### MEMBERS

Mr Dean  
Mr Farrell  
Mr Finch  
Mr Gaffney  
Dr Goodwin  
Ms Rattray (Chair)  
Mrs Taylor

#### SUBSTITUTE MEMBERS

#### IN ATTENDANCE

**Hon. Cassy O'Connor**, Minister for Human Services, Minister for Community Development, Minister for Climate Change, Minister for Aboriginal Affairs

#### Ministerial Staff

**Leanne Minshull**, Head of Office  
**Richard Gilmour**, Senior Adviser  
**Kelly Ford**, Adviser  
**Rosemary Sandford**, Adviser  
**Claire Jansen**, Adviser  
**Jessica Wilson**, Adviser

#### Department of Health and Human Services

**Alice Burchill**, Secretary, Department of Health and Human Services  
**Mercia Bresnehan**, Executive Director Disability, Housing and Community Services  
**Penny Egan**, Chief Financial Officer/CEO Business Services Network  
**Ingrid Ganley**, Assistant Director, Disability and Community Services  
**Bernadette Jago**, Director, Housing Tasmania  
**Peter White**, Director, Housing Innovations Unit

**Department of Premier and Cabinet**

**Greg Johannes**, Deputy Secretary

**Wendy Spencer**, Director, Office of Climate Change

**Nick Evans**, Director Community Development

**Alex Schouten**, Acting Manager, Disability Bureau

**Heather Cuthbertson**, Manager, Seniors Bureau

**Wanda Buza**, Director, Women Tasmania

**Laurette Thorp**, Manager, Office of Aboriginal Affairs

**Anthony King**, Acting Manager, Office of Children and Youth Affairs

**The committee met at 9 a.m.**

**DIVISION 5**

(Department of Health and Human Services)

**Output group 3**

**Human services**

**CHAIR** (Ms Rattray) - Minister, can we welcome you in your role as minister proper this year. We look forward to a day when we are going to get plenty of answers in relation to members' questions. Ministers work very hard on their budget papers in a fairly short time frame and so it is a good opportunity, obviously, for you to share information and for us to receive that information. I have taken the liberty already of signing the extension that will go to the President before three, just as a precaution if we need to take that extra time rather than rush. It would be nice to have an early minute, but it may not happen.

**Ms O'CONNOR** - I only get this chance once a year.

**CHAIR** - That is right. I appreciate that. It is my intention to start with output group 3, Human services, and disability services, at 3.3, is the first area that we anticipate we will cover. We will just continue to roll through those until lunchtime. We are hoping to have them finished by lunchtime and then the afternoon is for Climate Change and Aboriginal Affairs. But obviously, if we need to, I hope that we can negotiate if people need to come back after lunch if there are areas that we have not sufficiently covered so that then we can manage that as well. Thank you. Minister, we have a new member at the table, Mr Farrell.

**Mr FARRELL** - Hello, Minister.

**CHAIR** - Obviously, you would know Mr Farrell; the secretary of the committee, Stuart Wright; Mr Ivan Dean; Dr Goodwin; Mrs Taylor; and Mr Gaffney. If you could be good enough to introduce your team, particularly for the sake of Hansard, and also provide a brief overview of your department?

**Ms O'CONNOR** - Thank you, Madam Chair. I would be delighted to do that. It is good to be here today. Here we have the Acting Secretary of the Department of Health and Human Services, Alice Burchill; to my right the Executive Director of Human Services, Mercia Bresnehan; my head of office, Leanne Minshull; and my adviser in Disabilities, Kelly Ford.

**CHAIR** - Thank you.

**Ms O'CONNOR** - I will just make a brief overview statement and then we will go straight into questions. I am sure every member of this committee is very aware that this has been a particularly difficult Budget this year. In human services, when you make decisions around finances inevitably there will be impacts on people, because the portfolio of Human Services is all about people fundamentally. What we have tried to do in this very, very difficult decision-making process is deliver savings at the same time as seeking to protect the most vulnerable people in our community. I am reasonably confident that we have done that in this portfolio.

We have a very finite Budget, anyway, to work with in Human Services. So I will just talk about some of other initiatives briefly, first. Members would be aware that there has been extra funding to our wonderful Neighbourhood Houses - \$825 000 a year, 33 Neighbourhood Houses. I think every member of this committee will have been to one of our Neighbourhood Houses and know what fantastic work they do.

**CHAIR** - I am sorry I do not have my badge on today, Minister. I normally do.

**Ms O'CONNOR** - Your Neighbourhood House badge?

**CHAIR** - I usually have a badge.

**Ms O'CONNOR** - Nor do I. Maybe I should have. There are 33 Neighbourhood Houses around Tasmania and they operate on very tight budgets and do an extraordinarily great job as the glue of their communities. So I am very pleased that in this difficult time we have been able to allocate that extra \$3.3 million over four years.

One of our major initiatives - and particularly as a Greens Minister I am very proud to say this - is that we have invested very heavily in energy efficiency for low-income Tasmanians. We have this year a \$1 million allocation, and we are working with the key stakeholder, TasCOSS, at this stage in an advisory capacity, to develop a mechanism for rolling out that extra funding into the homes of low-income Tasmanians in the next two years. We have another \$2.5 million each year for Housing Tasmania properties. Members would be aware that we have an energy efficiency policy in Housing Tasmania. So we have changed the way we spend part of our maintenance funding. We are delivering energy-efficiency upgrades as a result of that policy shift to around 3 000 households in Tasmania this year. That is around \$8 million out of the maintenance budget, which is not in this Budget. It is not new money; it is just spending money smarter.

We are also continuing to invest in Housing Services, with nearly \$68 million towards housing infrastructure this year. It has certainly been a time of unprecedented investment, both at a Commonwealth and a state level, in improving the supply of housing and the quality of the stock that we are delivering. One of our major projects this year will be the \$7.5 million for 35 units in Brisbane Street, Hobart. These will be homes for low-income people right in the heart of the city. They will have six-star energy efficiency and that will again bring down the cost of living for people who are living in those wonderful places in the city. It is very important, just in broad terms, that we remember that we need to bring people into our cities and we need to bring a mix of people into our cities. It is important that low-income Tasmanians have access to close city living.

Now we get to the savings. We have delivered close to \$11 million worth of savings in Human Services this year. We have been able to protect key funding commitments, such as the community equipment fund, but there have been cuts to the Elder Abuse Prevention Strategy - \$285 000 a year - and I will be working with stakeholders in the sector to make sure that we do deliver. We have a strategy. It has a framework in it and we aim to deliver that. One of our priorities in the absence of the amount of funding that we want is to make sure that we get the legislative structure right around elder abuse prevention.

We have maintained the level of base funding to non-government organisations, but we have reduced the level of indexation from 3.3 per cent to 2.25 per cent. That has been a very difficult decision to make, but we have maintained base funding and we are working with the sector around how they manage in these difficult times on that level of indexation. We have saved up to \$2 million in structural efficiencies in the coming year through reprioritising our maintenance budget. We have been able to bring down our maintenance liability, but maintenance is one area where we have identified that we can make some savings this year. We are reinvesting 50 per cent of the funding originally allocated to TAHL - Tasmanian Affordable Housing Ltd - back into the Consolidated Fund. But of that, funding for the Private Rental Support scheme and the Private Rental Tenancy Support Scheme has been maintained.

We have another difficult decision to make but, on the basis of equity, we have ended the pensioner rent holiday. Kevin Rudd, when he was Prime Minister in 2009, awarded pensioners a \$30 increase and all the States were asked to inoculate that \$30 from their rental assessments and we agreed, along with the other States, to do so for a year. That period ended in September last year but it was extended. Effectively, the holiday is over. I would point out that there were a number of people who did not get the benefit of that holiday, particularly pensioners in the private rental market. So that is over.

We have also, as a structural reform, changed points in Housing Tasmania. Our rent system currently is a sliding scale and it leads to some terrible inequities in the system. People can pay as little as 10 per cent or as high as over 30 per cent of their income as rent. One of the issues, apart from equity, is that it is a serious disincentive to people who live in Housing Tasmania properties to get a little bit of extra work.

I have spoken to tenants who have said, 'What is the point of me going out and getting a little bit of extra work when you take more of my rent?' That was an important structural point. Tasmania was the only Australian State not to have moved to a flat rental structure. Our modelling shows that within the next five years every one of our tenants will be paying over 25 per cent of their income as rent. So that is in broad terms the Human Services Budget. I am very happy now to take questions on the specific outputs.

**CHAIR** - Thank you, Minister. That was a very extensive overview. I am sure the members here will have some areas that they want to drill down into. I will invite Mr Finch to begin that drilling.

**Mr FINCH** - Minister, good morning. I am very interested to hear the \$11 million of savings and I can see the Community Equipment Scheme just being ramped up to where it should be with those savings.

**Ms O'CONNOR** - Sorry, Mr Finch, but your question is?

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**Mr FINCH** - The \$11 million that you have saved -

**Ms O'CONNOR** - No savings have been taken out of the Community Equipment Scheme.

**Mr FINCH** - Where will the \$11 million go that you have saved?

**Ms O'CONNOR** - The \$11 million is in what I have detailed here in terms of savings. The Community Equipment Scheme was one of those areas that I was able to negotiate in the Budget negotiations around inoculating from savings because it is such an important scheme. As you are aware, Mr Finch, we sat on the committee together and we heard about the terrible inequities that exist in the scheme as it is. We are working through to develop a new scheme. We have a model for a new scheme. As part of this process and this extra funding, we allocated over \$600 000 late last year and early this year to clear the category 1 waiting list for necessary and assisted technology. We are absolutely committed -

**Mr FINCH** - Improvements are underway?

**Ms O'CONNOR** - The improvements are happening as we speak and more people are getting access to more equipment.

**Mr FINCH** - Is there a program over some years to -

**Ms O'CONNOR** - The full scheme will be rolled out by 2013. It is a four-year program. It is \$1 million a year into the Community Equipment Scheme and that is on top of the \$4.6 million we already allocate to community equipment across various different programs. You would be well aware of the complexity of the scheme at the moment and of the number of delivery mechanisms for the scheme.

**Mr FINCH** - I want to go to page 5.8 of volume 1.

**Ms O'CONNOR** - Of the Budget?

**Mr FINCH** - Yes. Note 7 refers to increased funding under the National Disability Agreement. I am just wondering if you could break down that increase. It has increased to \$163 million for the coming fiscal year. Could you just give me a breakdown on the State and Commonwealth contributions in respect of that?

**Ms O'CONNOR** - What comes from where?

**Mr FINCH** - Yes.

**Ms O'CONNOR** - I am just getting a little bit of advice on that. Our output Budget for 2011-12 in total is \$163.1 million. That is specifically in disabilities of course, which is, as you say, an increase over \$156 million, which was the 2010-11 Budget for Disabilities. The movements between 2010-11 to 2011-12 are the addition of new funds of \$2.8 million under the National Disability Agreement, and that includes a level of indexation. There is increased indexation of \$4.2 million. So in total, the Australian Government contributes \$35 million for the provision of disability services in Tasmania out of the Budget that we have. Fundamentally, the provision of disability services is a State responsibility, so the State makes a very significant

contribution to improving the lives of Tasmanians with a disability.

**Mr FINCH** - There is an increase from about \$156 million this year to about \$173 million -

**Ms O'CONNOR** - Over the forward Estimates?

**Mr FINCH** - in 2014-15. It is quite substantial. Is it enough to cope with increasing disability in our community and continual complaints about inadequate services? There is a note on page 5.22 that says, 'Disability Services continues to operate in an environment where demand for services outstrips supply.' Can we increase the supply?

**Ms O'CONNOR** - We are always working to increase the supply, Mr Finch. Under the National Disability Agreement we are committed to increasing the supply of a range of services. But the Disability Budget has historically been significantly underfunded in my view. All Australian States and Territories are struggling to cope with the increasing demand, the increased complexity of needs and the increased cost of delivering services.

[9.15 a.m.]

So I am not, in all honesty, going to be able to sit here and say to you today that we will be able to meet the needs of all Tasmanians living with a disability, but we will continue to try. What we have done in the system is actually deliver a reformed, improved system. We now have the gateway services, which are an exceptional national first and the model in which the Productivity Commission is very interested in terms of a mechanism for rolling out any future National Disability Insurance Scheme. So there are significant improvements in the system.

Government has moved away from being a provider of disability services and it now purchases quality disability services from the community sector. So the system is improved but - and I am acutely aware of this and it is wrenching from my contact in the sector - we are not meeting the needs of all people living with disability all the time, but we continue to strive to do so. In the last month I announced an extra \$500 000 in recurrent funding for individual support packages and what I told you before, about clearing the category 1 waiting list for people needing necessary equipment and assisted technologies. We are continually striving to meet the needs, but Tasmania has the highest level of disability in the country and our disabilities Budget will continue to be under pressure.

I think that is why I hope everyone at this table is supportive of the National Disability Insurance Scheme, because that would be the single most important reform to disabilities that Australia has ever seen. It will tie funding to an individual. It will give individuals with disabilities much more power to direct the services that they purchase and to make their own decisions about their lives. We really do need a National Disability Insurance Scheme because the Australian States and Territories are struggling.

**Mr FINCH** - So where is that scheme now in its development?

**Ms O'CONNOR** - The Productivity Commission delivered its draft recommendations on the NDIS in March. I think the final report is coming down in July or August. Then the Commonwealth will consider it. The issue here is, of course, that the impact on the Commonwealth is an extra \$6.3 billion or so a year going into the system to support the States. So, fundamentally, it will be up to the Commonwealth to determine whether it supports a National Disability Insurance Scheme. As representatives of the people of Tasmania, we should all be

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advocating very strongly for that scheme. It has tripartisan political support and people living with disabilities need it.

**Mr FINCH** - I have just one more question. I want to go to page 5.20, table 5.8 and the disability service day options waiting list. It does not look good.

**Ms O'CONNOR** - No.

**Mr FINCH** - It increased from 94 last year to 145 in the coming fiscal year, although I note that we are advised to view the figures with caution. That is at page 5.21, note 11. Nevertheless, the day waiting list is not looking good. Can you comment on that?

**Ms O'CONNOR** - I agree that the waiting list for day options is too high. We are continuing to try to work to improve that. It is again another sign of the demand pressures that are within the system and the finite capacity of our Disability Services Budget to cope with those demand pressures.

**Mr FINCH** - What would need to be put in place to try to rectify that figure, to try to bring that figure down?

**Ms O'CONNOR** - Extra funding.

**Mr FINCH** - Keep making those savings.

**Ms O'CONNOR** - I wish we were not in an environment where we were forced to make savings. I would say that in the disability Budget we have not made savings other than in the indexation question. But when you are dealing with a very tight Budget as it is and in very, very difficult financial times, to maintain that core funding, in my view, has been something -

**Mr FINCH** - Monumental.

**Ms O'CONNOR** - Well, not monumental but something of an achievement. But there is no room here for feeling good about it because it is a sign that - there is an indication in here, in these performance indicators, that the budget is not enough, and it is not enough in any Australian State. I have just got some advice here. In relation to individual support packages, by March 2011 436 people had been provided with an individual support package. In terms of community access, support was provided to 1 527 people during 2009-10. So that is significant.

**Mr DEAN** - How many on the waiting list?

**Ms O'CONNOR** - In 2009-10 it was 74 and it is anticipated that 1 609 clients will receive community access support in 2010-11.

**CHAIR** - Minister, I am interested in the reform transition and how the disability Gateway program fits in with that transition. Can you just explain that a little bit further to me? Does the disability Gateway program fit under that reform transition?

**Ms O'CONNOR** - It has been part of the reform transition. The disability Gateways have been in place for about 18 months now - or since August 2010. I do recommend to any member of the committee who is interested in how we perform disability services to visit one of the Gateway

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services because they do provide a very streamlined and human focused point of referral and assessment for people living with a disability. Part of the transition to this new system has been in the establishment of the Gateway and in the move from government delivering services to purchasing services. So in a sense the Gateway is the front of house and we needed to make sure that in the transition we provided the extra funds. The extra funding that went into the reform transition was the \$7.6 million; I think that is right.

**CHAIR** - So there is \$2.07 million allocated in 2011-12?

**Ms O'CONNOR** - But that is the operational funding for the Gateways. The \$7.6 million was part of the initial reform transition, but there is the ongoing operation of the Gateways and that is that component of funding.

**CHAIR** - Which is \$2 million this year?

**Ms O'CONNOR** - Yes, but just in terms of what the Gateways do - look, I will talk about that some other time.

**CHAIR** - Obviously there has been that decrease in their funding or they have not received the indexation to the Gateway service providers.

**Ms O'CONNOR** - Well, there is indexation being provided across the community sector. In terms of the specific indexation to Gateways, that is the 2.25.

**CHAIR** - Back from 3.3.

**Ms O'CONNOR** - Yes, 3.3. So the indexation is not what it was and there will be some pressures on the Gateways and all disability service providers as a result of that and we are committed to working with them.

**CHAIR** - So they have got to do the same work, if not more, for less.

**Ms O'CONNOR** - Fundamentally, and given the pressures in the system, it is more with less really because everyone who works in the disability sector - it comes from here - and the passion in the sector is very strong so people do work very hard. I do accept that a lot of the disability service providers are under significant pressure. There is a strong commitment there.

**CHAIR** - I attended the National Disability Insurance Scheme event that we had in Parliament and heard you speak, and others as well. You asked members of the Parliament to support that scheme. Other than lobbying our own federal member, is that all we can do?

**Ms O'CONNOR** - I think fundamentally, because it is at the point where - well, the first thing I would recommend is that when the final report is released members take an interest in it, read it, understand the reforms that are being proposed and the potential implications for people living with a disability and advocate very strongly at a national level.

**CHAIR** - Who would like to go next? Thank you, Mrs Taylor?

**Mrs TAYLOR** - Thank you for some fulsome answers because a lot of the questions I had you have already answered, like those about the National Disability Agreement scheme.



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**Ms O'CONNOR** - Great.

**Mrs TAYLOR** - You talked about an extra \$500 000 that, as we all know, you supplied a month or two ago for extra care packages. At the time there were still 285 people, I think, waiting.

**Ms O'CONNOR** - I think it was 295, wasn't it? Sorry; 285.

**CHAIR** - Mrs Taylor will have the figures.

**Ms O'CONNOR** - Yes, she will.

**Mrs TAYLOR** - So how long do you think it is going to take? Are you intending to put more money into that, because 285 people still waiting for care packages is obviously a lot of people? The \$500 000, I think, went to what - 11, 15? It was not many.

**Ms O'CONNOR** - It was somewhere between 15 and 30 people we thought we could provide for with that allocation.

**CHAIR** - Has that been done?

**Ms O'CONNOR** - Look, I think the money is rolling out the door fairly fast because the issue with the individual support packages is that it became very clear to me earlier this year that the Disability Budget had been fully allocated but we still had very high needs people on the waiting list, and that is why I went back to the department and worked with the department to access funds from the contingency fund to provide for the highest priority clients. So we have been able to provide support for the highest priority clients but, yes, there are still people waiting for individual support packages. But each year we will continue to roll out more packages. One of the issues with ISPs is that they are not static in terms of what they cost. So the cost of delivering ISPs increases with each year and every extra ISP that is allocated is for life so it is a worthy cost pressure on the Disability Budget, but it grows with each year and as the demand grows.

**Mrs TAYLOR** - And obviously with an ageing population we are going to increase that number as well. Can you put a figure on this? How much extra would you need to do the current 285 that are not being met?

**Ms O'CONNOR** - To clear the whole individual support package waiting list?

**Mrs TAYLOR** - Yes.

**Ms O'CONNOR** - Well, it is very difficult to put an estimate on that because there are a range of needs. Some people require very intensive support and others may only require a couple of hours a day. Support packages by their nature, because they are individually focused, are very, very difficult to quantify for a broad population so I would not be able to tell you exactly what it would cost to clear that waiting list. But as an indication, half a million dollars can provide for, say, between 15 and 30 people and we have a waiting list of 285 and it is 25 new packages in total. So half a million dollars has provided 25 new packages, so that will give you an idea. One hundred people, \$2 million; 250 people - yes, Mrs Taylor, we need a lot more money in the Disability Budget to clear the entire ISP waiting list. It is a significant expense. The other expense that we are looking at dealing with in the Disability Budget, of course, is around unit pricing. I am

sure we will get to that issue as well. So there are numerous cost imperatives and pressures within the Budget and it is, as always, a balancing act.

**Mrs TAYLOR** - Absolutely, but I guess for some of the people - certainly the high needs people - if you do not provide ISPs then in the end you are going to have to take them into full care because they will not be able to cope. So it is hospitalisation or whatever which also costs lots and lots of money. In a sense it is a balance of one against the other as much as providing quality of life for them, which is what ISPs generally speaking do - improve the quality of life.

**Ms O'CONNOR** - That is right. Again, though, I think this comes back to the point I was making earlier about the importance of a National Disability Insurance Scheme, because you can have a large pool of funds that are attached to individuals. You are resolving a lot of the heartbreaking demand pressures.

[9.30 a.m.]

**Mrs TAYLOR** - As the Chair has said, I think we are all in support of the NDIS but I am not quite sure how that works. Will that actually mean that you do not have to provide those ISP packages?

**Ms O'CONNOR** - No. Disabilities will be a shared responsibility between the State and Commonwealth, but the Commonwealth will contribute a much larger share in the future under the NDIS. One of the issues at the moment is that we are not sure what the structure of the NDIS would be. We will have to wait for the Productivity Commission's final recommendations, but they have looked very closely at our gateway services as a one-stop shop, if you like, as a potential national model of how we might -

**Mrs TAYLOR** - So you are actually thinking that might help future Budgets in terms of us being able to provide services and care packages?

**Ms O'CONNOR** - Mrs Taylor, I would dearly love to be sitting here at the next estimates hearings with the Commonwealth having committed to a National Disability Insurance Scheme, as I believe it should.

**CHAIR** - As always, Minister, the devil is in the detail.

**Mr GAFFNEY** - Minister, I am interested to hear a little bit more about the Minister's Disability Advisory Committee that you have running and how that functions and the role it plays. I think it is important for honourable members to understand that you are actually connecting with the people who live with disabilities to give you a better insight. Perhaps it would be worthwhile in the Budget to know - I would not imagine it is a big Budget allocation - how that works and how you are finding it.

**Ms O'CONNOR** - The Minister's Disability Advisory Committee is one of my primary sources of advice on policy and practice in disabilities. We have actually just renewed the membership of the committee. It has a mix of people from all over Tasmania - some people living with disabilities and some people who work in the sector. We meet every three months. There is a work plan that MDAC works to that I approve. For example - thank you very much, members - you passed the Disability Services Bill 2011 with some good amendments. But that was one example where MDAC worked with us in developing that bill.

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What MDAC have now begun doing is a program of regional outreach around Tasmania. Earlier this year, in maybe February or March, MDAC were in the north-west of the State. They advertised and said, 'We will be here. We are very interested in hearing your stories, your experience of living with disability and access to services and your advice on Government policy and practice.' It was a very well-attended hearing. I think the MDAC members were a bit shocked and surprised and pleased at the turn-up for that event. There will be a number of regional outreach meetings, if you like - in Launceston, Hobart and other parts of Tasmania - that MDAC will drive, and I hope to attend a number of them. The cost of MDAC to our Budget is \$30 000 a year. It is a very, very worthwhile investment because, as Minister, I have wonderful people working with and around me but there is nothing like the quality of the input and advice that I get from MDAC.

**Mr GAFFNEY** - How long have you had the advisory committee, or how long has it been in existence for?

**Ms O'CONNOR** - I am not sure exactly how long it has been in existence. It is certainly as long as I have been Minister - 2009.

**Mr GAFFNEY** - So it is relatively new, isn't it?

**Ms O'CONNOR** - It was established in 2009, and we have just renewed its membership, as I said. We had a ceremony downstairs last week to farewell the previous members of MDAC and to welcome the new.

**Mr GAFFNEY** - For the record, I think it is a great step because it is connecting your department with the realities of it. I am not saying that your managers do not understand that, but it gives them another input. It is a really great committee. Congratulations.

**Ms O'CONNOR** - Yes. It is a privilege to work with them.

**Dr GOODWIN** - Madam Chair, could I ask some human services overview questions?

**Ms O'CONNOR** - We are in overview aren't we, Madam Chair?

**CHAIR** - We are in Disability Services. If it comes under that, yes.

**Dr GOODWIN** - It is about the whole of Human Services - the number of staffing, overtime, that sort of stuff.

**Ms O'CONNOR** - Before I go any further, can I just point out to members that we have some fact sheets here on individual support packages, the Gambling Support Program, elderly abuse prevention, disability services, Gateway services, changes to Housing Tasmania rents, the Community Equipment Scheme and our work on unit pricing. I will pass those to you, Madam Chair.

**CHAIR** - I will pass those to the secretary, who will record those.

**Dr GOODWIN** - I do not know whether it is easier to table some of this information or not.

**Ms O'CONNOR** - Some of them may have to be tabled, if you are getting down to really

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fine detail around overtime. I am happy to take them on notice and get answers to you as soon as possible.

**Dr GOODWIN** - The first question is around the number of FTEs in the various business units within Human Services.

**Ms O'CONNOR** - Yes. I have some information here. Members will be aware that the Human Services portfolio includes housing services, disability services and community support services. As at the final pay period for April 2011, the Human Services portfolio had 329.5 full-time equivalents, which is 358 people on a head count basis. The breakdown of the staff is as follows: in disability and community services, 102.1 FTEs - that is, 114 people; in housing, 224.3 FTEs - 241 human beings; in the executive director's office, three FTEs. That is the information on the actual numbers in Human Services.

**Dr GOODWIN** - Do you have a regional breakdown at all?

**Ms O'CONNOR** - No, not immediately at hand. But we can certainly take that one on notice and get back to you.

**Dr GOODWIN** - Just in terms of overtime, I suppose -

**Ms O'CONNOR** - We will take that one on notice.

**Mr DEAN** - Sick leave as well.

**Ms O'CONNOR** - Sorry, I have just been given some information on overtime. Thank you, Ms Burchill. A review of rosters and attendance as part of the broader occupational health and safety strategy will go towards addressing the hours of work and fatigue, and this will have a positive impact on overtime. Short-, medium- and long-term workforce planning will also impact on vacancies and overtime. Overtime levels were lower for the final pay period of April 2011, with the overtime equivalent of 2.55 full-time equivalent employees, compared to the final pay period in April 2010, with the overtime equivalent of 7.64 full-time equivalent employees. So there is a significant improvement there in terms of overtime. Health and Human Services award staff have the greatest percentage of overtime to paid FTE of 0.38 per cent for the final pay of April 2011. In comparison, for the same period nursing staff in health were 0.16 per cent and allied health professionals were 0.1 per cent. Does that answer your question, Dr Goodwin?

**Mr DEAN** - What is the amount of overtime in dollar terms across your whole department? What does that relate to in money terms in a 12-month period?

**Ms O'CONNOR** - I will get that information for you, Mr Dean. Do you want to put that on notice?

**Dr GOODWIN** - Yes. The other question is around workers comp.

**Ms O'CONNOR** - We have information here on workers comp.

**Mr DEAN** - Stress leave.

**Ms O'CONNOR** - In the period from 1 July 2010 to 30 April 2011, there have been 19

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workers compensation claims in Human Services. In 2009-10 there were 43 claims compared to 28 for 2008-09. Of these claims, manual handling claims account for 32 per cent compared to 23 per cent in 2009-10 and 39 per cent in 2008-09. Stress claims account for 21 per cent compared to 14 per cent in 2009-10 and 18 per cent in 2008-09. The remainder are due to a variety of incidental causes such as slips, trips, falls and being hit by objects. Of the 19 claims made in the current period, two remain away from work. All who are absent are engaged in programs designed to assist their recovery and return to work. Does that answer your question?

**Mr DEAN** - Yes, that covers it pretty well. The only other question I have is: are there any legal actions in relation to any person within the department in relation to workplace issues?

**Ms O'CONNOR** - None that I have been made aware of and none that our executive director is aware of.

**Dr GOODWIN** - Have there been any redundancies during the last financial year?

**Ms O'CONNOR** - Are you talking about voluntary targeted employment -

**Dr GOODWIN** - Yes.

**Ms O'CONNOR** - In 2010-11, voluntary targeted employment separation arrangements were used as a component of the employment management strategies to manage the transfer of direct services from Human Services to the community sector, and this particularly applies in the area of Disability Services. The future communities reform agenda was launched in August 2008. The first service to be devolved was the disability services coordination function, and that transferred out children's respite, children's out-of-home care, disability day support and disability adults respite. There were 195 permanent staff affected by the transfers - 110 in the south, 53 in the north and 31 in the north-west. Of the total affected staff, 52 worked in out-of-home care and rostered care and the remainder, 142 staff, worked in disability services. To 30 April this year, 111 of the affected staff have taken voluntary targeted employment separation arrangements in the 2010-11 financial year as a result of the reform program. I think it is important to point out here that that talent and capacity actually has not been lost to the system because many of those employees are now working in the community sector. An additional four voluntary targeted employment separation arrangements have been processed in Human Services in 2010-11 outside of the reform program as a result of organisational restructuring.

Housing services were not affected by the reform program and there were no voluntary targeted employment separation arrangements for Housing in 2010-11. In 2010-11 to 30 April this year the cost of 115 VTESAs - as we call them because we love an acronym - was \$3 384 282. In 2009-10, 47 staff took a VTESA at a cost of \$1 778 393. Some of this funding was met out of the reform transition fund.

**Dr GOODWIN** - Are there any FTEs or staff in Human Services on the redeployment list at the moment?

**Ms O'CONNOR** - Yes. This includes children - that is, in disability services. We have numbers here for - it says 22 here as well.

**Ms BRESNEHAN** - Fourteen.

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**Ms O'CONNOR** - Fourteen employees. They are specifically out of the disability service reform.

**Ms BRESNEHAN** - That is right.

**Ms O'CONNOR** - They are currently on the redeployment list and have been for some extended period of time.

**Dr GOODWIN** - I have just one final overview type question. Do you have a breakdown of the amount paid to external consultants in Human Services?

**Ms O'CONNOR** - Yes, we do. Just before I go to answer your question in detail, I know that each year members of the opposition make much of the fact that we spend some money on consultancies. However, you do need, from time to time, to invest in external, independent expertise to make sure that the application of your policy is right.

[9.45 a.m.]

For example, in the unit pricing area, without the work that KPMG has done, we would not have a structure for unit pricing. We would not have such a professional model, if you like, for a way forward. I understand that in tight Budget times sometimes it can be hard to justify the use of consultancies, but we go through very rigorous tender processes and we do always strive for value for money. But I understand why when the Budget is really tight you would be wondering why we are spending money on consultancies.

**Dr GOODWIN** - And in a Budget estimates process where it is about transparency and accountability.

**Ms O'CONNOR** - I am very, very comfortable talking about our consultancies.

**CHAIR** - I think everyone needs to hang on to the table now.

*Laughter.*

**Ms O'CONNOR** - Do you think I am warming you up for a big number?

**CHAIR** - I thought that you might have been thinking it is a big number. I saw your face when you looked at the page.

**Ms O'CONNOR** - Are we able to table that attachment in terms of providing the detail of the information? I am very happy to give this to you. There are no commercial-in-confidence issues with this, are there?

**Ms BRESNEHAN** - I do not believe so.

**CHAIR** - There are no nods coming this way; there are a few blank looks.

**Ms O'CONNOR** - Thank you, Madam Chair. As at 19 May this year, the Department of Health and Human Services had entered into 24 contracts that were valued at over \$50 000 relating solely to Human Services. The total value of these contracts is approximately \$42 million, of which \$40 million represents building and construction projects in the area of Human Services.

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The consultancy spend there is around the fact that we have very, very significant sums of money, both from the State housing allocation and the economic stimulus package moneys, and they are all to be delivered in very tight time frames. So we have engaged consultants such as -

**Ms BRESNEHAN** - The majority of the consultancies are contracts for construction.

**Ms O'CONNOR** - The agency has also established or re-established five whole-of-agency contracts from which Human Services will benefit. These contracts include IT software development, building maintenance services, electronic letter services, short message services - that is what SMS stands for - accountancy and audit services. The agency also operates a number of common use contracts, enabling users to benefit from lower prices, streamlined processes and other benefits by virtue of the agency's collective purchasing power. These contracts include the provision of office consumables, refilled toner cartridges, photocopiers and waste removal. The agency continues to increase the number of common use contracts that it manages. The engagement of contractors and consultants is undertaken in accordance of course with the Treasurer's instructions and local suppliers are actively encouraged to participate. The services of the Industry Capability Network are used to identify local suppliers.

**Mrs TAYLOR** - So that \$42 million is contracts and consultancies, not just consultancies?

**Ms O'CONNOR** - That is correct.

**Mrs TAYLOR** - Most of the building ones are actually contracts to construct?

**Ms O'CONNOR** - Yes.

**CHAIR** - I am happy to take those off your hands, Minister.

**Ms O'CONNOR** - Construction, construction, construction. Sorry, Madam Chair. For example, we have here one construction contract: Rossiter Homes and Developments Pty Ltd, construction of five-bedroom dwelling in Burnie, effectively \$493 000. I guess those are significant sums of money but we are increasing the supply.

**Mr DEAN** - \$493 000 for what?

**Ms O'CONNOR** - For five units of accommodation, just to clarify. It is exceptional value.

**Mr DEAN** - Can I get a job like that? \$493 000 for consultants of four units?

**Dr GOODWIN** - It is all contracts including consultancies and such.

**Ms O'CONNOR** - Dr Goodwin, we will update this list and table it for you so you will have access to it.

**Mr DEAN** - There is a bit of whispering going on. Conflict of interest, confidentiality?

**Ms O'CONNOR** - As grants minister, I am completely committed to openness and transparency, but I also understand sensitivities around commercial information. I am advised that we will need to - although my strong desire is to go like that - check the veracity and update this particular list that I have been given. I will hand that to Ms Burchill for consideration.

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**Dr GOODWIN** - I suppose the crux of the issue that I think we were all interested in was the consultancies as opposed to the material in the contracts, if that makes it any easier to identify the -

**Ms O'CONNOR** - We will update it.

**CHAIR** - Thank you very much. Just before I move to Mr Dean, your 11-year-old probably would have known what SMS was.

**Ms O'CONNOR** - Yes, I know - and very good at it. My 11-year-old can also program the TV and make a DVD play, which I cannot.

**Mr DEAN** - I am not interested in what SMS is, but let me say I understand it.

**Ms O'CONNOR** - But I know you are interested in this area.

**Mr DEAN** - So the \$493 000 that has just been mentioned for these units on the north-west coast: what was the \$493 000 payment for? What service did you get for that?

**Ms BURCHILL** - Construction services.

**Mr DEAN** - The construction of -

**Ms O'CONNOR** - The actual building of five units.

**Mr DEAN** - This is the construction of five units. Right. That was a total cost of -

**Ms BURCHILL** - Yes, getting them.

**Mr DEAN** - Getting them built.

**Ms BURCHILL** - They are up and built with keys in the door.

**Ms O'CONNOR** - Half a million dollars, effectively, which is very good value for money.

**Mr DEAN** - Okay. The consultancy report has come in. Just following up on a few others so I understand that, so the staff level will stay the same within your departments - your areas?

**Ms O'CONNOR** - Mr Dean -

**Mr DEAN** - Any decreases because of the budget cuts? That is what I am saying.

**Ms O'CONNOR** - We are working through the budget savings implications in Human Services.

**Mr DEAN** - What are they?

**Ms O'CONNOR** - As every government agency is.



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**Mr DEAN** - What are the implications of the budget savings in your areas?

**Ms O'CONNOR** - Within Human Services there will be implications, but at this stage I am not prepared to quantify them because there is a significant body of work that needs to be undertaken first in consultation with staff.

**Mr DEAN** - What areas are you considering for budget savings?

**Ms O'CONNOR** - We are looking, across all of Human Services, at the way our businesses operate. This is a process that is being taken very seriously by senior management. I am not going to get into a numbers game, if you like, here and now because it would be speculative and it would be disrespectful to the great people I work with in Human Services.

**Mr DEAN** - What about this question, then: when are those budget savings to commence from? When is the commencement date of your budget savings? As I understand it, you did not make them for this year.

**Ms O'CONNOR** - Yes.

**Mr DEAN** - So when will you see those changes kick into gear so that you can make the budget savings across your department that you are required to make? I thought you would have been well into that by now.

**Ms O'CONNOR** - Yes, we are operating within this Budget year as defined within this Budget. So the savings need to be found within this year. We have already started -

**Mr DEAN** - And next week we kick into the next year.

**Ms O'CONNOR** - Sorry?

**Mr DEAN** - And next week we kick into the next financial year.

**CHAIR** - This week.

**Ms O'CONNOR** - I am talking about this Budget. The work has already started. I am talking to the director of Housing Tasmania tomorrow who is working through a process of identifying how the business operates. I really do not want to get into a speculative discussion about the potential human impacts of the savings that we need to find in Human Services, because I think it is disrespectful to the staff in Human Services.

**Mr DEAN** - When will you be in a position to release the details of the budget savings in your department?

**Ms O'CONNOR** - Mr Dean, it is a process that we are working through. I cannot do it this week, because the Budget has only come down. Our final budget will be delivered in Human Services in July.

**Ms BURCHILL** - End of July.

**Ms O'CONNOR** - End of July, so we have across Health and Human Services - and I am

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not sure if you have had yet a chance to speak to the Minister for Health around -

**Mr DEAN** - No.

**Ms O'CONNOR** - No. So the savings task across Health and Human Services is \$100.2 million, and to deliver those savings - and I can only talk about my component of those savings - we have established a business control team to ensure there is an appropriate governance framework in place to achieve the required level of savings. We have established a business process redesign team to undertake a systematic evaluation of business efficiency and productivity and identify areas for improvement. We are working on changing the culture in the system, focusing the attention of all employees on the savings requirement and implementing efficiencies to reduce costs and resources in the longer term. There have been a range of administrative savings already put in place - in fact, going back some time now.

**Mr DEAN** - Can you give me a couple of examples of administrative changes that have been put into place that have made big savings?

**Ms O'CONNOR** - The way we use vehicles, our mobile phone usage - those kinds of relatively easy savings. We have reviewed the telecommunications policy and practice; suspended all non-essential conferences, travel and training; reviewed and rationalised our motor fleet; reviewed corporate travel arrangements to identify lower cost practice; reviewed key travel routes for transport, car, bus and pooling options; reviewed the use of videoconferencing facilities as a preferred option - and I had a national ministerial council meeting the other day on the telephone; not that that relates to this, but there are other ways of doing business; and reviewed the need to print the *Government Gazette*. The actual savings in dollar terms - this is across DHHS, not just in Human Services; so across the department - is \$3 million to \$4 million within the department through savings in staffing and administrative costs; a number of savings from the motor vehicle fleet due to a reduction in the number of motor vehicles since the last financial year of 28, providing an ongoing annual savings of \$350 000 per annum; a reduction in the cost of rental vehicles, dropping from \$542 000 in 2009-10 to \$350 000 in 2010-11; no new purchases of operational motor vehicles; and encouraging the use of videoconferencing and teleconferencing. The average monthly telecommunication cost has reduced by \$20 000 over the last two quarters. It all adds up. So these are in an administrative sense relatively easy changes to make but can have a significant impact on our savings bottom line.

**Mr DEAN** - Thank you for that. I will just go down to a couple of other things, if I can. Leave entitlements and long service leave, where are you at with that in your department?

**Ms O'CONNOR** - I am going to seek some advice on that.

**Mr DEAN** - Long service leave in particular.

**CHAIR** - Mr Wing has left the committee well served in his knowledge of what is required in terms -

**Ms O'CONNOR** - In terms of providing information?

**CHAIR** - Yes.

**Ms O'CONNOR** - It is good. You should not give Mr Wing all the credit, Madam Chair.

**CHAIR** - No, he has been very vigilant.

**Mr DEAN** - I do not think I got it from Mr Wing.

**Ms O'CONNOR** - That is what I was saying. In terms of leave, from 21 April 2010 to 22 April 2011, 33 employees - for example, access to the 12 weeks paid maternity leave. Of the employees in the portfolio of Human Services and Children - so again, I am not responsible for the Children's portfolio - who accessed paid maternity leave in that period, allied health professionals at 52 per cent were professionally the highest usage followed by employees on the Health and Human Services award at 42 per cent. An analysis of the level of personal leave, which includes sick leave and carer's leave, shows that the rate of sick leave has increased marginally from 4.36 per cent for the year ending 30 June 2010 to 4.5 per cent.

**Mr DEAN** - Percentages do not really mean a lot.

**Ms O'CONNOR** - You want dollars.

**Mr DEAN** - So, yes, in dollar terms, in people terms.

**Ms O'CONNOR** - We might take the dollar-for-dollar question on notice, if you do not mind, Mr Dean.

**CHAIR** - What about the numbers question? Are you interested in the numbers?

**Mr DEAN** - And the numbers. I said that - the numbers and the dollars. That is the important thing so that people can relate to it rather than a percentage. With percentages, you could give all the details and make sense of it, but without them it does not.

**Ms O'CONNOR** - Yes.

**Mr DEAN** - The other thing was sick leave as applies to workers compensation. A workers compensation question was asked - so the numbers of having sick leave and the amount of days taken in sick leave in the department.

**Ms O'CONNOR** - Mr Dean, in dollar terms?

**Mr DEAN** - In days here - the cost to the department. I think in Custodial Services there is about 13 days sick leave per person and in other areas it is about five days, or six days.

**CHAIR** - Minister, before you answer that question, I might just get a clarification in relation to the leave entitlements. We do not need the whole Health and Human Services Department; we only need just your Human Services. Is that all right?

**Ms O'CONNOR** - Do we have the specific breakdown? We will ask for it and provide that information to you.

**CHAIR** - We do not need the whole lot.

**Mr DEAN** - If it is too difficult to break it down, then you can give us the lot. But if you

can identify that for your department.

**Ms BURCHILL** - I do not think it should be too difficult.

[10.00 a.m.]

**Mr DEAN** - The next one: harassment and bullying complaints. Are there any of those within the department?

**Ms O'CONNOR** - None that you are aware of within Human Services?

**Ms BRESNEHAN** - No.

**Mr DEAN** - The other one was interstate and international travel for the 12-month period.

**Ms O'CONNOR** - We have reduced the amount of interstate and international travel.

**Mr DEAN** - You mentioned that, but I just want to know the amount in dollar terms and the number of interstate travels and international travels.

**Ms O'CONNOR** - No international travel within Human Services.

**Mr DEAN** - That is good. Well done.

**CHAIR** - You are probably a bit disappointed about that.

**Ms O'CONNOR** - These are not the times for international travel, Madam Chair. We do have some numbers here. This is specifically in Human Services and Children. We cannot separate out Health, Human Services and Children. Again, the figures do not reflect my discrete area within the department - that is, Human Services - so I am talking across the department.

**Mr DEAN** - Your area. Can we have the details for your area as well then - for you?

**Ms O'CONNOR** - So the whole agency staff's travel budget as at 30 April 2011 was \$847 000 for 2 479 bookings - that is across the whole Department of Health and Human Services - in comparison to the previous year. Is that what you were going to ask me?

**Mr DEAN** - Well, comparison with the last year. I was certainly going to ask that. But also can you break that down to just your department? You should know.

**Ms O'CONNOR** - I am not sure that we can. It is all centrally managed.

**Mr DEAN** - But you would have a budget for this area within your department.

**Ms O'CONNOR** - It is an agency. I think the issue here is that it is an agency controlled area.

**Mr DEAN** - I understand that, but I would have thought that as the Minister you would have wanted to know just what interstate travel and international travel is occurring within the departments you are responsible for.

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**Ms O'CONNOR** - I am actually confident that the department, within Human Services, is working very hard to contain its domestic travel costs and we are doing more teleconferences and other ways of doing business which we actually should be doing even in more prosperous financial times. We should not be jumping on a carbon-intensive aeroplane every time we need to do some business with people interstate.

**Mr DEAN** - So you will be considering whether you can get those figures for us?

**Ms O'CONNOR** - You want the domestic and international air travel figure specifically for Human Services? Mr Dean, I will seek to provide that information to you.

**Mr DEAN** - Thank you, and compared to last year, if you can. Now, if I can ask you a couple of questions on disability services. Is it fact that we have had some disabled persons waiting for disability packages on the list for 12 years? Is that right?

**Ms O'CONNOR** - Well, I would say that there are people who have been on the waiting list for extended periods, and it is important to recognise here that there are varying levels of need and our budget is allocated towards those highest priority clients, if you like, of disability services.

**Mr DEAN** - So are you telling us that, if you are continuing to get those higher care persons requiring these services, those who have been on that waiting list for 12 years could be there for the next 20 years?

**Ms O'CONNOR** - Mr Dean, the first thing I would say to you is that I am not personally aware, and Mr Bresnehan is not either, of a person who has been on the ISP waiting list for 12 years. I will talk about one case, for example. I will not name the individual, but I met with this young person and his family on the east coast last month and they are on the waiting list for an ISP. But the reason, if you like, that they are not at the higher end of the priority is that he is in a loving, supportive environment and unfortunately, because of where they live, there is a limited access to disability services. So there is an example of a client who at this stage in their life is in a very good environment.

There are supports being provided, but that is an example of someone who is on the list who does not have the same intensity of need as others whom we prioritise in the allocation of the funding. If you can provide me with an example of a person who has been on the ISP waiting list for 12 years I would be really interested to hear of that case or cases - if you believe there are cases - but I am certainly not aware of someone who has been waiting that long.

**Mr DEAN** - I have taken the liberty of taking it from a press cutting and we know that all press releases are right.

**Ms O'CONNOR** - Well it must be true, Mr Dean, if it is in print. I am sure that is spot on - not! We are definitely happy to follow that up.

**Mr DEAN** - Most press releases are right. They are accurate, to be fair to our journalists.

**Ms O'CONNOR** - Most news reporting is accurate?

**Mr DEAN** - Most.

## UNCORRECTED PROOF ISSUE

**Ms O'CONNOR** - Most is accurate. It might be a question of balance and a prioritisation of information in the press reports.

**Mr DEAN** - You can argue content at times.

**Ms O'CONNOR** - You can also argue accuracy.

**CHAIR** - I think we have had enough down that path, thank you.

**Mr DEAN** - The other position I wanted to take up with you is that those who have acquired disabilities through horrific injuries and so on. What support are they given through the State in that area? One who comes to mind is a 26-year-old who recently became a quadriplegic, was it not, member for Rosevears, as a result of a diving accident? He is now in a position where he has to be supported by his family. The family are struggling to provide that support with the changes to the home and so on. Where do they fit into the State position? Is there State support for them?

**Ms O'CONNOR** - Well, of course there is. Are you talking about people who have catastrophic injuries or acquired brain injury as a result of an accident?

**Mr DEAN** - A catastrophic injury involving a neck/back injury.

**Mr FINCH** - A low-level quadriplegic.

**Mr DEAN** - Someone who is now dependent on his family for support and assistance and so on. It is a sad case. The example I give is a Launceston boy of 26 years of age, I think, from memory. As I said, his family are trying to look after him. He has been retained in the hospital system for a long, long period and is seeking Government support. I want to know how that is done. How do we seek that? What do we do for him?

**Ms O'CONNOR** - I think I am aware of the specific case.

**Mr DEAN** - He used to work at the *Examiner*, I can say that. The *Examiner* has supported him wonderfully well; there is no doubt about that.

**Ms O'CONNOR** - I believe that the Gateway is working with his family. He is in hospital care at this point receiving excellent care within the hospital. Again it is a question of the funds that you have to provide the care and support that people need. For example, we have the excellent facility at Danina Street, Chigwell, which is for people who have severe disabilities and provides really comprehensive support there. We also fund - I am sure this is a subject of significant interest to members from Launceston - an organisation like Eskleigh. We fund Eskleigh to provide care and support to Tasmanians living with disability, a number of whom would have had an acquired disability.

**Mr DEAN** - That was going to be my next question - what have you done for Eskleigh? - but keep going.

**Ms O'CONNOR** - I am very, very happy to answer questions about Eskleigh.

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**Mr DEAN** - We can keep going on this one first. This youth is being kept within a hospital system where, as I understand it, the costs are quite high.

**Mr FINCH** - He is in Royal Talbot, I think, at the moment, coming back to Launceston soon. He will need to stay in the hospital system, because there is no care package available, at \$1 000 a day.

**Ms O'CONNOR** - That is right. His mother has written to me.

**Mr FINCH** - Yet a care package that they can arrange would be \$600 a week.

**Ms O'CONNOR** - Yes, I understand. But, Mr Finch, as you would be aware, the funding of hospitals is a matter for the Minister for Health and it is an apples and oranges equation, if you like, because the funding is dedicated to the facility to provide that care. Within Disability Services we seek to provide the funding to the individual to support them through their transition out of hospital, if you like. But we are very aware of this specific case and are working with the Gateways to prioritise that young man's needs and his family's needs.

**Mr DEAN** - Riverside Lions Club have been absolutely wonderful here in trying to support the family as well. That is great.

**Ms O'CONNOR** - Tasmanians are very big-hearted people.

**Mr DEAN** - If I can just quickly ask about Eskleigh - when I say quickly, it is an important issue - and St Giles as to the support provided to these organisations. Is the Eskleigh situation now in a manageable position and what was the funding at the end of the day that was provided by the State?

**Ms O'CONNOR** - Members would be aware that Eskleigh came to me as Minister with a request for an extra \$364 000 in funding. Our department worked with Eskleigh to identify its income and costs across the services that the Eskleigh Foundation provides. We identified a surplus of \$123 000. Eskleigh's deficit was identified at \$384 000. The Government funds Eskleigh in total to the tune of - what is the total? It is quite significant. I will just get that figure. It used to be very front of mind for me, Mr Dean, when this issue received public attention. The current funding for Eskleigh is just over \$3 million. Eskleigh delivers a range of services, significantly Government funded. So in a time when our disability budget is very, very tight I thought it was important that we identified whatever small pool of surplus that there was in the quantum of Eskleigh funding from the State and that surplus was \$123 000. So we offered Eskleigh \$261 000 which, when added together, met their cost requirement. Eskleigh accepted that funding. I do understand that Eskleigh provides an outstanding service and is a really important part of the system and they are under ongoing and significant cost pressures. The department is working with Eskleigh to try to resolve those issues.

**Mr DEAN** - As I understood it, that surplus was for the purposes of new buildings or additions to their premises to house and support more disabled people.

**Ms O'CONNOR** - Well, Mr Dean, that surplus, fundamentally, is money that belongs to the taxpayers. It is at the department's discretion, if you like, to retrieve that funding or to allow disability service providers at the end of the financial year to spend it on not necessarily new buildings, but there might be some equipment requirements or other expenses. But at the end of

the day we are operating an extremely difficult disability budget and when there is a surplus there to the Eskleigh Foundation of \$123 000 of taxpayers' money then that money in these tight times was rightly absorbed into the amount that we gave to Eskleigh. So we actually met their funding request.

**Mr DEAN** - As a result of this case - Eskleigh's case - is it the position now moving forward that Eskleigh and those providing these services will not have to go through the traumas in relation to these funding issues annually? Have you a position now in place that has ruled that out and that that does not have to happen?

**Ms O'CONNOR** - The long-term goal, or the goal in the disability budget, is to get it onto a sustainable footing. We all know it is not at that point yet. I am in regular conversation with the CEO of Eskleigh, Dale Luttrell, for whom I have enormous respect. I have looked very closely at their historical funding questions. I know we have an underlying issue here - I recognise that - which is why the department is working with Eskleigh on a path forward. But it is not just Eskleigh that is under pressure here in the sector. We fund somewhere around 97 -

[10.15 a.m.]

**Mr DEAN** - St Giles is another one, obviously in the Launceston area.

**Ms O'CONNOR** - Yes, Ms Bresnehan has just told me that we are not aware of an extra funding request from St Giles. But on an ongoing basis, as Minister, I have put before me a request for additional funds from a range of service providers and we seek to meet them each year on a case-by-case basis. But you are right, Mr Dean: there are structural challenges within the Disability budget that we are working very hard to resolve. Now, part of it will be resolved through the move to unit pricing, where we identify the cost price of delivering a particular service and it is clear and it is transparent and understood, and Government meets that unit price. There should be a lot less pressure within the system when we get the unit pricing system rolled out in Disability Services. I acknowledge the substance of your question, and I would like to reassure you that we are working very hard through the application of unit pricing but also through our negotiations and discussions with organisations like Eskleigh around their ongoing viability.

**Dr GOODWIN** - I need to declare an interest before I ask this question. I am on the board of Cerebral Palsy Tasmania and it is in that capacity that I have become aware of this particular issue.

**Ms O'CONNOR** - That is very open and transparent of you, Dr Goodwin.

**Dr GOODWIN** - It concerns wheelchair breakdowns. I have been told that there is no service available outside of working days or hours for repairing wheelchair breakdowns that occur on weekends or public holidays. As a result, people can be confined to their beds, I suppose, if wheelchairs break down on a public holiday or a Saturday or Sunday. I am just wondering whether that is in fact the case. Is that an issue that is being looked at?

**Ms O'CONNOR** - As we improve the Community Equipment Scheme, I believe some of these issues will be resolved.

**Ms BRESNEHAN** - We are not aware of it as being an issue.



## UNCORRECTED PROOF ISSUE

**Ms O'CONNOR** - It has not been raised with me.

**Dr GOODWIN** - As I understand it, one of our board members has actually written to you on this.

**Ms BRESNEHAN** - I am happy to follow it up and have a conversation.

**Dr GOODWIN** - I think it was maybe a week or two weeks ago.

**Ms O'CONNOR** - A week or two weeks ago?

**Dr GOODWIN** - It is in the system?

**Ms O'CONNOR** - I certainly have not seen it; nor has the department or my adviser in this area. I will take it really seriously and I will follow it up with you and actually, post estimates, I will come and have a conversation with you about the issue - what we know about it and what mechanism there might be for dealing with it.

**Dr GOODWIN** - I would appreciate it, because it does sound like quite a significant issue. Just a minute ago you did turn to acquired brain injury. I did want to ask you some questions about that. Is there a whole-of-government response to brain injury being developed?

**Ms O'CONNOR** - What I would say is that we are certainly moving in that direction. The, I believe, quite significant shift here was in the redefinition of disabilities in the Disability Services Bill where, for the first time, we included cognitive impairments. So that is recognition of people with acquired brain injury. I have had, as I am sure you have, a number of meetings with the Brain Injury Association of Tasmania around developing a whole-of-government response. We provide recurrent funding of \$1.646 million for people with acquired brain injury and other disabilities for information provision, referral and support services including help with aspects of daily living such as personal care, meal preparation and community access. We also provide funding to the peak body of the Brain Injury Association of Tasmania. I acknowledge that the peak body is underfunded, like many peak bodies are underfunded. For the amount of funding that BIAT receives, they do outstanding work. I recognise the value of that work in policy development and advocacy. We also fund Headway North West, Headway Support Services South, Tasmanian Acquired Brain Injury Services and the National Stroke Foundation for other services.

In addition to these specific services, people with an acquired brain injury may access a range of other specialist disability services. So they are not treated differently because they are an ABI client; they are a person living with a disability who needs supports. They may access a range of services such as supported accommodation, day support and respite. People in Tasmania who - and this may go in part to Mr Dean's question - acquire a brain injury through road trauma are generally supported through the Motor Accidents Insurance Board which is a contractual arrangement with Anglicare Tasmania to provide support following a compensable injury. Additional accommodation services for people with an acquired brain injury have recently been provided through Housing Options Providing Extra Support group - and that is the wonderful HOPES facility at Moonah - and the Young People in Residential Aged Care Project in Tasmania.

We are also in discussion with BIAT around how the department might work closer with the Brain Injury Association on strengthening the policy in this area. I have to say I do sit down with

Deborah Byrne on a semi-regular basis to talk about how we can improve the response. BIAT produced a landmark report maybe three years ago now around the extent of brain injury throughout our system. One of the focuses was on the impact on our corrections system. So we worked with the adviser for the Minister for Corrections to make sure that brain injury got a specific reference in the *Breaking the Cycle* report. We have referred to Community Development the issue of brain injury for the consideration and development of the Disability Framework for Action. So there are positive steps being taken around a whole-of-government response. There are a range of services provided to people with an acquired brain injury and we will continue to work with BIAT on making the system fairer for people living with ABI.

**Dr GOODWIN** - And you did acknowledge that they were underfunded, as many other organisations are, because I think they have not received a funding increase since 1999, according to Deborah. So they do an amazing job.

**Ms O'CONNOR** - They do outstanding work. Although there has not been an increase to the core funding, we do provide indexation each year to BIAT.

**Dr GOODWIN** - And some project funding presumably. Are you able to tell me the total amount spent on children's therapy services in the last financial year?

**Ms O'CONNOR** - You are not specifically speaking about autism services, though?

**Dr GOODWIN** - Broadly.

**Ms O'CONNOR** - Broadly in the disability sector?

**Dr GOODWIN** - Autism is a start, I guess.

**Ms O'CONNOR** - There are a range of Tasmanian Government services provided through DHHS and DoE. It is really important to acknowledge that one of the core responsibilities here is in the Department of Education. Children's therapy services are for children with disabilities, including young children on the spectrum. In 2010-11, members may be aware that we secured an extra million dollars for autism support and funding to Autism Tasmania for training and support over four years. This funding has been allocated to provide a range of additional early intervention supports for children living with autism and their families. All of the research tells us that early intervention is vital and that is the focus of our work in this area.

In 2010 we provided recurrent funding of \$125 000 a year to Autism Tasmania over the next four years to deliver early outreach support to children and their families and to coordinate professional learning across the State for a range of providers. The professional learning focus is on early screening, case management and transition planning so that parents can get help in accessing the range of services that are available. In addition, after careful analysis of needs and service gaps, a further recurrent allocation of \$70 000 was made to Autism Tasmania to provide information, referral and access to respite for families with children on the spectrum and to complement, if you like, current services and projects. We are also providing an additional recurrent \$55 000 to enhance support for families at a time when their children are undergoing diagnostic assessment. This funding complements a range of services that are provided by Commonwealth and State Governments.

I have some information here on speech therapy services which you may be interested in. I

will just briefly go through some of that. Speech therapy services in Tasmania for children are provided through DoE. The Department of Health and Human Services funds providers in the community sector such as St Giles and private speech pathologists. The Department of Health and Human Services, through the Royal Hobart Hospital, provides specialist speech pathology services for all preschool aged children with feeding problems, including babies under 12 months. It also provides a specialist multidisciplinary consultative service for children of any age who are tube fed or who require specialist assessment or intensive treatment options for their long-term care and support. This service provides access to specialist speech pathology, dietetics, nursing, medicine, psychology and other services and includes the capacity to admit children for intensive feeding management.

We also fund St Giles to provide community based and centre based speech pathology services in southern Tasmania. Those services can be found at Clarence, Brighton and Kingston community health centres or at St Giles's Newtown base. St Giles are also in discussion with the New Norfolk community and the South East Tasmanian Aboriginal Corporation about speech pathology needs for children in those areas. In the north, the agency funds St Giles to provide centre based speech pathology services for children with a range of speech and language needs. St Giles have two additional speech pathologists in northern Tasmania funded by the Commonwealth's Communities for Children program. This is not my responsibility because I am fortunately not the education minister at this stage, but the Department of Education -

**CHAIR** - You might be able to speak to him, though, about some issues.

**Ms O'CONNOR** - Yes, I might. The Department of Education employs a number of speech pathologists in their four learning services to provide speech and language services for school-aged children, and the North West Area Health Service provides speech pathology services for children in hospital and in the community. So there are a range of therapy and early intervention services that are available. Of course, a number of these will be coordinated through the Gateway.

**Dr GOODWIN** - Who collects the waiting list data? Does that come under your portfolio?

**Ms O'CONNOR** - Waiting list data for?

**Dr GOODWIN** - Speech therapy or occupational therapy or anything like that.

**Ms O'CONNOR** - In those specific areas I am not exactly sure. I will get some clarification. The data is generally handled through the Gateway services. We do have some consultancy figures that we can table here - which is a beginning, and I am happy to put that on the table now - which relate to two specific consultancies to a total of a little under \$400 000 around remote Indigenous housing and system reform implementation services, the KPMG consultancy on our pricing framework, which, for example, was a \$230 981 consultancy. It is an outstanding body of work. I have made a summary available to the sector, but we are also taking the unit pricing framework and proposals to the Budget Subcommittee.

**Dr GOODWIN** - Just on the question about the waiting list data and the Gateway, are you able to check whether you have data?

**Ms O'CONNOR** - Dr Goodwin, if you can make it really clear what waiting list data you want information on, we will seek to provide that to you.

## UNCORRECTED PROOF ISSUE

**Dr GOODWIN** - In terms of speech therapy and occupational therapy, is that the sort of data you keep?

**Ms O'CONNOR** - We do it for the services we provide. St Giles, I would say, has its own waiting list.

[10.30 a.m.]

**Mrs TAYLOR** - There is really a shortage of speech pathologists though.

**Ms O'CONNOR** - I think the shortage of speech pathologists is felt around the country. So it is an issue for all jurisdictions in terms of attracting qualified speech pathologists.

**Dr GOODWIN** - Are you able to -

**Ms O'CONNOR** - I am aware of an enduring, ongoing issue around that.

**Mrs TAYLOR** - And that affects waiting lists?

**Ms O'CONNOR** - Of course it would.

**Dr GOODWIN** - Are you able to provide us with whatever data you have for the gateway services that you provide so then I will know what you do not -

**Ms O'CONNOR** - We do not provide the services. We purchase the services, but you want waiting list data on families seeking speech therapy services for children?

**Dr GOODWIN** - Yes.

**Ms O'CONNOR** - We will make some inquiries for you, but I actually think that information is more likely to be held by St Giles or the DOE.

**CHAIR** - Is there any other data that you are looking for?

**Dr GOODWIN** - Just one, supported accommodation. Are you able to tell me how many people are on the waiting list for supported accommodation?

**Ms O'CONNOR** - Too many, Dr Goodwin. I do know that we are, in a capital works sense, in the process of delivering another 15 supported accommodation places. Up to June 2011, 40 new supported accommodation places have been achieved in Tasmania, which is 42 per cent of the total target of 96 to be achieved in 2012. This is an area in the Disability budget where there has been considerable pressure and I am really interested in looking at some alternative models around supported accommodation. We have rightly moved out of Willow Court, Royal Derwent and moved into a group home environment. Many of those group homes are quite small, usually, for clients with the supports attached but we have other models that we can look at like HOPES. That was an excellent example of the marvellous Sue Hodgson, who was my former chair of MDAC and a long-time advocate for people living with disabilities. She brought together housing and disability services and we at Housing provided the homes, which is the Laetare Gardens. Have you been out there for a visit?

**Dr GOODWIN** - No.

**Ms O'CONNOR** - It is really worth a visit. It is a lovely community of people living independently in their homes. I have a friend with cerebral palsy who is an artist who lives there. He has an individual support package. But at HOPES they have the homes and individual support packages and there is enough flexibility within that little community that they can share some care. So when people need more care, there is more provided. That is a really good model of supported accommodation. Also last month I was up in Burnie at the opening of Optia's new units. I think there are 20 units. I should have asked you, Mr Gaffney.

**Mr GAFFNEY** - It is wonderful.

**Ms O'CONNOR** - It is fantastic. Again, that is an example where you are creating a community - it is not a group home - and that model can work really well for some people. But there are other people who might want to live in a community and have a range of supports and have the flexibility to share those supports. I am really interested in working out how we can work with the department and the sector about how we can look at different models around supported accommodation because the supported accommodation performance outcome gives me no pleasure whatsoever. That is why we need to look at other ways of delivering supported accommodation. I was talking to one service provider who has been given a block of land in Port Sorell for a potential supported accommodation facility. They are looking now at how to access whatever funds might be available to deliver that. That again would be a larger community of supported accommodation facilities because it enables people to live more independently but, at the same time, to be connected and to have that care and support.

**Dr GOODWIN** - So the number on the waiting list?

**Ms O'CONNOR** - The number on the waiting list is too high. In relation to the total waiting list at this stage, the data received from the four gateways indicates that as at May this year 75 clients were waiting for supported accommodation services in Tasmania, 25 people in the north-west, 11 in the south-east, 27 in the south-west and 12 in the north-east. So that is still a significant number of people who are waiting for supported accommodation, and that is a challenge within our Budget as we go forward.

**CHAIR** - Thank you, Minister. I now take the opportunity to break for morning tea and I ask everyone if they would like to return to the table ready to begin on Housing at 10.50 a.m. Thank you.

**The committee suspended from 10.35 a.m. to 10.55 a.m.**

**CHAIR** - Welcome back to the table. Before we leave Disability Services, Dr Goodwin would like to ask a question in relation to elder abuse.

**Dr GOODWIN** - Yes, I think this is an important area and I did not want to miss it out. Minister, you mentioned legislative change -

**Ms O'CONNOR** - Sorry, legislative reform.

**Dr GOODWIN** - Yes, as being one of the things you are looking at. There has been a cut, as you mentioned. What has been spent to date on the Elder Abuse Prevention Strategy and how far away might legislative reform be? These are the two questions.

**Ms O'CONNOR** - Okay. The first thing I would like to do is reiterate to the committee that Tasmania, until now, has been the only Australian State without an elder abuse prevention strategy. This was a key election commitment of the Greens and we were able to deliver on it on going into government. Last year in the Budget \$2.6 million was allocated for the development of an elder abuse prevention strategy. We have now a strategy in place, which we are now having to deliver in a more constrained budgetary environment. Even before the Budget came down I spoke to a number of key stakeholders in the elder abuse prevention space about the fact that we have copped a savings hit in this area and that we are going to need to work very strategically and intelligently - there is such a word - to make sure that we deliver on the strategy.

The core point here is that it is estimated that around 3 000 or 4 000 Tasmanians are at risk of physical, financial, or emotional abuse. At this stage there is insufficient legislative protection for those Tasmanians. In fact, there is an insufficient level of understanding within the community about what elder abuse is and how to identify it. So through this strategy we are seeking to remedy that, if you like. This strategy is being delivered over the course of this government.

What we have had to do, given the funding issue, is bring forward the legislative reform agenda, because if you get the legal framework in place then you have that there as your bedrock and then you can start investing in your advocacy services and your training services. So we are absolutely committed to the delivery of an elder abuse prevention strategy. Elder abuse is - let us call it for what it is - a crime and it is happening right now in Tasmanian households. I am sure you have met people who have experienced elder abuse or have met people who love someone who has experienced it. All criminal offences committed under the term of elder abuse are currently covered in existing legislation, under the Criminal Code Act 1924.

A law reform and legal support working group has been convened as a subcommittee of the elder abuse advisory committee. They met earlier this month. There are four acts involved. I have a meeting with the Attorney-General next week around the legislative review program, because these are not my acts. So I will have to work very closely with the AG. There is the Family Violence Act 2004, the Powers of Attorney Act 2000, the Guardianship and Administration Act 1995 and the Criminal Code Act 1924. So that is the framework of the legislative package that we will be discussing and that I aim to take to cabinet in the coming months with the Attorney-General, obviously.

In terms of the actual dollar spend so far, I have some advice here. The total that has been spent out of the allocation so far is \$180 000 and that includes salary and wage related expenses, set-up costs and office costs and the research phase of the community awareness campaign, which is the highest cost in the expenditure so far of \$109 000. A budget of \$360 000 each year over three years has been confirmed in this Budget.

**Dr GOODWIN** - Does the \$180 000 include a dedicated person?

[11.00 a.m.]

**Ms O'CONNOR** - Yes. We have some many months ago employed a policy coordinating officer in this space.

**Dr GOODWIN** - The money that has been spent on the research phase, is that -

**Ms O'CONNOR** - That is a consultancy.

**Dr GOODWIN** - Right. Thank you.

**CHAIR** - Mr Dean has one final question and then we really do need to get into Housing.

**Mr DEAN** - And it might not relate to your area, Minister, so you will certainly tell me that very quickly. It is the national injury insurance scheme in relation to disabilities and so on. Is that something that fits into your area?

**Ms O'CONNOR** - It is not specifically relating to my portfolio, but this is another matter that is being considered by the Productivity Commission in parallel with the NDIS.

**Mr DEAN** - That is right, in parallel with the NDIS. But that does not impact on your portfolio?

**Ms O'CONNOR** - It may well have impacts on my portfolio area, but it is not in Disabilities. I am specifically looking at the Disability Insurance Scheme.

**Mr DEAN** - Right.

**CHAIR** - Thank you, Minister.

**Ms O'CONNOR** - I would just like to clarify - and it is a matter that was raised by Dr Goodwin around access to wheelchair repairs out of hours. We do not have a record - we have checked - of that letter in the system as yet. So if you want to follow that up, it may well be arriving.

**Dr GOODWIN** - Yes, I will. I think it was sent - I have just checked my email record - probably two or three weeks ago.

**Mrs TAYLOR** - I received a copy.

**Dr GOODWIN** - I have not actually seen the copy.

**Ms O'CONNOR** - If at all possible, if you could provide a copy of that to me some time today that would be really helpful. I obviously do not keep track of every letter that is coming in all the time, but they will inevitably come to my attention.

**CHAIR** - They will after today.

**Ms O'CONNOR** - My word.

### **3.4 Housing Services -**

**CHAIR** - Thank you. We will now move into 3.4, Housing Services, and I will invite Mrs Taylor to begin.

**Mrs TAYLOR** - Thank you, Chair. I would like to start off by asking for perhaps a deeper explanation of your words 'strategic reprioritisation asset related expenses'.

## UNCORRECTED PROOF ISSUE

**CHAIR** - I had that question down as well, Mrs Taylor, so well done.

**Mrs TAYLOR** - Does it mean a deferral of maintenance or a decrease in maintenance?

**Ms O'CONNOR** - Fundamentally, it is about spending our maintenance dollar smarter in a time when we have to find savings in the Budget. Our annual maintenance budget is at around \$46 million - is that right?

**Ms BRESNEHAN** - 35.8.

**Ms O'CONNOR** - \$35.8 million. In the last year we have conducted a property assessment survey - like an audit - of all Housing Tasmania properties and identified the maintenance needs across the portfolio. That is the first time that has been done and is actually a smart way of making sure that we are spending our maintenance dollar effectively.

We are doing much more proactive maintenance. So rather than a maintenance schedule, which is very reactive and based on a phone call about a leaking tap or a door that is broken, we are now identifying properties for significant maintenance upgrades. We may do a kitchen upgrade or a bathroom upgrade and at the same time what we are doing now is looking at the energy efficiency issues around those properties. I am aware of one property in the north of the State - and this has only come to my attention through a constituent issue - where there has been a large maintenance investment in the home on a proactive basis and there has also been an investment in the energy efficiency of the home. So, yes, the simple answer to your question is that the maintenance budget has been trimmed this year but we have brought the maintenance liability down. I think it is now at \$98 million. So we are working really hard to make sure that we are doing maintenance effectively. But I acknowledge that there are some Housing Tasmania tenants who are very frustrated with maintenance. I hear from our tenants regularly.

**Mrs TAYLOR** - How long it takes to get a dripping tap fixed and that sort of thing?

**Ms O'CONNOR** - That is right.

**Mrs TAYLOR** - So it is not just maintenance; it is also, as you say, renewing a kitchen or putting gas on?

**Ms O'CONNOR** - Yes. It is important to understand that the whole Housing portfolio is valued at \$1.8 billion. It is a very large portfolio, and relative to that we have a \$98 million backlog, if you like, in maintenance. But we are dealing with properties many of which were built three decades ago.

**Mrs TAYLOR** - In the sixties.

**Ms O'CONNOR** - And, to put it bluntly, built on the cheap and not a high-quality construction or of high-quality construction materials. Part of the challenge within our maintenance portfolio is dealing with really old stock that over time deteriorates and requires more maintenance.

**Mrs TAYLOR** - There is also a certain degree of vandalism. Do you have performance indicators for the waiting times and the frequency of maintenance?



## UNCORRECTED PROOF ISSUE

**Ms O'CONNOR** - We respond to maintenance repairs in accordance with the provisions of the Residential Tenancies Act 1997. For priority 1 - and that is an emergency - we respond within four hours. For priority 2 - and that is urgent - what might fit into an urgent classification?

**Ms BRESNEHAN** - An emergency might be an exposed wire or something and urgent might be a broken window or something like that that needs to be repaired.

**Ms O'CONNOR** - So that is within 24 hours. For priority 3, semi-urgent, we respond within 48 hours; for priority 4, special repairs and special client needs, within seven calendar days; for priority 5, just general repairs, within 28 calendar days. So you can see we are prioritising the most immediate maintenance concerns, as we should, and vacation maintenance - which is maintenance that we routinely conduct on a property as it is vacated in order to prepare it for a new tenant - is generally conducted within eight working days.

**Mrs TAYLOR** - Anecdotally speaking we hear all the time, particularly in the press - but it is also true - that when a property is vacated and sits vacant for a number of days and weeks, as they often do, the repair bill is frequently very high, because while the house is empty there tends to be vandalism and so on. What sort of percentage -

**Ms O'CONNOR** - I do have numbers on vacant properties. While there is sometimes media attention given to a property that is vacant for what people perceive to be an extended period of time, we have pretty good turnaround times for vacant properties. That is because the demand for properties is so high and we are compelled to turn them around as fast as possible. But the median turnaround time for properties retented for the financial year to date is 26 days. There will be some that are turned around faster. There will be some that take longer. The national benchmark is 28 days, so we perform reasonably well at a national level. But there are some situations where, for example, a house may be substantially damaged as a result of fire or a domestic violence incident and they will require much more significant maintenance upgrades, and that means that they will take longer to get back into the system to provide a home for people who need one and of course that fundamentally affects our maintenance bottom line as well.

**Mrs TAYLOR** - So that is your KPIs.

**Ms O'CONNOR** - We have a few more numbers. At the end of April 2011, 116 retentable public rental homes out of a total of 11 339 within our portfolio were vacant, which represents 1.02 per cent of dwellings, and of those 106 were undergoing routine maintenance processes which occurs between tenants. A further 10 were undergoing major upgrading or redevelopment works.

**Mr GAFFNEY** - Minister, in the region of the north-west coast, say, you had a maintenance issue with one of your units. How does that work with working gangs on the north-west coast?

**Ms O'CONNOR** - We have a maintenance contract. So we have a head contract.

**Mr GAFFNEY** - Is that outsourced to whoever puts in the best tender? How does that work? Is the model that you have the most effective and efficient way? Are you reviewing your outsourcing arrangements?

**Ms O'CONNOR** - We have just reviewed the maintenance contractual arrangements.

**Mr GAFFNEY** - And you are satisfied that the arrangements you have ensure the quickest and most expedient time?

**Ms O'CONNOR** - That is what the review demonstrated. Perhaps Ms Bresnehan might like to elaborate further on that.

**Ms BRESNEHAN** - A number of years ago we had specific trade contracts and then we moved to a new model, which was a head contract model. We then tendered the whole maintenance budget out to four head contracts - one for each region. That was for a four-year period. It was coming up to the end of the four years, so we did a major review of whether or not we had actually got the model right. That came back saying that, yes, the model was right - head contracts were about right for Tasmania. Individual contracts were too detailed. Going to facilities management was too much. But their major recommendation was that we were spending too much effort, time, repeat effort, if you like, going back for small jobs and that we needed to move more to a planned response. That is why we have moved to try to bundle up the work rather than do reactive and responsive work. We are trying to bundle up the work to be more efficient, and that is where the minister has requested that we do energy efficiency things as we move to a more planned response. We are moving so that when we retender the contracts it will be requiring tenders around more planned responses rather than reactive. I could go into it for a long time, but that is a summary.

**Mr GAFFNEY** - In smaller communities, you know as soon as somebody moves out of a unit and the unit is not being cared for. It does seem to sit for a long time, but not overly. For example, I know some Councils do run 60 to 70 units and they do maintenance work on those units - elderly people's units - as par for the course.

**Ms O'CONNOR** - As do we.

**Mr GAFFNEY** - I am saying that there could have been some relationships there in smaller communities where they would be quite happy to take over that responsibility if that was the case to find some efficiency gains.

**Ms O'CONNOR** - So you are talking about having a more flexible, diversified approach to maintenance in some circumstances.

**Mr GAFFNEY** - Can I have a copy of the review that has come through so I can have a look at that?

**Ms O'CONNOR** - The results of the review.

**Mr GAFFNEY** - I think in some smaller areas it would be more effective to have people on the ground instead of maintenance workers having to travel.

**Ms O'CONNOR** - I do not necessarily disagree but I think you would find under the head contract model that you are sourcing local contractors.

**Ms BRESNEHAN** - That is the way it is meant to work.

**Mrs TAYLOR** - The next question I want to ask you is about TAHL, Tasmanian

## UNCORRECTED PROOF ISSUE

Affordable Housing Ltd. For both of us there has been an issue, in particular, with the very first project that TAHL intended and never carried out. You are now building a housing project in Moonah.

**Ms O'CONNOR** - Which particular one? The Hopkins Street project?

**Mrs TAYLOR** - The Hopkins Street one, which was the first of the TAHL projects some years ago to be lauded as, you know, that TAHL is -

**CHAIR** - This is the beacon. This is the shining light.

**Ms O'CONNOR** - That was Paul Lennon's vision for how to deliver a more diversified housing model that increased supply.

**Mrs TAYLOR** - It was actually the current Premier though who launched the project on that site at that time. I was certainly unhappy at the time because the local community and the local government really had not been consulted at all.

**Ms O'CONNOR** - Around the Hopkins Street development?

**Mrs TAYLOR** - Around the Hopkins Street development. So that is the background, I suppose. I have been interested ever since in seeing what has happened to TAHL. So, how much is being returned?

**Ms O'CONNOR** - How much of TAHL's portfolio?

**Mrs TAYLOR** - Yes, funds returned to consolidated?

**Ms O'CONNOR** - Well, 50 per cent of the TAHL funds.

[11.15 a.m.]

**Mrs TAYLOR** - So 50 per cent was unspent?

**Ms O'CONNOR** - The quantum of that is \$3 million. You would be aware, Mrs Taylor, that the annual allocation for TAHL was \$6 million each year and it was going in large part unspent and there were issues with TAHL's capacity to deliver on time and to budget. To be fair, I think TAHL was really hit hard by the global financial crisis and had a lot of trouble securing the workforce that it needed to deliver its properties. But it became very clear last year that the TAHL model, in the context of what we are moving into in the housing space which is a much longer community housing provider focus, was actually not delivering value for money. We did a very rigorous analysis of the TAHL model and its achievements, some of which were great. But in terms of value for money, my responsibility in the housing space is to make sure that the dollars we do have are maximised in the delivery of supply - extra homes - and we had really no choice but to wind up TAHL. That process has gone smoothly. As Ms Bresnehan has pointed out to me, in a technical sense we have not structurally wound up all that is TAHL, but there has been a handover process and all 120 properties are now being managed on behalf of TAHL by Colony Housing Choices, which is the joint partnership between Colony 47 and Housing Choices.

**Mrs TAYLOR** - Remind me how many houses were intended to be built?

## UNCORRECTED PROOF ISSUE

**Ms O'CONNOR** - I think it was 700 homes initially intended to be built by TAHL.

**Mrs TAYLOR** - So only 120 of those have been built?

**Ms O'CONNOR** - Within the time frame from 2005-06 through to the end of last year, that is right.

**CHAIR** - Can we have the figure on what it actually cost to date to deliver those 120 homes?

**Ms O'CONNOR** - We can get that information for you.

**CHAIR** - Because if they had \$6 million every year -

**Mrs TAYLOR** - I think they did not spend it every year, but I am not sure.

**Ms O'CONNOR** - No, they did not spend it every year and so what we were able to do, for example last year, out of the unspent TAHL funds - and we will maintain this - is the funding for the Private Rental Support Scheme and the Private Rental Tenancy Support Service which are really, really important components of providing support to people who need housing who are at risk of homelessness. But just in terms of the financial considerations, the Government originally allocated \$6 million or up to \$6 million per annum to TAHL to deliver 700 new homes. We will continue to honour the 120 lease agreements held by TAHL at an annual cost of around \$1.5 million in 2011-12. This includes the three per cent escalation provided for in the leases. The transfer of TAHL share rates is expected to save around half a million dollars each year and a cabinet decision, as members would be aware, was made to allocate TAHL funds to a community housing provider to support the increase in the supply of affordable housing.

This excludes funds already reallocated from the TAHL funds, including \$2 million to support NRAS, the National Rental Affordability Scheme, which is increasing supply of affordable housing in collaboration with the Commonwealth - that is a Commonwealth program; \$182 000 recurrent funds until 2020 to support 50 dwellings under NRAS managed by Community Housing Ltd; and \$4 million to support the Private Rental Support Scheme for 2010-12 over a two-year period. It is estimated that over the next four years around \$18 million of the \$24 million set aside for TAHL is available for allocation and a decision is required on whether those funds remain available.

**Mrs TAYLOR** - Thank you. That leads me into my next question. What is the department's strategy for increasing the stock of affordable housing?

**Ms O'CONNOR** - Mrs Taylor, I am so glad you asked.

**Mrs TAYLOR** - You have already mentioned the inner-city affordable housing program, which is great, but what other programs?

**CHAIR** - Minister, I know how much you love giving us a lot of detail, but I will remind you that that little thing works very nicely when we get lengthy answers.

**Ms O'CONNOR** - I have actually tried not to carry on too much.

**CHAIR** - I know you are trying your best, but I am mindful that we want to leave this area and head onto something else after lunch.

**Ms O'CONNOR** - Sure. As members of the committee I hope are aware, there has been an unprecedented investment at Commonwealth and State level in increasing the supply of affordable housing. I have said this - I have been out to many, many openings of new units of accommodation delivered under the ESP and under Tasmania's housing fund and other programs - but we have, for example, this year a housing capital expenditure budget of \$68 million from a range of sources. Funding sources for this coming financial year include the housing program of \$29 million, including the National Partnership Agreement on Social Housing. Of that \$29 million, the social housing agreement is \$4.6 million, the National Partnership Agreement on Remote Indigenous Housing is \$4.4 million and the general program is \$7.7 million.

From the housing fund in 2008, a \$60 million housing fund was set aside and we are well and truly spending that money increasing supply. That was a four-year program. Of that, \$23.5 million will be expended in total in this coming financial year, with \$10.4 million on new construction and \$10.5 million dedicated to funding towards new homes under NRAS. Just in terms of the detail, from the Nation Building Economic Stimulus Plan, Housing Tasmania will spend the final balance of \$15.1 million from this program in 2011-12, and this will finalise the program delivering 531 dwellings at a total cost of \$134.8 million. We are on target to complete 375 new homes under the ESP in 2010-11.

In terms of the broad reform agenda and where we are moving in Housing, the status quo is simply not an option. The housing system has serious sustainability issues. We have made an agreement with the Commonwealth under the National Affordable Housing Agreement to move towards a system where much more of your property is managed by your community sector. I think we have committed to, by 2014, having 35 per cent of the stock managed by the community sector. There are some very exciting movements in this area and people with a lot of vision for increasing the supply. How that would work is your community housing providers leverage off the rent, the income from those new homes, to borrow money to increase supply. So that is the space that we are moving into in housing. It is a reform system and I think it will deliver a much stronger housing system.

**Mrs TAYLOR** - So tell us numbers.

**Ms O'CONNOR** - Hard numbers? I do know that we built about 675 homes since January 2009. We have a list here of all the constructions that have happened and are happening. I do not know how much detail you want on that so I am a bit -

**Mrs TAYLOR** - You might table that for me.

**Ms O'CONNOR** - I will table the supply figures because there is a very significant increase in the supply of social and affordable housing.

**CHAIR** - There is a table. It has just arrived.

**Ms O'CONNOR** - I can make this available now, so here are the numbers. It just talks about the various different sources of funds and the numbers, the schedule for completion and it talks about the regions. So we have it broken down into the three regional areas.

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**Mrs TAYLOR** - Thank you. That would be good.

**CHAIR** - Thank you, Minister.

**Mrs TAYLOR** - My very last question is about school sites. A number of school sites obviously have become available around the State as a result of amalgamations of schools. They are obviously -

**Ms O'CONNOR** - Burnie.

**Mrs TAYLOR** - There are a number of places, so obviously those school sites are or were under the education department. I understand that Housing would probably have first dibs at using those. I know that some of you are obviously already moving on -

**Ms O'CONNOR** - Brent Street Primary.

**Mrs TAYLOR** - Brent Street would be one for instance, but there are others where the community certainly has no idea of your intentions or what will then happen. Can you give any indication of which of those sites you actually are planning to put housing on?

**Ms O'CONNOR** - I can only talk about the ones where we have acquired land at this point in time. I think we are talking about Brent Street Primary and Spreyton. So we have allocated \$2.6 million for the purchase of these lands.

**CHAIR** - The Budget papers say \$2.4 million. So it is \$2.6 million?

**Ms O'CONNOR** - I would caution you to treat what is in the Budget as black and white. My recall can be a little bit -

**CHAIR** - There are mistakes. We have already found one this week.

**Ms O'CONNOR** - I find that very hard to believe, Madam Chair. Yes, Housing has the first option, if you like, on school sites. Through the Housing Innovations Unit we will work with the Department of Education on determining which sites are the most appropriate for investing in social and affordable housing. At this stage we have identified Brent Street Primary School, Upper Burnie Primary School, Brooklyn Primary School in Burnie and the Somerset Primary School as land that we wish to develop into social and affordable housing - communities, not broadacre estate type of housing.

**Mrs TAYLOR** - No. So you have not decided about the others yet, or are there some that you have already decided you do not want?

**Ms O'CONNOR** - There are certainly some that we have decided are not optimal for social and affordable housing. I understand your concern around, for example, the Claremont Primary School site.

**Mrs TAYLOR** - That is one, yes.

**Ms O'CONNOR** - That is one and the community desires -

## UNCORRECTED PROOF ISSUE

**Mrs TAYLOR** - The Austins Ferry people are also very concerned about the old Abbotsfield site.

**Ms O'CONNOR** - Yes, and rightly so. Yes, I understand that completely.

**Mrs TAYLOR** - People just want some clarity, I suppose, around what is going to happen to those school sites. Until somebody actually decides what is going to happen, whether they are going to be used for housing or for sale - or Park & Ride, for heaven's sake, is another possibility. The community is in limbo while no decision is made. It would be helpful if you could at least say which ones of those you do want and which ones of those you do not want so at least the number of the ones in limbo is reduced.

**Ms O'CONNOR** - As I have indicated, we have identified four specific school sites for development within our Budget.

**Mrs TAYLOR** - Thank you. I think you have indicated to me that the Claremont school site is not one you are interested in.

**Ms O'CONNOR** - Claremont Primary School is a site that we have identified as a Budget priority for us in terms of social and affordable housing. But, fundamentally, Mrs Taylor, this is a matter for the Department of Education. While we will assess what sites are the most appropriate, ultimately the sale of those sites is the responsibility of DoE.

**Mrs TAYLOR** - With respect, Minister, that is not what DoE says. They say that if it is no longer for their requirement, then it is the Treasurer's job to decide what will happen to that site providing that Housing does not want to -

**Ms O'CONNOR** - That is true, but it is DOE land.

**Mrs TAYLOR** - It is DOE land obviously.

**Ms O'CONNOR** - All these sites - the four sites that I have -

**Mrs TAYLOR** - They just want to sell them.

**Ms O'CONNOR** - Yes, Treasury has a process in place and these sites are now with Treasury for disposal.

**Mrs TAYLOR** - Thank you.

**Mr DEAN** - Has the St Michael's position at Launceston been resolved? It has been ongoing for about eight years that I am aware of.

**Ms O'CONNOR** - Is this the extra parcel of land that has been back and forth?

**Mr DEAN** - This is the extra parcel of land that Housing Tasmania has been interested in for a long time to develop. It caused lots of heartache and so on. Has it been finalised as yet?

**Ms O'CONNOR** - It is now a matter for the Department of Education. I remember seeking some clarification, if you like, with the previous Education Minister around this issue. But,

fundamentally, that is specifically a matter for the Department of Education.

[11.30 a.m. ]

**Mr DEAN** - Where are they holding it up? It has been going on for about eight years. I think I got involved in this about eight years ago and Don Wing did as well when the Hon. Don Wing was here.

**Ms O'CONNOR** - Ted Sands was also involved. A number of people have made representations on this issue, but it is the responsibility of the Department of Education.

**Mr DEAN** - Are you still interested in that site? Are you still wanting to develop? You are not? You have simply withdrawn?

**Ms BRESNEHAN** - You are absolutely right. It went on for years and years, backwards and forwards. In the end we made a strategic assessment that, rather than wait, we would invest the money elsewhere. So we passed it back to Education and it is entirely their business now as to what they do with it.

**Mr DEAN** - So you are out of it? Can I ask about the old Rocherlea school site? Does Housing Tasmania have any interest in that site at all or not?

**Ms BRESNEHAN** - It was not on the list.

**Ms O'CONNOR** - Not that I have been aware of.

**Mr DEAN** - It is already vacant. It is not? So you have no interest in that?

**Ms O'CONNOR** - No.

**Mr DEAN** - Thank you.

**Mr FARRELL** - Minister, as you are aware, a large part of the Derwent electorate is occupied by Housing clients. I have a couple of questions relating to some of the issues that have been raised with me.

**CHAIR** - Fairly recently in the election?

**Mr FARRELL** - Yes.

**Ms O'CONNOR** - See, you are being a good local member, Mr Farrell. I never doubted you would be.

**Mr FARRELL** - Thank you very much. I had better make the questions nice.

**CHAIR** - No.

**Mr FARRELL** - I am not sure if this fitted in with the Minister for Corrections or the Minister for Justice but I think it probably sits with you. Over the last couple of days we have learned how inmates are handled in the correction system. Once they leave the justice system, are there housing schemes to look after these people?



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**Ms O'CONNOR** - Yes, there are. This is part of the commitment to the Commonwealth. So we have made available 100 Housing Tasmania properties to provide homes to people leaving not just the corrections system. There will be other situations where people are coming out of a system, if you like, and into potential homelessness. As you would be aware, Mr Farrell, if you have been in prison you can be completely disconnected from your family, from society.

**Mr FARRELL** - I have not been in prison.

**Ms O'CONNOR** - I know you have not been in prison, but I am sure that you can empathise with people who are coming out of the corrections system into life situations that are very dire. We are very committed to meeting the needs of this particular client group. So we have a prison support program and commencing in July we will respond to this forgotten group of Tasmanians. Once they are in the corrections system it is out of sight, out of mind in many ways. We will provide new accommodation services that will help them reintegrate into the community. We will deliver state-wide housing network and support services. We are not only delivering the accommodation; we are wrapping services around that accommodation so that people who are coming out of the system are given greater capacity, if you like, to get back on their feet and hopefully lead happier, safer lives.

**CHAIR** - Would that be in more regional areas as well?

**Ms O'CONNOR** - The 100 homes are spread across Tasmania.

**CHAIR** - So it is not just Hobart, Burnie, Launceston and Devonport?

**Ms O'CONNOR** - I do not think so. They are spread out all over the place. This new service will provide clients with the tools and skills they need to set their life on a path. The Salvation Army will help up to 36 clients live independently in sustained tenancies as well as re-establish their ties to their families and their communities. Support workers will help clients connect with education, training and employment services. Each client will receive up to 12 months support from these services once they leave these facilities. The Salvation Army will work with clients referred through the Integrated Offender Management Unit, the Parole Board and remand centre and the Department of Justice and Colony 47 will manage 16 of the properties around the State dedicated to the service. This is a great example of running initiatives that are in our Homelessness Plan: Coming in from the Cold. The service will receive half a million dollars through the National Affordable Housing Agreement while the Salvation Army will contribute a further \$100 000 towards the program over the next two years.

**Mr FARRELL** - Is it possible to get an idea of where the houses will be - just general localities?

**Ms O'CONNOR** - I might take that one on notice - and general localities is all we would provide, because there are privacy concerns here.

**Mr FARRELL** - Yes, I understand that. Thank you. The other issue that came up was in the Bridgewater area. You have mentioned before that some of the older houses are certainly built with small windows and older style materials. Their rooms are small. In wintertime it can get fairly chilly in Bridgewater and Gagebrook when the Jerry flows down there. The wood heaters were taken out of a number of the houses there and replaced with little panel heaters that are very

expensive to run.

**Ms O'CONNOR** - Pureheat.

**Mr FARRELL** - Yes. A lot of people in the area have said, 'We get our hydro bill,' or 'electricity bill' - whatever it comes from there -

**CHAIR** - Aurora.

**Mr FARRELL** - Aurora - 'and it is very high because of the panel heaters.' The panel heaters are not heating the whole house; they are only heating the room that people are in. So there is an efficiency issue there. I just wondered if Housing had looked at other options. For example - and I have mentioned this before - with the pellet heaters, they are a high-efficiency wood pellet-burning heater. I think they are made locally and I think the pellets are done -

**Ms O'CONNOR** - There are some in Scottsdale.

**Mr FARRELL** - Yes, and they burn at a higher temperature. So they do not pollute like slow combustion heaters. I wondered if they had been considered or were there other options being investigated to cut the costs of energy?

**Ms O'CONNOR** - My word there are and thank you for the question, Mr Farrell. I was made very aware of concerns of tenants around our previous heating policy - and it is previous because we have reviewed the policy. We reviewed the heating policy and effectively we have moved away from the Pureheat heaters, because they are an expensive means of heating a house. So I think that has been a quite significant shift in policy and that has happened in the last six months. We are much more inclined now to install heat pumps in homes. That is a significant expense. I think it costs about \$5 000 each installation to install a heat pump. So I am very aware of this. But it has also been part of the reason that we have made such a significant investment in energy efficiency.

As part of the heating review, we had a look at other ways you can make a house warm without rising the cost of living. That is why we reprioritised strategically part of our maintenance budget to deliver \$8 million of energy efficiency upgrades into around 3 000 properties around Tasmania. I do not believe that we have specifically looked at pellet heaters, but we have sought to find the most efficient and cost-effective heating option. In terms of wood heaters, I know they are the most delightful way to get warm, but the issue here is that they make a significant negative impact on air quality. So we do have a policy of removing wood heaters from Housing Tasmania homes once there is an issue with the wood heater.

We may, in fact, do it as part of an upgrade of a home, the installation of energy-efficiency measures of a heat pump, because both Hobart and Launceston regularly exceed national air quality standards. It can be very difficult to say no to tenants who want to keep their wood heaters, but the policy is the policy and it is there for a good reason. We are doing all that we can to deliver cost-effective, efficient heating into homes and making sure that the homes are efficiently robust, if you like. We have, for example, 100 energy champions where we go into a home, do an assessment, working with Sustainable Living Tasmania, of how you might upgrade the home. It is the simple things. You can replace one light bulb and save \$12 on your power bill in a year. But we are also in those 100 houses installing solar hot water. That is a pilot program, but it is a good model for moving forward.

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**Mr FARRELL** - I just hope - and I am sure that this is something that you have taken into account - that when you look at the housing estates built in the sixties and seventies the houses certainly were not built for energy efficiency. Most of them are not even north facing. There are some properties, particularly around Gagebrook, that have magnificent views back to Mount Wellington but they have been built with the front rooms facing the road.

**Ms O'CONNOR** - That is right.

**Mr FARRELL** - So I think it is all part of a new strategy.

**CHAIR** - We could probably have this conversation backwards and forwards for a fair bit of the day, Minister. I appreciate that we need to move on.

**Ms O'CONNOR** - Just 30 more seconds, if you do not mind, Madam Chair. All ESP properties and all new housing properties we build are built to six-star energy efficiency. I am aware of one tenant in a new property whose power bill has gone from about \$350 a quarter down to \$80. So when you build a house intelligently with a focus on energy efficiency, the reduction in power bills is very significant.

**Mr FARRELL** - Thank you very much.

**CHAIR** - Before I move back to the other side of the table, what is the amount that is still owed under our obligation to the Commonwealth for those old houses that are inefficient in the system.?

**Ms O'CONNOR** - This is the Commonwealth housing debt?

**CHAIR** - This is the Commonwealth housing debt.

**Ms O'CONNOR** - This is the albatross around the neck of Housing.

**CHAIR** - This is the albatross.

**Ms O'CONNOR** - This is the \$20 million we get from the Commonwealth and the \$17 million we send back.

**CHAIR** - That is it.

**Ms O'CONNOR** - Yes, that is right.

**CHAIR** - Just to see how we are going with that debt. We ask every year.

**Ms O'CONNOR** - That is right. It is very frustrating and I have been to Canberra twice to talk to a minister about finding a way to either dissolve the debt or give us a debt holiday. To date I have been unsuccessful, because a number of other Australian States have paid off their debts.

**CHAIR** - But they are those wealthy ones with all the minerals, I expect.

**Ms O'CONNOR** - I could not possibly comment. But the total debt is currently at

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\$223.3 million, which will reduce to \$216 million as at the end of this week following this year's repayment. In 2010-11 we sent back \$16.6 million and on a current repayment schedule the debt will not be dealt with until 2042.

**CHAIR** - It is a scary thought. Thank you.

**Ms O'CONNOR** - It is very frustrating.

**CHAIR** - I will now move on to Dr Goodwin and she can ask some questions in relation to housing and then move to Mr Dean.

**Dr GOODWIN** - I want to ask you a question of clarification following on from Mr Farrell's question about the accommodation for people leaving Corrections and also those who are at risk of homelessness. Previously there was a service delivered by Bethlehem House called PROP. I am just wondering whether this new service delivered by the Salvation Army picks up the work that was being done by -

**Ms O'CONNOR** - Yes, it does; it picks up and builds on that work. I am aware of the change, if you like, being provided. But there has also been a somewhat changed model. We did go through a tender process and the Salvation Army came back with best value for money.

**Dr GOODWIN** - Yes, sure. I just wanted -

**Ms O'CONNOR** - As Ms Bresnehan has pointed out, Bethlehem House is working closely with the Salvation Army to make sure that the transition is seamless.

**Dr GOODWIN** - Are you able to provide a breakdown of the total housing stock?

**Ms O'CONNOR** - What is where of the 11 339 properties that we own?

**CHAIR** - We usually get that on a table, if I recall.

**Ms O'CONNOR** - I am happy to provide that on a table.

**CHAIR** - I am sure you have one already prepared.

**Ms O'CONNOR** - Here is one I prepared earlier. Can we table this table?

**CHAIR** - It is pretty much a stock standard question.

**Ms O'CONNOR** - We will table this table.

**CHAIR** - Thank you.

**Dr GOODWIN** - What about waiting list data?

**Ms O'CONNOR** - The waiting list is currently at 3 239. Is that right? The waiting list is far too high. Of course, part of the reason for that is that there is enormous pressure in the private rental market. So a lot of families are finding renting in the private market completely unaffordable. We are at 98 per cent occupancy. As at the end of April 2011, there were 3 275

applicants compared with 3 223 at the same time last year.

[11.45 a.m.]

**Mr DEAN** - It has gone up.

**Ms O'CONNOR** - Yes, and that is an increase of 52 applicants, or 1.6 per cent. In terms of the categories, of the 3 275 applicants as at the end of April, 312 were in category 1 or exceptional needs - they are people we always seek to house first; 1 290 were in category 2; 773 were in category 3; and 456 were in category 4. So those numbers are significant and they are an indication of the pressures across the housing spectrum through the private rental market into public housing. That is why we are working so hard to increase the supply of affordable social housing.

**CHAIR** - Can we have the average waiting times as well?

**Dr GOODWIN** - I was trying to get an idea of regional differences as well.

**Ms O'CONNOR** - We do have a regional breakdown. I will give you the category 1 regional breakdown. There is a long table here and I know Madam Chair will crack that whip if I do not -

**Dr GOODWIN** - Is it possible to table it?

**Ms O'CONNOR** - We can table that table.

**Mr DEAN** - Can we just go through the category 1s, though? There are only three districts.

**Ms O'CONNOR** - There are four within our housing space. For category 1, in the south-west there are 52 people on the waiting list; in the south-east, 101; in the north, 93; and in the north-west, 66. That brings us to the total of 312 category 1 applicants. But we have very high demand and a low turnover of stock, and that is why we are working so hard to increase the supply.

**Mr DEAN** - And what were they this time last year for that same category in those areas?

**Ms O'CONNOR** - I think we did provide that information this time last year. But, given that the increase in category 1s is 52, I do not know that there would be all that much movement regionally in the category 1 waiting list. We can provide it. I do not know how telling those figures will be.

**CHAIR** - What are we actually tabling?

**Mr DEAN** - Figures for last year.

**Dr GOODWIN** - Are you tabling the full regional breakdown?

**Ms O'CONNOR** - We do not have the regional breakdown historically. Here is an example of the pressures within the system. In 2005-06, there were 196 people on the category 1 list; the next year there were 188; the next year there were 224; the following year - that is 2008-09 - 306; and in 2009-10, 337. So there is significant demand pressure on the housing system and a lot of

people who are under real housing stress.

**CHAIR** - What is the average waiting time?

**Ms O'CONNOR** - The average waiting time for category 1 has gone up marginally in the past year. So in 2009-10 the average waiting time was 22 weeks and in 2010-11 it is 23 weeks. For category 2, the average waiting time is static at 34 weeks. For category 3, the average waiting time has fallen from 36 weeks to 25 weeks. For category 4, it has fallen from 23 weeks to three weeks.

**CHAIR** - People have dropped off. They have got tired of waiting.

**Ms O'CONNOR** - Yes. People have dropped off or their category status has been assessed and upgraded. If you are on a category 4 waiting list for housing, you have a very, very slim chance of being housed.

**Mr DEAN** - It gives a false sense of security to them.

**CHAIR** - Minister, is that indicated when they put forward their circumstances? Are they told that they are highly unlikely to ever get to the top of the list?

**Ms O'CONNOR** - Once they are on a category 4 list, yes. That is right. But we also do advise applicants to keep Housing Tasmania regularly updated of any change in circumstances. So we do work with applicants in the system, but there are also other mechanisms that might be available to help people, such as the Private Rental Support Scheme.

**CHAIR** - I can indicate that my office gets news of when there is a house vacant about five minutes after the tenants have walked out the door, because people are coming in and wanting to know if they could possibly get that house. I say, 'I think there's someone in it.' And they say, 'Oh no, there's not.' So they know.

**Ms O'CONNOR** - Yes.

**Dr GOODWIN** - Are we able to have the full regional breakdown of the waiting list tabled?

**Ms O'CONNOR** - We might take that on notice because we need to make sure that we have all the information that you seek within that. Do you want the regional breakdown of the waiting list?

**Dr GOODWIN** - Yes. Can I ask a question on arson attacks?

**CHAIR** - Sorry, Dr Goodwin. I think Mr Gaffney had one that related to this area. So if you do not mind we will just finish that off.

**Mr GAFFNEY** - Could you explain how you process clients who come from the mainland to Tasmania? Do you have any numbers on housing tenants? What is the process there? Do you have any records?

**Ms O'CONNOR** - If people move to Tasmania and apply for public housing, we treat them

like we treat any other Australian and they are assessed -

**Mr GAFFNEY** - I was not suggesting that you would not. What I am asking is: do you have numbers, and are the numbers consistent, of people coming from the mainland applying for accommodation? It is more prevalent on the north-west coast. When a boat comes in, we are noticing more people coming across looking for a change. But when they come across they are expecting the rental accommodation market to be really low because they are coming to Tasmania but then they find that it actually is not. So we are finding people in that situation. I am wondering whether you have had any figures on that.

**Ms O'CONNOR** - Our policy is that a person has to be resident in Tasmania for three months to be eligible for public housing. But I do not know that we keep data on 'interstateness' as such in terms of the demand pressures.

**Ms BRESNEHAN** - You cannot apply from interstate. You have to be here.

**Mr GAFFNEY** - I am just wondering whether that has any effect on the categories 1, 2, 3 and 4 when they get here, if they are in dire straits and do not have relatives or friends to stay with.

**Ms O'CONNOR** - They are assessed the same as everyone else. I have met a tenant in Launceston who had moved from interstate in very, very difficult personal circumstances and had been here for the requisite period of time and was priority housed. I do not really see what the issue here is other than that there is possibly more demand pressure as people move to Tasmania from the mainland.

**Mr GAFFNEY** - That is what I was saying.

**Ms O'CONNOR** - There possibly is. It is possibly part of the reason that the waiting list is going up, but I think it is more likely that the pressures on the waiting list are around the affordability or otherwise of the private rental market.

**Dr GOODWIN** - Just going back to my question on arson attacks on public housing properties, I know it has been a longstanding, frustrating issue. I am wondering what the current figures would be.

**Ms O'CONNOR** - The number of homes and the cost. Until the end of April 2011, there have been 155 incidents of arson in public housing property. Sometimes it will simply damage a property; other times it will destroy a property. It is a despicable act. Who knows what is happening inside the mind of an arsonist? But clearly there is a significant unwellness there. We have a range of measures for tackling arson - working with Tasmania Police and the Tasmania Fire Service. We offer a \$10 000 reward for information leading to a conviction of an arsonist.

We have the Officer Next Door Program in certain areas which have significant social circumstances where an officer next door may help, and that is part of a strategy to help deal with arson, amongst other issues. There are 155 instances of properties being damaged or destroyed by fire. Of these, 45 have been identified as arson attacks. The damage bill to date is just over \$5 million, which is a big hit on a really stretched housing budget. I have been very recently up to Launceston and seen a cleared Housing Tasmania block where a house was so damaged we had to level it to the ground because it was a safety risk. But we have to replace that property. It costs

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money and it means people who need a home are going without. So we are working hard to deal with arson. Anyone who has been convicted of arson is not eligible for public housing for a period of two years. There are a range of strategies in place to deal with arson, but I would say that that kind of criminality is a much broader societal issue and as a criminologist you understand that there are deeper issues at stake here and you are obviously dealing with some unwell, highly stressed individuals.

**Dr GOODWIN** - Are the police managing to catch many of them?

**Ms O'CONNOR** - We have had a number of successful investigations and convictions. There have been a few high profile ones. We have had two convictions this year.

**CHAIR** - Are they required to repay any funds?

**Ms O'CONNOR** - We do have a capacity to recoup damage moneys from a tenant if they are able to pay.

**CHAIR** - Have we been able to recoup any?

**Ms O'CONNOR** - We do recoup some. Of course, you are dealing with people who have very, very little disposable income, but the debt stands against their name.

**Dr GOODWIN** - I was just going to make the comment that it is something that the Sentencing Advisory Council I believe is looking at as well in the issue of sentencing for arson offences. I do not know if they are researching other matters, but as I understand it they are looking at that because it is a pretty significant issue when you are talking about \$5 million and people not having homes and big waiting lists.

**Ms O'CONNOR** - It is very frustrating.

**Dr GOODWIN** - Yes, and it has been for a long time, I understand.

**Ms O'CONNOR** - It is tragic.

**CHAIR** - Mr Dean?

**Mr DEAN** - Just on that, those with outstanding debts to Housing Tasmania have that recorded against their name?

**Ms O'CONNOR** - Through an arson? Because you can have an outstanding debt that is related to rent arrears as well.

**Mr DEAN** - Well, I am going to ask about rents as well - outstanding debts on rents, outstanding debts on damage to property and so on. Are they blacklisted from coming back into Housing Tasmania homes while those amounts are outstanding?

**Ms O'CONNOR** - Blacklisted is a very strong word.

**Mr DEAN** - Why don't we put it another way: are those people stopped from coming into Housing Tasmania homes?



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**Ms O'CONNOR** - When a tenant who has rent arrears applies for public housing, they have to repay the debt or we set in place a process for them repaying a debt. They have to repay 85 per cent before they are allowed back into the public housing system.

**Mr DEAN** - In this state how many would we have on this list?

**Ms O'CONNOR** - The rent arrears list?

**Mr DEAN** - Yes.

**Ms O'CONNOR** - People who owe rent to Housing Tasmania?

**Mr DEAN** - They owe rent to Housing Tasmania and they are on the list that I have spoken about.

**Ms O'CONNOR** - I have some numbers here.

**Dr GOODWIN** - And the quantum?

**Ms O'CONNOR** - We would have to take that on notice. We have a global figure here but we would have to unpack that and get that exact number.

**Dr GOOWDIN** - Have you got a quantum?

**Ms O'CONNOR** - Of rent arrears we do. We do have one of the lowest levels of rent arrears in the country.

**CHAIR** - We probably still need to hang on I reckon though.

**Ms O'CONNOR** - We consistently keep tenant arrears at or below 0.7 per cent of collectables, which is well below the national target of less than two per cent of collectables. That is because we adopt an early intervention and engagement strategy and work with the tenant.

**CHAIR** - And do not let them get far behind?

**Ms O'CONNOR** - That is right. I will see if we have some hard numbers here for you. I have eviction figures.

**Mr DEAN** - I wanted the eviction figures as well. I had that written down.

**Ms O'CONNOR** - I am going to take the rent arrears number question on notice, but if you are interested, Mr Dean, in hearing about our evictions?

**Mr DEAN** - Yes. This is an area of interest to me because I would have nearly all of the lower socioeconomic group of housing area in my electorate in the north of the state, so it is a big issue for me and one of my biggest areas for support.

**Ms O'CONNOR** - For antisocial behaviour in the previous financial year seven people were evicted. For arrears also seven people were evicted. That is 14 across Tasmania. I would also

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point out, though, that from our perspective eviction is absolutely the last resort and that is why we work so hard with tenants to try to get them to sustain their tenancies and to repay their debts, because as soon as you evict someone from a Housing Tasmania property you are putting another family at risk of homelessness. Our numbers are low, relatively speaking, and that is because we have that hands-on approach.

[12.00 p.m.]

**Mr DEAN** - Minister, can I commend you for the position of providing easier access for us to Housing Tasmania personnel - to the directors, to the senior people in the organisation. We commend you on that because I would have been inundating your office every day, I would say.

**Ms O'CONNOR** - We are always happy to hear from you, Mr Dean.

**CHAIR** - Not every day, I suspect.

**Ms O'CONNOR** - Not every day, although I must say that there are some honourable members from whom I receive a letter nearly every day.

**Mr DEAN** - Almost every day I would be in contact with your office so I thank you very much for that.

**Ms O'CONNOR** - Do you find - I know this is not a question and answer back and forth - but do you find that many of your issues are resolved in a timely way as a result of that?

**Mr DEAN** - Absolutely. Almost all of them are fixed.

**CHAIR** - You have an answer; I do not know about 'fixed' in my case.

**Mr DEAN** - A lot of them are fixed.

**Ms O'CONNOR** - Fixed or working on fixing it.

**Mr DEAN** - Yes.

**Ms O'CONNOR** - I am glad the new system is working.

**Mr DEAN** - Can I ask you a question in relation to the flat rent system that we are changing to? We notice that about 65 per cent will see increases in their rent at a time when energy costs are rising. Everything is rising for people. What impact is that going to have on these people who are right on the breadline at this very, very moment? Has the likely impact been considered across the area of HT?

**Ms O'CONNOR** - It has been considered. It has been deliberated on very intensely and for a significant period of time. The rent system in Tasmania is totally unfair. There are people who are paying far too little rent and there are people who are paying far too much. I have not taken the decision to change the rent structure for Housing Tasmania tenants lightly. I have spent the past year since I came into this portfolio engaging with the tenants and asking the department to do modelling. But the bottom line is that our rent system has for too long been broken. Because it is a sliding scale, what our modelling very clearly shows is that within five years the vast, vast majority of our tenants will be paying over 25 per cent of their income as rent. The national

benchmark, if you like, for housing affordability is at 30 per cent. Every other Australian State has moved to a flat structure.

There are in fact three mitigating, if you like, initiatives that we have put in place to make sure that the impact on highly vulnerable low-income tenants is minimised. We have smoothed out the effect. So while 65 per cent of tenants will have some increase, usually of less than \$10 a week, no increase will be more than \$2 to \$3 a week over the time of the two years that we are smoothing out the introduction, if you like, of this change to rents. There are some very, very marginalised low-income tenants for whom 25 per cent is simply unaffordable. That is why we have set that level of rent at 23.5 per cent. For example, that would be someone on Newstart or Austudy or Abstudy. So we are trying to buffer those tenants through that slightly lower level of rent.

But, Mr Dean, I acknowledge that there will be an impact on tenants and that is why on the flip side of this we have invested significantly in existing funds and new allocations in energy efficiency, because we know that power prices are a huge hit on a low-income household and what we are trying to do is make their homes more efficient to bring down their cost of living.

**Mr DEAN** - I just put this position to you. Is this not a system - and I argue against it even with rates and councils - of making the rich richer and the poor poorer? You will have the people who are able to sustain 25 per cent without any problems at all and you will have others where the 25 per cent will have impact on them in a far greater way. Is that not taken into account?

**Ms O'CONNOR** - We do, but every element of the structural reform to Advancing Tasmania has been taken into account. I have driven the department slightly bonkers asking for modelling and more information and trying to adjust the parameters of it so that we can smooth out the impact and count for the lowest income earners. I understand that, but the national benchmark for rental affordability is 30 per cent and there are some people, for example couple pensioners, who are paying well above what other people are paying in the system.

Fundamentally, what this change is about is fairness, because the system right now is unfair. It discriminates against some people. It provides concessions to some people not on the basis of need but on the basis of their relationship to the lead tenant. There is a situation which some members may have read about where a father and son who are living in a house and earning \$75 000 a year are paying the same rent as two aged pensioners living in a unit and receiving only \$30 000 a year. What we are trying to do here is make the system fairer. It is not about making the rich richer and the poor poorer; it is about having a fair system in what is regarded as significantly below the national benchmark of rental affordability in Tasmania. As Ms Bresnehan has pointed out to me, it is based on income. So if a tenant is earning a higher income, of course they will pay more but we cap the rent that we charge at market rent.

**Mr DEAN** - That is my next question. What is the position where you have two people - and I gave an example in a recent session that we had with Housing Tasmania personnel at the PAC inquiry - in the family working, bringing in a household sum of probably in the region of \$100 000, \$120 000 in one household -

**Ms O'CONNOR** - A public housing household?

**Mr DEAN** - Public housing. So rent will be capped at, you are saying, private rentals.

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**Ms O'CONNOR** - At the market rate for those tenants.

**Mr DEAN** - Market rate. So when you say 25 per cent of salary, then it is taken -

**Ms O'CONNOR** - So say the household salary is \$100 000, \$25 000 may or may not - I do not think so, because I do not think that would be market rent to be paying \$500 a week, no.

**Mr DEAN** - It would be extremely high - too high. That is what I mean. So what does it do, Minister, to move those people on into other areas of rent? That is the issue that I have raised many times, because this is affordable housing. HT is to provide housing and homes for people who are suffering and who otherwise cannot get into a home. So how does that move those people on?

**Ms O'CONNOR** - This is a really important question and consideration, because there are unquestionably people who are occupying public housing homes and the first thing to point out is that their home and security of tenure has always been part of Housing Tasmania's policy and philosophy, if you like. But in a system where we have the waiting list that we do and the pressures that are on the public housing system, we do need to look at the tenure question. We have initiated a review of tenure. I do not want to talk too much about how we might move here, but we do need to acknowledge that housing support should be there, in my view - and clearly in your view as well - for the duration of need. It is an issue that we take really seriously and the review is underway.

**Mr DEAN** - Right. I will be interested in what comes from that.

**CHAIR** - There will probably be an answer next year.

**Ms O'CONNOR** - Yes. I think it is also important to point out that when we have higher - in a way, this is a bit of a conundrum - earning and higher-paying tenants, it is healthy for Housing Tasmania's bottom line, because we get more money into the system and that money is used to subsidise the lower income tenants. So there is an issue here in terms of the viability of the housing tenants.

**Mr DEAN** - But they are only paying market rent. It does not really -

**Ms O'CONNOR** - Well -

**Mr DEAN** - They are occupying an HT home.

**Ms O'CONNOR** - Yes, but the other issue here is that we are moving - and it has been underway for a while - into a space where we are encouraging home ownership among low-income tenants. So while we are looking at the whole tenure question, we are also ramping up our efforts to enable people on low incomes to move out of the housing system and into home ownership through programs such as HomeShare.

**Mr DEAN** - My next question is in relation to the consultation process used by Housing Tasmania. It has been criticised in the Launceston area in particular in relation to where you identify an area for the building of some of your homes - two or three homes. There is one off the High Street or Talbot Road in Launceston that I can use as a good example of where there was a lack of consultation and there were lots of issues around it. It went through the council - the

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development application - and Housing Tasmania became involved in it a second time, third and fourth time. At the end of the day they did consult with the residents in the area and there was an agreement reached. So has there been change in the consultation process with Housing Tasmania in relation to housing developments?

**Ms O'CONNOR** - I think this is an issue that is probably dealt with on a case-by-case basis. We are, by our nature, seeking to be a consultative organisation, particularly at a time when we are significantly increasing supply. But as applications go, for example, to local government there are opportunities for public input into those development applications. I am aware of at least one example in Launceston.

**Mr DEAN** - There are now two examples - Newnham is another one.

**Ms O'CONNOR** - Watchorn Street.

**Mr DEAN** - Yes, you are right - Watchorn.

**Ms O'CONNOR** - Local residents have been concerned, if you like, either about the design of the development or the potential social impacts on the area.

**Mr DEAN** - The removal of trees.

**Ms O'CONNOR** - The removal of trees. I do know that, for example, the Watchorn Street development was significantly altered in response to public consultation. In Ulverstone recently - we had a new social housing and homelessness facility in Launceston. A number of the neighbours were concerned about our fence design. So staff from the housing relations unit went up, consulted with the neighbours, worked with the neighbours and hopefully came up with a design that made people satisfied that we were listening and responding to their concerns. I hear what you are saying, Mr Dean, and we do seek to consult wherever possible. With the Hopkins Street development, for example, there has been serious consultation with the community. Plans were put up, people were invited to input -

**Mr DEAN** - It is good to hear that it is happening.

**Ms O'CONNOR** - I just have some advice here. So in Hopkins Street -

**Mr DEAN** - The consultation process at its best.

**Ms O'CONNOR** - Yes. The Hopkins Street development has been shaped in part by the community's input. So we are working on it. The Brent Street Primary School will be another one where the community is involved. I am advised that housing staff have recently met with Launceston council officers to discuss how they can improve development application processes.

**CHAIR** - Didn't you know that, Mr Dean?

**Ms O'CONNOR** - This includes public consultation. They may not have met with you yet, Mr Dean, but they are certainly meeting with your officers.

**Mr DEAN** - Right.

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**Ms O'CONNOR** - We are always trying hard.

**Mr DEAN** - Is the police next door program still working?

**Ms O'CONNOR** - The Officer Next Door. I think there are 15 Officers Next Door in various communities around the state. The reason we are committed to it is that they are delivering improved social outcomes and connection in those communities.

**Mr DEAN** - My question is: do we have one in Rocherlea and is that on the 'to do' list? It is an area that is just screaming out for an (12.14.09\*\*\*).

**Ms O'CONNOR** - We will take that one on notice in terms of its specific location. I have been to Rocherlea and met some of the tenants there in public housing properties.

**Mr DEAN** - I have a public meeting next week up there to discuss some problems.

**Ms O'CONNOR** - If there is any feedback you want to give us about that public meeting that would be great.

**CHAIR** - Would you be able to let them know because you will have the answer?

**Mr DEAN** - You may well be invited along or somebody from your department.

**Ms O'CONNOR** - You represent some great people in your electorate, people who are real battlers.

**CHAIR** - They have been good enough to re-elect the member. So they are good people.

**Mr DEAN** - Some would say not.

**Dr GOODWIN** - I have a quick question. I do not know whether this has been mentioned before. Do you have any new housing units in Caroline Street, East Devonport?

**Ms O'CONNOR** - I have no idea. I might have to take that one on notice and get some advice. We do, yes.

**Dr GOODWIN** - Okay. Do you have any information on how many there are?

[12.15 p.m.]

**Ms O'CONNOR** - Richard or BJ, would one of you like to elaborate on that?

**Ms JAGO** - There are five.

**Ms O'CONNOR** - Mr White?

**Mr WHITE** - Five, yes, at 106 Caroline Street.

**Ms O'CONNOR** - Is there an issue with that proposed development?

**Dr GOODWIN** - Are they now occupied?

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**Ms JAGO** - Yes, they are.

**Dr GOODWIN** - All five are occupied? Were they vacant for a long time?

**Ms JAGO** - I am not sure about that.

**Dr GOODWIN** - Obviously an issue was raised with the opposition. A constituent was concerned that they might have been vacant for a while. We are unclear about why that would be.

**CHAIR** - They could have been waiting for the power to be connected. That can take some time.

**Dr GOODWIN** - It is probably not far from the truth actually.

**CHAIR** - That can happen if you have got to get in the system.

**Ms MINSHULL** - You have to get your tickets of completion.

**CHAIR** - That is right and get in the system and it just does not happen overnight. I know from experience.

**Dr GOODWIN** - I can leave that one on notice.

**Ms O'CONNOR** - You would like to find out how long the Caroline Street units were left vacant from completion?

**Dr GOODWIN** - Yes.

**Ms O'CONNOR** - I am sure you are aware that we try to turn these properties around as fast as possible.

**Dr GOODWIN** - Yes, but it was obviously something that concerned this gentleman who contacted the office. So is it possible to reassure him that it is now occupied?

**CHAIR** - I have a question in relation to the information that was provided in the previous output group but it relates to a housing project on Flinders Island and Cape Barren Island - principal consultant \$119 750. Is that just for the consultancy work and there is not actually any accommodation that goes with that \$119 750?

**Ms O'CONNOR** - An amount of \$119 750 for consultancy? I would say so because there are construction funds and we need project management support in order for those homes to be built on schedule and to budget.

**CHAIR** - Right. But there are not actually any dwellings that relate to that \$119 000? It is just consultancy?

**Ms O'CONNOR** - I would say so because that is CB&M Design Solutions Pty Ltd.

**CHAIR** - That particular company does build as well, but this is purely consulting.

**Ms BRESNEHAN** - But built into that is their travel over to the islands and back. It is consulting with the organisations, working with the council, doing all the preliminary stuff. It is quite a substantial amount. We can tell you the actual program as well if you want.

**CHAIR** - Thank you. I would appreciate that. It indicates that it is for Flinders and Cape Barren. So there must be accommodation in both areas.

**Ms BRESNEHAN** - It is part of our remote indigenous program.

**Ms O'CONNOR** - So we respond to the needs of low-income Aboriginal households in three ways: through the dedicated Aboriginal housing program, which consists of almost 350 properties with a wait list of approximately 160 applicants; through the general public housing program, where currently over 780 tenancies allocated have at least one household member identifying as Aboriginal; and through direct funding to two specific remote Aboriginal community housing associations, the Cape Barren Island Aboriginal Association Inc. and the Flinders Island Aboriginal Association Inc. These funds are under the National Affordable Housing Agreement. We are well ahead of schedule to deliver capital works that have been agreed under the competitive bid for 2010 to 2012. Works have commenced and include \$5.8 million to deliver two new properties constructed on Cape Barren, four new properties on Flinders Island, 39 refurbishments on both islands and the refurbishment of 19 Aboriginal Housing properties.

**CHAIR** - Are the properties on Flinders Lady Barron or Whitemark?

**Ms O'CONNOR** - Cape Barren and Flinders Islands.

**CHAIR** - But Flinders Island -

**Ms O'CONNOR** - It does not break it down into -

**CHAIR** - Are they Whitemark or Lady Barron?

**Ms O'CONNOR** - Lady Barron. I do plan to head up to the islands before too long.

**CHAIR** - Let me know and I will come with you. If you are going over in your plane I will get a lift, thanks.

**Ms O'CONNOR** - That sounds good.

**Mr DEAN** - Did we raise the pensioner rent break which was introduced? I do not think it has been raised.

**CHAIR** - I raised it broadly in overview terms.

**Mr DEAN** - You did in your overview.

**CHAIR** - I was going to raise it again in Special Capital Works.

**Mr DEAN** - There is going to be an impact here again on pensioners. What will the



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recovery rate be here for Housing Tasmania? What will you recover out of that? Do we know the number of pensioners in your homes who will be negatively impacted upon again?

**Ms O'CONNOR** - My understanding - and I did ask for this number the other day - is that around 5,000 pensioners will be impacted by the end of the pension rent holiday.

**Mr DEAN** - How much is that?

**Ms O'CONNOR** - It is \$3 million each year.

**Mr DEAN** - So you will recover \$3 million from those 5 000 people? So the extra cost -

**Ms O'CONNOR** - Yes. What I am seeking to do is prioritise because I recognise the impact on those tenants. Again, we have the smoothing-out process -

**Mr DEAN** - Is it on top of that?

**Ms O'CONNOR** - and we have a very individual focus. Housing Tasmania treats each individual circumstance separately. So if tenants feel that the impost on them is too significant we will work with that tenant around that issue. First of all, the pensioners were given the extra \$30 a week and the Commonwealth directed the States not to include that increase in their income in our rent assessments. All the States agreed to do so for one year. The cost to Housing Tasmania - so that is the cost to the whole system of the pension rent holiday, and we have had an extra eight or nine months of the rent holiday - has been \$5 million. Any person who is a single pensioner in that private rental market has had no such benefit from a pension rent holiday. There are a number of people - single parenting payment recipients - within our public housing system who have no component of their income quarantined. So we are trying to work with each tenant to smooth this out so that the impact is minimised and to focus part of our energy efficiency spend to bring down the cost of living for those tenants who are most affected.

**Mr DEAN** - My maths is a little bit slow. I have been trying to work that out.

**Ms O'CONNOR** - It would not be as slow as mine.

**Mr DEAN** - So 5 000 pensioners will be impacted to recover \$5 million?

**Ms O'CONNOR** - No, the cost to Housing Tasmania since September 2009 to date has been \$5 million to subsidise the pension rent holiday. Western Australia and South Australia have ended the rent holiday and other States will follow suit.

**Mr DEAN** - How much will that impact on those 5 000 annually? So if you stop today, what will you get back annually?

**Ms O'CONNOR** - It averages out at around a \$10 discount, if you like, to each single pension recipient a week. So the rent impact of ending the holiday will be effectively around \$10 a week out of that \$30 extra.

**Mr DEAN** - And then the rental increase of another \$10. That is \$20, plus -

**Ms O'CONNOR** - But I think it is important to remember that some aged pensioners in

housing will actually have a real decrease in their -

**Mr DEAN** - If I were to increase the rent on my properties by \$20 a week I would be murdered.

**Ms O'CONNOR** - Again, you cannot make a blanket statement about what the impact will be on any one tenant. More than a third of tenants will have a decrease or no change. There is a mix of tenants in the system. The reason that we suspended the pension holiday is that it is unfair on a range of other recipients of welfare benefits in the system. It was granted only to single recipients of selected Australian Government pensions. Newstart, Parenting Payment and Youth Allowance recipients missed out entirely, as did very low-income workers and couple pensioners and also aged pensioners in the private rental system. So we still will have the most subsidised housing system possible in the country. It is still below the benchmark of affordability, and we are making a very significant investment in energy efficiency, which is an enduring investment in bringing down the cost of living for our tenants.

**Mr DEAN** - I will need to put in a permanent line from my office to Housing Tasmania -

**CHAIR** - You have got the numbers.

**Mr DEAN** - which I will have to do. My next question -

**Ms O'CONNOR** - I will get to your question in a second. What we have tried to do with this is smooth it out, and these changes will be introduced over time. So there will be no massive whack upfront on our tenants.

**Mr DEAN** - I appreciate that.

**Ms O'CONNOR** - We have tried to construct a system which is sensitive to the reality of our tenants.

**Mr DEAN** - I want to ask a question about the energy efficiency measures that you are introducing. I think you have touched on that in your overview as well.

**CHAIR** - Mr Farrell asked that same question.

**Mr DEAN** - He did. The \$1 million, as I understand it, to be spent in this coming year is to be expended on gaining efficiencies in Housing Tasmania homes -

**Ms O'CONNOR** - Not on Housing Tasmania homes necessarily, because we recognise that there are people on low incomes in a range of tenures. We are working on the best delivery mechanism for supporting the maximum number of people with energy efficiency upgrades within that space.

**Mr DEAN** - That is right. This is to do with light globes and shower roses and draught stoppers or snakes - whatever you like to call them - and things like that.

**Ms O'CONNOR** - Yes.

**Mr DEAN** - My question then is: how much of that money - I think \$1 million is set aside

for this coming year.

**Ms O'CONNOR** - This coming year.

**Mr DEAN** - How much of that money is going to be eaten up in administration and having these homes inspected and fittings being put in as opposed to the purchase of energy efficiency measures? What is the breakdown?

**Ms O'CONNOR** - I will get you a very specific breakdown, but our goal is to not allow any significant portion of what is a relatively small sum of money to be eaten up in administration costs. But you have to invest in an energy audit of a household before you invest. So our 100 energy champions - and we are working with Sustainable Living Tasmania on this - will go into a home, they will do an audit and they will immediately install the energy efficiency measures that they can. That will be the light bulbs and the shower heads and the draught draft stoppers and the fan stoppers and information and education. Those upgrades and assessments can be done for as little as \$200 or \$300.

**Mr DEAN** - What I am wanting to know is how much will be left for those things once you take out the administration, the assessments and the payments to people who will be going around doing this? How much will that take out of the \$1 million?

**Ms O'CONNOR** - We are working on the best model for delivering this program for maximum value. It is not my intention to allow any significant portion of the \$1 million. So we have not broken it down yet. All we know is that we have this finite sum of money. I had a meeting earlier this week with TasCOSS and Sustainable Living Tasmania about what is the best mechanism for delivering the maximum energy efficiency to the most number of home dwellers.

**Mr DEAN** - So as soon as you know the breakdown you will let us know?

**CHAIR** - Will you provide that information, Minister?

**Ms O'CONNOR** - You are probably not going to be able to get the breakdown until we have spent the money and see what has happened with the dollars. If it is a question that we will be answering at the next Estimates, that is fine.

**Mr DEAN** - You will answering this through the year.

**Ms O'CONNOR** - Fine, come to me during the year. But I will just reiterate that when you only have \$1 million in this financial year to spend on a finite number of tenants, you have to make sure you are getting maximum value out of that finite sum of money. Part of the reason I had the meeting this week and we are formulating the mechanism is that we actually have not created the structure of the scheme yet and broken the dollars down. As Ms Bresnehan says, if you have any ideas to feed in, please feel free.

**Mr DEAN** - I have lots of ideas I could give you on that.

**CHAIR** - Will you have to pay a fee for the work of Sustainable Living Tasmania?

[12.30 p.m.]

**Ms O'CONNOR** - I am actually not committing to Sustainable Living Tasmania doing the

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work. I simply sought them to come in to advise on what is the best, cheapest, most effective mechanism for delivery. But Sustainable Living Tasmania is working with us on the 100 energy champions. We allocated under \$100 000 to Sustainable Living Tasmania for the Energy Champions program and advising us on other energy efficiency measures.

**Mr DEAN** - You have said it does just relate to people in Housing Tasmania homes. What other homes does it relate to? Does it relate to low-income people living in private rental properties?

**Ms O'CONNOR** - This is the question.

**Mr DEAN** - The question is: why doesn't the owner of those properties pay for that?

**Ms O'CONNOR** - Again, we have not developed the mechanism or the scheme yet. There is a need in the private rental market to support low-income tenants with energy efficiency. Maybe there is a capacity here for a shared program, where the property owner takes responsibility for some costs and we invest in other costs. There are also community housing tenants where it might be sensible and strategic to invest in energy efficiencies in those areas. So at the moment we are a bit raw here. We have the money. We need to work out what is the best way to spend it to achieve the maximum effect just in this year.

**Mr DEAN** - People would be horrified if they thought that money was going into properties owned by private enterprises. It is government money.

**Ms O'CONNOR** - I understand that, but there are also some issues. That is why I am not saying that that is what we are going to do. We need to look at the range of low-income tenancies to work out what is the best mechanism, because the last thing that we want is to invest public funds in a privately owned property and then have the tenants asked to vacate in three months time. So we are very, very aware of the issues around investing in private rentals. We are very aware, Mr Dean.

**Mr DEAN** - I hate to say this, but it smells a little bit like the set-top boxes to me.

**Ms O'CONNOR** - I am just trying to reassure you that our plan is not to pay landlords to improve their home. Our plan is to provide relief from cost-of-living pressures for low-income households. I am not going to let you leave this committee thinking that we are sinking \$1 million into the private rental market because that is not the plan.

**Mr DEAN** - Minister, you raised it. I did not raise it.

**Ms O'CONNOR** - I was talking about the different tenures where there are low-income Tasmanians outside the Housing Tasmania system and what we might do with those households. That is why TasCOSS came to the meeting and we talked about private rental and community rentals and what is the best way of making sure that you are looking after your low-income tenants. I am not into landlord welfare. That is not the plan. I am trying to make sure it is delivered the best it can be.

**CHAIR** - I believe the committee has the message loud and clear. Mr Finch, if you would now like to take us to grants and subsidies, that would be very much appreciated.

**Grants and subsidies -**

**Mr FINCH** - Minister, the grants and subsidies disappear after this fiscal year onwards, because note 9 -

**Ms O'CONNOR** - Where are we?

**Mr FINCH** - Page 5.36, Budget Paper No. 2, volume 1.

**Ms O'CONNOR** - Paper 2, volume 1, at 5.36.

**Mr FINCH** - Note 9 says that the decrease in grants and subsidies reflects one-off funding in the electricity price concession initiative.

**Ms O'CONNOR** - Yes, and you would be aware that was initiated and introduced by your former colleague the former Treasurer, Mr Aird.

**Mr FINCH** - Yes.

**Ms O'CONNOR** - And that was always intended to be a one-off payment but we provide a very significant concession through Aurora Energy to our tenants but, clearly, with energy prices going up and up, that has put continued pressures on the concessions that we provide. But we do index concessions to CPI.

**Mr FINCH** - Yes. My question was going to be: can you tell us how Aurora and the Government are going to help other power users? I am aware that you have subsidies for pensioners and you have the healthcare cardholders covered - they get concessions okay - but for other power users with financial problems after the end of this month, are Aurora and the Government able to assist them with their energy issues in respect of cost?

**Ms O'CONNOR** - I think, with respect, Mr Finch, this falls outside my specific area of responsibility, because the concession within the Housing Tasmania system is very clear and it is to those low-income tenants and healthcare cardholders. There are about 82 thousand people who receive that concession. In terms of easing pressure more broadly across the whole community from power price hikes, we do have the energy expert supply panel looking at these very issues, but that falls well outside my area of portfolio responsibility.

What we are trying to do in Housing - where I can have some influence - is spend the money that we need to spend to upgrade our stock in an energy efficiency sense and help people bring their power bills down. I gave you the example before of power bills going from \$380 a quarter down to \$80 a quarter because of the way we are building and designing our homes now and because of the retro fits that we are doing within our stock. But on the bigger issue of rising power prices, we do index to CPI, though.

**Mr FINCH** - Thank you.

**Dr GOODWIN** - I have just a quick question. Does the DHHS heating allowance come in under this?

**Ms O'CONNOR** - Yes, it does. No, it does not come specifically within the Aurora

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concession, but we do have a heading of policy allowances. We do have a heating policy that is in place and it has been in place for a very long time. It provides some assistance to some people. I do not think it is large enough or expansive enough, really. In a way, I suppose with energy efficiency it is often a lot smarter to put the spend into lowering the cost of living.

I do have some information here specific to the heating allowance. As a result of a recommendation contained in the Department of Treasury and Finance's review of the Tasmanian Government concession system, which came in in mid-2008, DHHS undertook a review of the heating allowance. The agency's review confirmed that the heating allowance does not meet a number of the Tasmanian Government's guiding principles for concessions. The review found that the heating allowance is not equitable or well targeted and is only available to pension and concession card holders who meet additional means test requirements and there is no guarantee that the recipients will use this payment to fund their home heating. The Tasmanian Government has recently provided a significant increase to the Aurora electricity concession, which is more equitable and better targeted and is currently available to 2 thousand eligible low-income pension and concession card holders and healthcare cardholders.

The agency provided a report back to the Department of Treasury and Finance to be considered by the Government's Budget subcommittee as part of its Budget deliberations. The Government does remain committed to supporting Tasmanian pensioners and people on low incomes, particularly in light of the recent power price hikes. We will ensure that any decisions regarding the future of the heating allowance are in the best interests of these tenants. But at the moment the heating allowance is in place. In some ways it is a bit anachronistic.

**Dr GOODWIN** - So how much do you actually -

**Ms O'CONNOR** - It is \$56 a year.

**CHAIR** - By 82 000?

**Ms O'CONNOR** - No, no, the heating allowance is provided to 7 200 eligible pensioners. We provide the electricity concession, which is roughly \$1 a day, to 82 500 low-income Tasmanians and 7200 have access to the heating allowance. It is means tested.

**Dr GOODWIN** - So they have to apply; is that how it works?

**Ms O'CONNOR** - You have to be eligible by having a concession card -

**Dr GOODWIN** - Do they get it automatically or do they have to actually apply?

**Ms O'CONNOR** - I am not sure. My gut feeling is there is an application process but I get some more advice on that. One of the issues is probably that maybe not enough people know about it.

**CHAIR** - Perhaps you might get that information over the lunch break and bring it back.

**Ms O'CONNOR** - So the question exactly is?

**CHAIR** - How do people apply?

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**Dr GOODWIN** - Do people get it automatically or do they have to apply - and maybe how do they apply?

**CHAIR** - Do they do it through their Service Tas shop? The next area we are going to look at is the Capital Investment Program.

### **Capital Investment Program -**

**Mr FARRELL** - Minister, I think we have probably covered a fair bit of capital investment already in different areas but just in relation to new houses that are going to be constructed, I was wondering if you had any details on the cost of construction of an average three-bedroom house.

**Ms O'CONNOR** - The first thing I would say there is that we are not building average three-bedroom houses any more. The demographic has shifted and there is a much greater demand for one- and two-bedroom homes, which is where we are focussing our efforts. We are always looking for value for money in construction. It is about \$230 000 on average for a two-bedroom home.

**Mr FARRELL** - I noticed several of the newer designs in different areas are far more pleasing to look at than the old brick boxes. Are there any plans within the department to utilise - there are several local companies that build prefabricated type houses and they say they can get them complete for around \$150 000. I do not know if they suit your needs.

**Ms O'CONNOR** - We always go through a tender and value for money process. We want a quality construction. But to your point around design you would notice that there has been a significant improvement in the types of homes that we are building for people. There is a much greater eye to design. We want to create places that people are proud and happy to live in. That is why I am working with the State Architect and I have a draft residential strategy for future communities. Part of that goes to the way we design our homes and the way we design our communities so that they are very community focused and we never again do what we did 30 years ago when we were building homes for people.

**Mr FARRELL** - I noticed in Gagebrook some years ago that there was a design competition and the winner of that competition had the house constructed, and it is there. I wondered if that was something that was going to continue.

**Ms O'CONNOR** - Certainly to my knowledge we do not do design competitions. But recently I launched Maroni Close in Berriedale, which was the very replacement of really old stock. The community there was under real social stress. There were behavioural problems. If you go and have a look at Maroni Close now, it is so beautiful that any one of us would be very happy living there, because they have been designed with a mind to liveability and aesthetics in part and also six-star energy efficiency. We are doing it a lot smarter.

**Mr FARRELL** - Thank you.

**Dr GOODWIN** - This is a quick question because Mr Dean and I are unsure about whether it has already been covered. In the non-works housing in the budget papers there is a reference to \$515 000 for information technology initiatives to support homelessness sector reform. I do not know whether you have already talked about this but if you have not -

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**Ms O'CONNOR** - No, we have not. I might ask Ms Bresnehan, the previous director of Housing Tasmania, to talk in a bit of detail around that spend.

**Mrs BRESNEHAN** - One of the Commonwealth reform initiatives is that we put in place a common housing register that picks up homelessness people in social housing. So they have come into one place, have a common assessment and can then be put on a common waiting list so that people, whether they are applying for public housing, home ownership or community housing, all come to the one spot and can be all captured on the one register. So it is an information system to support that initiative.

**Dr GOODWIN** - Has that process already started - you have gone out to tender or?

**Mrs BRESNEHAN** - Yes, and it is likely to be expended this year. We are selecting the preferred IT program at the moment.

**CHAIR** - So it had not been covered - good pick up.

**Ms O'CONNOR** - Could I bring to your attention, Madam Chair, that we have some information here on the breakdown of where the houses for prisoner support housing are. For the prisoner support housing there are currently 11 properties in place: one in the north-west, one in the south-west - the suburbs are Romaine, Moonah, West Moonah, Glenorchy, South Hobart and Bellerive. And that is just one component of that program.

**CHAIR** - They are all in the south.

**Ms O'CONNOR** - No, there is north-west and the north, but that is just one component of the program to date. Housing Tasmania has made 100 properties available which will, as our stock is, be in various locations around the State.

**CHAIR** - But nothing outside the bigger city areas?

**Ms O'CONNOR** - Romaine in the north-west.

**CHAIR** - And north would be where - Launceston?

**Ms O'CONNOR** - It is West Launceston in the north. I am very confident that there will be a mix of properties in various areas to cater for the fact that the people we are seeking to provide homes for come from numerous communities around Tasmania.

I also have the answer to a question around Human Services staffing. An analysis of the regional distribution of the Human Services 329.5 FTE as at April this year showed that 55 are located in the north, 62 in the north-west and 212 in the south, and that goes to the fact that Housing Tasmania HQ is in the south of the State.

**Mr DEAN** - It should be in the north.

**Ms O'CONNOR** - You might say that, Mr Dean, but I could not possibly.

**CHAIR** - We won't get into the north-south divide. Do members want any of that information tabled or are they happy with the answers that were provided?



**Mr DEAN** - That information needs to be tabled, doesn't it? We have asked for that.

**Ms O'CONNOR** - In terms of Housing Tasmania staff where they all there?

**Mr DEAN** - I think we asked for a full breakdown.

**Ms O'CONNOR** - Do you need to have that tabled because I have just given you the figures. It is just a scrappy little email. You can read the *Hansard*.

**CHAIR** - I am comfortable with that in relation to the question I asked.

Minister, can I now take you to the Housing Fund and I am interested to know what the expected balance will be in the Housing Fund at the end of 2011-12. Do you intend to expend all the budgeted amount?

**Ms O'CONNOR** - There will be \$3 million left in the Housing Fund.

**CHAIR** - So you will just hang on to \$3 million?

**Ms O'CONNOR** - No, we are not going to hang on to it. We are trying to reform the system, so my goal would be to put that money towards housing reform. I would like to point out that a number of the north-west members would be particularly aware of the Spencer Park project in the north-west, and that is one project that we funded recently through the Housing Fund.

**Mr WHITE** - Sorry, minister, but the \$3 million has actually been quarantined for the NRAS rollout because of the delays from the Australian Government when they changed the spread, so it has been held over to 2015-16 for the last phase in the NRAS properties.

**Ms O'CONNOR** - Thank you for that clarification.

**CHAIR** - In relation to passing back the \$3 million to the consolidated fund -

**Ms O'CONNOR** - From TAHL?

**CHAIR** - From TAHL. Why didn't you hang onto it?

**Ms O'CONNOR** - Madam Chair, we had to find savings in the Human Services budget. Rather than cut into the services that we provide, we made the judgement call that there was one place where you could make a saving that was not fundamentally having an impact on the vulnerable people who we provide services to. So I made that judgment calls as part of the budget committee because I would rather have seen that money go back than any one of a number of prospective savings that were put forward as potential savings in the budget.

**CHAIR** - Most people would have said, 'Well hang on to it and build more houses.'

**Ms O'CONNOR** - But that said we have a very significant \$68 million capex fund for this year, and \$3 million on top of that would have been terrific but we had find savings in this budget and we had to make some really tough decisions. That is why that decision was made, but we

have maintained the funding to the Private Rental Support Scheme and Tenancy Support Scheme through TAHL.

**CHAIR** - Thank you. I just thought well, why would you give it back when you already had it.

**Ms O'CONNOR** - It was about difficult choices, Madam Chair.

**CHAIR** - I thought you might have had the pressure put on you.

**Ms O'CONNOR** - Well the pressure was to find savings.

**CHAIR** - Obviously it is your call - you are the minister in charge. I will suspend the sittings for lunch and we will resume again at 2 p.m. where we will kick off with community development.

**The committee suspended from 12.51 p.m. to 2.00 p.m.**

**Wednesday 29 June 2011 - Estimates Committee B (O'Connor) - Part 2**

**DIVISION 9**

(Department of Premier and Cabinet)

**Output group 6**

**Community development**

**CHAIR** - Minister, it is our intention to go to output group 6, Community development. The committee would be very interested to have some more detail about this area and what its funding is allocated to. Would you be good enough to give a broad overview of the division?

**Ms O'CONNOR** - A broad overview of the Division of Community Development encompasses a number of specific policy areas including Women, Seniors, Youth, LGBTI Tasmanians -

**CHAIR** - What does that stand for?

**Ms O'CONNOR** - LGBTI is Lesbian Gay Bisexual Transgender and Intersex Tasmanians, the Office of Aboriginal Affairs and Climate Change. We are also responsible for Multicultural Affairs and the Disability Bureau, which looks at the whole-of-government response to disability issues.

Members will see that there is some variation in the Community Development budget. The increase in 2011-12 primarily reflects the redistribution of corporate overheads to more accurately reflect the cost of this output, the effect of salary and non-salaried indexation to reflect the cost of providing the services under this output, and the flow-on effect of budget management strategies from previous years. Funding of \$18 000 for the Tasmanian Government's contribution to the National Partnership Agreement on an Indigenous Clearinghouse. The above increases are partially offset by a reduction in the grants program of \$716 000, which includes a reduced

contribution to the Tasmanian Early Years Foundation of \$500 000, a reduction in funding for community capacity building grants and no funding for Celebrate Tasmania Day.

The increase in 2012-13 reflects provision for expenditure of a bi-annual publication of the Seniors Card Directory; the decrease in 2013-14 reflects the allocation of budget savings to this output that have been proportionately applied across the department; and the increase in 2014-15 reflects the effect of salary and non-salaried indexation to reflect the cost of providing the services under this output. It is a small division within government but it provides important whole-of-government policy and strategic advice around those Community Development areas that I identified earlier. I am happy to go into some details, having given you some detail.

**Mrs TAYLOR** - My first question was going to be what you have just answered: how do you justify the increase or where is the increase going, but you have just put that on *Hansard*.

**Ms O'CONNOR** - It has been a balancing, so there have been some increases that were unavoidable but significant savings in the community capacity building grants which have been in place since 2009. It brings none of us who work with the division any joy that those savings were made, but savings were made right across government agencies and difficult decisions had to be made. In this division this is the most difficult decision we have had to make.

**Mrs TAYLOR** - Yes, I can imagine it is because the grants program is very important in that community development capacity building is what you are trying to do with this department, I imagine. We all know how important it is for groups that are out there providing services that government cannot and does not want to deliver itself, and can't often because they are just community capacity building - and that is what we are trying to do, build a strong community. It seems that that is a really strange budget cut.

**Mrs TAYLOR** - ...That seems to be a really strange budget cut.

**Ms O'CONNOR** - You could apply the same value judgment to any number of savings that have been found across all the agencies, and we discussed some of them with Human Services this morning. The imperative for all ministers was to identify savings, because we have a \$1.8 billion deficit in the forward Estimates and that money has to come from somewhere. I recognise that community capacity building grants have helped many communities all over Tasmania since they were introduced about two years ago, but this was an area where we knew it was possible to make a saving and that is what we have done.

**Mrs TAYLOR** - I have asked this question of a previous minister, but I presume that, when you were looking at the at significant budget cuts that the department obviously had to make, you asked your senior staff to suggest where the cuts could be made before you made those kinds of decisions. This is a bit harsh, I know, but let me say it nevertheless: when you ask people where they think budget cuts can best be made in their own departments, chances are that they will not say, 'My job'; they will look further down the line. Across the board in relation to these budget cuts the community is saying, 'Please do not cut frontline services, do not cut grants, do not cut the upper administration levels or jobs that might not be essential' - bureaucracy, for want of a better word. Has that been done, and would it benefit the Government in almost every department to have an external person look at your administrative structures and say, 'You could do this smarter or better' or 'this is probably not an essential service, whereas this is'?

**Ms O'CONNOR** - That work is happening across the Government and within agencies, but the Community Development Division is a very lean agency, and it is very important to have the intellectual capacity within the division to develop policy for government in the core areas. To give one example, through the Seniors Bureau we are reviewing the Positive Ageing Plan, taking into account the significant demographic change. The baby boomers are growing older and there will be a demographic bubble. There is a whole suite of social inclusion imperatives around ageing in Tasmania, so the Seniors Bureau is working with an expert advisory group to develop a much more contemporary plan for positive ageing. We need to make sure that the Government's policy capacity is not lost, and in my view Community Development is very lean in terms of its staffing numbers.

The division has 33.35 FTEs, a reduction by about six since 2009, so it is a leaner division. But it has a relatively small budget, and within that budget we had to identify savings. A grants program which has been of enormous community benefit but which has been in place for only two years was one area that we identified where it would be possible to make some savings, and that is what we have done.

**Mrs TAYLOR** - A small example of a grants savings is Tasmania Day. Tasmanians must be beginning to think that the Government is not at all serious about celebrating Tasmania Day. Over the last number of years we have changed the day several times, we have changed the funding opportunities several times and the guidelines for receiving grants have changed. I am all in favour in having a Celebrate Tasmania Day, but there needs to be some consistency about that and in the way in which the grants are given. I am not even sure that the grants were as effective as they might have been in that last year, or certainly the year before, there were several instances of a number of groups in the same community all receiving funding and all holding a Tasmania Day Celebration on the same day. The community could have gone to any one of six, which was not as effective as it might have been because everybody cannot go to six on the same day.

**Ms O'CONNOR** - I am not sure whether you have had an opportunity to quiz the Premier, but Celebrate Tasmania Day, while it is administered through the division, is actually the Premier's responsibility.

**Mrs TAYLOR** - Thank you. Is there going to be a Tasmania Day or not?

**Ms O'CONNOR** - I believe that there is a Tasmania Day; it is just that it will not be funded through this division.

**Mrs TAYLOR** - Are we going to stick with the same day as we have had for the last two years?

**Ms O'CONNOR** - We cannot abolish Tasmania Day. Again, I refer you -

**Mrs TAYLOR** - We shifted Tasmania Day two years ago. In fact, we had it for a couple of years and then did not have it for a year, and then we had the new Tasmania Day at a different time of the year. So we can shift it, apparently.

**Ms O'CONNOR** - I am sure that it can be shifted, but again I would point you to the Premier for specific questions around Celebrate Tasmania Day. But, as you would be aware, Mrs Taylor, we have the capacity in the Community Development Division to meet one-off requests for

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funding, and we will retain some of that capacity within our existing funding. The wonderful multicultural event Taste of Moonah was one such example.

**Mrs TAYLOR** - Was that saved in this Budget? It is not named specifically.

**Ms O'CONNOR** - No application has been made for specific funding for the Taste of Moonah festival. As I said to you earlier, I am very happy to have this conversation. I have seen your excellent analysis of the success of the day, and I attended it. It was a wonderful experience and demonstration of the benefits of a diverse multicultural Tasmania. The streets of Moonah were full of people. It was a fantastic event, so I look forward to having a discussion with you about these things.

**Mrs TAYLOR** - Thank you. I am not quite sure I understand the transference of the Tasmanian Community Fund money.

**Ms O'CONNOR** - That is from Finance-General into DPAC. That happened last year. That has been in place for some time.

**Mrs TAYLOR** - What is the reason for that? I ask the question because during the last year there appeared to be a move to -

**CHAIR** - Take over the fund?

**Mrs TAYLOR** - For the fund to become part of government, to be allied with the other community fund.

**Ms O'CONNOR** - The community capacity building grants?

**Mr JOHANNES** - The CSL.

**Ms O'CONNOR** - The community support levy.

**Mrs TAYLOR** - The community support levy, yes. The beauty of the Tasmanian Community Fund, in the eyes of the community at least, is that it has been totally independent. My question is in relation to that.

**Ms O'CONNOR** - It remains independent in terms of its decision-making on the administration grants. I will throw to Mr Johannes to talk about the historical reasons for the transfer from Finance-General into DPAC.

**Mr JOHANNES** - There was a discussion between the former secretary of Treasury and the current secretary of Premier and Cabinet in which the view was expressed by Treasury that, given that DPAC has a Community Development Division that administered at the time a range of grant programs that were seen to be complementary to the approach of the Community Fund, it would more logically sit within Premier and Cabinet than within Treasury. So it has transferred across but, to reiterate the minister's comment, it remains completely statutorily independent. Two staff support the board and are responsible to the board, but they are housed within the Community Development Division, where they get their care and victuals, so to speak.

**Mrs TAYLOR** - That is what I wanted to hear. Thank you very much.

**CHAIR** - Minister, in your overview you mentioned that Aboriginal Affairs comes into this area. Is that correct?

**Ms O'CONNOR** - The Office of Aboriginal Affairs is somewhat separate from the other aspects of community development.

**CHAIR** - We have allocated time for that later in the day, so we will not deal with any of those things now. Even though there is some reference on the table, we will leave that until later. I just wanted to clarify that.

**Mr FINCH** - Minister, I refer to page 10.17 and Table 10.13, the figures for retained revenue. Mr Reeve might be able to help us here, but I would like some understanding of what is going on there with the \$46 000 and then the four figures of \$2 000.

**Mr REEVE** - What is happening there is that every two years the seniors card directory goes out and some revenue comes in from that. What you are seeing there in 2011-12 is a drop off of revenue which was published in 2010-11. What you are not seeing there is the revenue that should be shown coming in 1012-13 and also 2014-15.

**CHAIR** - What should those numbers be?

**Mr REEVE** - They should be similar to the 46.

**CHAIR** - Another error in the budget papers.

**Mr REEVE** - It is a slight error. We do get a chance to review the forward Estimates, particularly in relation to retained revenue when we formulate the budget in those years.

**Mr FINCH** - Thanks. I just wanted to clarify that because I did not quite have an understanding of it. On page 10.18, table 10.14, there is a steady increase in the number of seniors cards issued. Can you give me some idea of where they are being used, how much they are being used - something about the senior cards and their use in Tasmania and companion cards as well?

**Ms O'CONNOR** - The Tasmanian Seniors Card Program aims to encourage older Tasmanians to remain actively involved in their community once they have either stopped working or cut back their hours of paid employment. It also encourages older Tasmanians to try something new, go to new places and add new experiences to their lives. The Seniors Card Program promotes an understanding of the ageing population to participate as seniors card business partners. I would like to acknowledge the great contribution of our business partners in signing up to the seniors card and providing those discounts to older Tasmanians.

As at 10 June this year, there were 619 business partners in the Seniors Card Program, with 59 joining the program in 2010-11. The Australian Bureau of Statistics estimated resident population as at June 2010 is 111 217 people 60 years of age or over in Tasmania, which is around 22 per cent of the population. As you would be aware, Mr Finch, through no personal experience of your own necessarily, we have the oldest and fastest ageing population in the country.

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**Mr FINCH** - Oh yes, I am wanting to be part of that.

*Laughter.*

**Ms O'CONNOR** - In terms of the increase in the number of seniors cardholders in Tasmania: from 2008-09 there were 6 170 seniors cardholders -

**Mr JOHANNES** - That is cards issued.

**Ms O'CONNOR** - Cards issued - that means they are not necessarily held.

**Mr JOHANNES** - No there were many more holders.

**Ms O'CONNOR** - Sorry, active cardholders represent almost 74 per cent of the Tasmanian population. So three-quarters of Tasmanians aged over 60 years have a seniors card and that now is at 6 868 in the last financial year.

**Mr FINCH** - What does it cost the agency to administer that operation, have you any idea?

**Ms O'CONNOR** - I am not sure it costs very much to administer the seniors card.

**Mr EVANS** - The cost is in staffing to process the seniors card applications. Certainly there is a cost for us in producing the directory and the card itself, and also when we do seek to recruit business partners, there is a significant cost in that.

**Mr JOHANNES** - I am advised by Heather Cuthbertson, who is the director of the Seniors Bureau that it varies from year to year because there is a surge of effort every second year. But in a major year it costs about \$110 000 which includes staff time.

**Mr FINCH** - So well received by Tasmanians. Does the mainland have a similar program?

**Ms O'CONNOR** - All mainland States and Territories have a seniors program and New Zealand does too. We have just signed a reciprocal agreement with New Zealand so that New Zealanders can access the benefit of seniors cards within Australia.

**Mr FINCH** - In comparison, do we have a good take-up in Tasmania of this opportunity?

**Ms O'CONNOR** - I have not seen a State-by-State comparison. I do believe though that with 75 per cent of Tasmanians over 60 who are seniors cardholders we have a very strong uptake of the seniors card in Tasmania.

**Mr FINCH** - How do you promote the seniors card to people?

**Ms CUTHBERTSON** - Every second year when we have the biennial directory, we usually do a business recruitment process whereby we will identify potential business partners that older people have either given us an indication that they would be interested in having them on as a business partner; so we will go out and actively try to recruit people from those particular business sectors. The other thing we do as part of that marketing campaign is we have tranches within newspapers where we are advertising the seniors card, getting people to come onto the seniors card. The other thing that we think has had a good take-up has been since we have

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outsourced our application processes to Service Tasmania, because it is a bit more in people's face when they go to Service Tasmania.

**CHAIR** - I know Banjo's is well utilised by the senior sector of our community. You get a free muffin with your coffee there.

**Mr FINCH** - I was asked there 12 years ago if I had a seniors card.

**Ms O'CONNOR** - You are far too young for a seniors card, Mr Finch.

**Mr FINCH** - It was 12 years ago. I was shocked.

**Ms O'CONNOR** - You are decades off.

**Mr FINCH** - Absolutely. Thanks very much, Minister, for your response. I want to refer to a performance measure that is on page 10.18, it is in this same area, about the number of women on government boards and committees as a percentage. It certainly looks far better than the private sector, and I note the target of 40 per cent for this coming year. When we are talking about marketing and promotion, I am wondering how the issue of women on boards is being promoted. That 40 per cent looks as though it could be realistic with our target this year of 39 per cent.

**Ms O'CONNOR** - I still think that there are not enough women on government boards. I would like to acknowledge that we are constantly working to improve that. We do have a better track record than the private sector where often you can have a whole board comprised of all males and, with the greatest of respect, what that can lead to is -

**CHAIR** - Long lunches.

**Ms O'CONNOR** - a somewhat diminished capacity of the board. There is an organisation nationally called Women On Boards, and they refer to research which shows corporations that are active in driving a gender balance on their boards actually make their decisions and that it leads to better productivity and outcomes for those corporations. It is really important that we keep working to have women on boards, because we do think differently and we can make a really important contribution to board decision-making processes.

As at 31 May 2011, women made up 34 per cent of the membership of Tasmanian Government boards and committees. Overall there are 1 040 members, comprising 690 males and 350 females - the balance is being corrected. While ministers and Cabinet do not have the capacity to endorse all board appointments, where such appointments result from a selection panel process women currently comprise 38 per cent of appointments; where positions on a board are ex-officio and attached ipso facto to statutory or department positions, as at 31 May 2011 women currently comprise 23 per cent of these roles; where external organisations are required to nominate a person for membership of a State Government board, as of 31 May 2011 women comprised 20 per cent of these appointments; and in relation to Government business enterprises and state-owned businesses, as at 31 May 2011 women comprised 26 per cent of appointments.

We are working hard to increase the number of women on boards and committees. We have an online database of board candidates that can be accessed by departmental and ministerial staff and that is run through Women Tasmania. As at 3 May this year there were 378 women who put



their name onto that access point; notifying women of upcoming board vacancies, governance training, scholarships, workshop and networking opportunities by providing website links to other State and Federal registers and a portal for all agencies to advertise board and committee vacancies; by engaging executive search firm Amrop Cordiner King to assist in identifying suitably qualified people for government business board positions, including women; offering a series of government workshops around the State in 2010 aimed at women who are new to boards and committees; encouraging women listed on the register to apply to the Australian Institute of Company Directors' national scholarship program - 70 scholarships were available across Tasmania and three Tasmanian women were successful and the Government assists those women to access that opportunity interstate; and assisting the organisation Women on Boards to deliver a Hobart workshop at a networking event at which I spoke earlier this year. So we are making some significant progress but as always there is more work to be done.

[2.30 p.m.]

**Mr FINCH** - We have made some progress here today. I applaud your gender equity in your advisers and certainly this morning when we had Disability and Housing we had 10 women and two men so we are evening it out as the day goes on but thanks for that fullsome response.

**CHAIR** - Thank you, Mr Finch, for your interest in Women on Board and their role in the community - very impressive.

**Dr GOODWIN** - I have a question on the budget in this output; are there more details, a breakdown on the various -

**Ms O'CONNOR** - We actually do not break it down into the different cohort groups and I do not believe that we have that information available because we do not do it that way. Maybe, Jeff, did you want to elaborate on that? You can say no.

**Mr REEVE** - Essentially the Minister is correct; it is not managed on that basis any more. We are having difficulty to get it through to the areas but it has not really helped in a budget sense it would probably be meaningless.

**Dr GOODWIN** - The Office of Children -

**Ms O'CONNOR** - That falls within the responsibility of the Minister for Children.

**Dr GOODWIN** - Can you elaborate a little bit on the activities of OCYA?

**Ms O'CONNOR** - They contributed to the Agenda for Children and Young People, which is being delivered. OCYA works across government on issues relating to children and young people under 25 and to support the youth sector, to participate in policy and decision-making processes affecting young people. You do this by coordinating National Youth Week in Tasmania, funding and supporting YNOT, the Youth Network of Tasmania, funding and supporting the Tasmanian Youth Forum and the Tasmanian Youth Parliament, funding and supporting the Tasmanian Youth Conference, convening the annual Local Government Youth Forum that develops networking and national development opportunities for young people, providing information to young people and to the child and youth sector through to the Children and Young People in Tasmania online resource; supporting the Tasmanian Early Years Foundation, which falls within the responsibility of the Minister for Children; providing evidence-based information and advice to the Government on issues affecting children and young Tasmanians; collecting and collating data on the facilities,

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programs and services offered to children and young people across the State to the Local Government Children and Youth Services Survey; participating on various national and statewide committees addressing youth issues, including a statewide regional youth sector meeting, the Ministerial Council for Education, Early Childhood Development and Youth Affairs youth working group and the national Youth First research scheme; and working with individual government agencies to ensure there is a youth focus in policy decision-making.

**Dr GOODWIN** - Are they a discrete number of individuals who work in their office?

**Ms O'CONNOR** - Within OCYA? Four.

**Mr EVANS** - Yes, four.

**Dr GOODWIN** - Are they FTEs?

**Mr EVANS** - No, it wouldn't be FTEs because they also work in conjunction with the Early Years Foundation and a couple of their staff are shared, and apportioning that between OCYA the Early Years Foundation is a little bit inexact but it would probably be about three FTEs.

**Dr GOODWIN** - For the rest of the output, is it possible to put the people in against different areas or is it more fluid than that; are they working across -

**Ms O'CONNOR** - Currently there are policy positions and staff allocated to each area but we are in the process of going through a realignment of our Community Development Division, so in a sense we are bringing down some of the walls and that means we will have more capacity in terms of policy development for priority areas as they arise but every community group that is identified within Community Development still has that voice within the division; it is just that we are bringing the walls down, so we have more policy punch.

**Dr GOODWIN** - So you have more capacity when the different priorities come in to shift and so people will not necessarily be just working on one particular area within the community.

**Ms O'CONNOR** - That is right. This process is being undertaken in very close consultation with staff. In my view and in the division's view it is an important change in the way that we function because we will have more capacity for those areas as they arise and where they are needed.

**Dr GOODWIN** - Is this a fairly recent change in the structure?

**Ms O'CONNOR** - It is in process at the moment.

**Dr GOODWIN** - Okay, right. With grants programs, do you have specific grants programs that sit underneath this?

**Ms O'CONNOR** - There is the Community Capacity Building Grants so not all that long ago there were all sorts of different pockets of grants funding; they were all merged into the Community Capacity Building Grants program.

**Dr GOODWIN** - That is the only one now? There are not specific grants for -

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**Ms O'CONNOR** - I think there are a couple, Nick may wish to speak to this.

**Mr EVANS** - Yes. We are still managing a grants program for the LGPTI community. We manage also, although it does not fall under this minister's jurisdiction, a grants program for war memorials for veterans and I think that is it.

**CHAIR** - Can we have a breakdown of the funds for those grants?

**Dr GOODWIN** - On the separate grants.

**Mr EVANS** - Yes. There is a State Government grant program which falls under the Minister for Veterans Affairs that is available for the upkeep, not the new war memorial but for the upkeep of existing -

**Mr WIGHTMAN** - No, upkeep maintenance grants.

**Ms O'CONNOR** - And repair of some that are damaged.

**Mr EVANS** - It is probably also worth pointing out, although they are not directly grant programs we also administer funding for big bodies such as YNOT, Council on the Ageing and the Multicultural Council.

**Dr GOODWIN** - I guess we will come to this in Aboriginal Affairs but is there another grants program for them?

**Mr EVANS** - There isn't a specific aboriginal grants program although there are a couple of contractual funding arrangements but there is not a general grants program.

**Dr GOODWIN** - I am looking at the annual report for DPAC last year and I am just trying to make sense of the contributions in the grants table. Some of it talks about sundry grants and I am not quite sure whether -

**Ms O'CONNOR** - Sundry grants is the Premier's grants.

**Dr GOODWIN** - Okay.

**CHAIR** - The one she renamed yesterday as Pollie Fund, that is it.

**Ms O'CONNOR** - Did she do that? Spontaneously?

**CHAIR** - On *Hansard*.

**Dr GOODWIN** - And all those discrete areas have their own allocations, is that right? The Aboriginal Affairs or is that just the way they have been allocated?

**Mr EVANS** - Grants payments would refer to the payments that are made to organisations more so than publicly advertised and available community grants programs. For example, the Aboriginal Affairs budget has a grant to the Aboriginal Lands Council of Tasmania. As I said we also have specific arrangements with other peak bodies in those sections but as to community-based grants programs, no.

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**Dr GOODWIN** - The money would come out of DPAC and go to the Seniors Bureau and then they would make out the grants, is that how it works?

**Mr EVANS** - The money would be allocated to COTA, for example, to the Community Development Division who would do a negotiation and relationship work with COTA to administer that grant payment.

**Ms O'CONNOR** - As you would be aware we outsourced Seniors Week to the Council on the Ageing, which was announced towards the end of last year.

**Dr GOODWIN** - I am not completely clear on this but perhaps I can get some advice on it later.

**Ms O'CONNOR** - If you want to write out a specific question on this we will seek to have that information to you ASAP.

**Dr GOODWIN** - Okay, thank you.

**Mr GAFFNEY** - This is all about the board and it seems to be greatly involved in social inclusion. I am just wondering what the relationship is between the commissioner and this output and how that works -

**Ms O'CONNOR** - The Social Inclusion Unit is separate from our division. It does come under DPAC and fundamentally that is the responsibility of the Premier.

**Mr GAFFNEY** - I understand but this is all about social inclusion so I just wanted to ask, how does his role work with this department to get better outcomes for the people or the groups that he identifies?

**Ms O'CONNOR** - As you would be aware, the Social Inclusion Commissioner works across government and provides policy advice and input across government but in terms of the mechanics of the administrative structure, I might get Mr Johannes to explain that.

**Mr JOHANNES** - The Social Inclusion Commissioner is, of course, independent of government but in a sense he is supported by a secretariat and the secretariat is the Social Inclusion Unit. The Social Inclusion Unit is physically co-located with the Community Development Division and the social inclusion strategy that Professor Adams prepared with the Social Inclusion Unit has informed the approach that the Community Development Division has taken to its work across the board and all its strategic planning since it was released. There is a very close working relationship, but the Social Inclusion Commissioner does not have a tasking right, so to speak, because he is independent so he does not own a bureaucracy, we just support his work through the Social Inclusion Unit. He does not task the Community Development Division, but the work that he does on social inclusion heavily informs the planning and process that the Community Development Division undertakes.

**CHAIR** - Minister, you talked about prioritising policies and advice. Are there any areas that you feel need some policy work on that have not been covered off?

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**Ms O'CONNOR** - There are probably always policy areas that need some work on, but we are actually doing some really significant work. I talked earlier about the review of the plan for positive ageing and we are also undertaking a review of our multicultural policy in Tasmania. One example of how the Community Development Division is working in a multicultural space is that we have initiated better access to government services. It is not a program but it is a review of how government services are meeting, or not, the needs of new Tasmanians. That will go to issues of housing, health, education and all those mainstream government services.

**CHAIR** - Will it look at social aspects?

**Ms O'CONNOR** - In the review - I am not exactly sure what you mean in terms of social aspects.

**CHAIR** - Integrating into the community, that type of thing.

**Ms O'CONNOR** - Part of our work through the Community Development Division is very much about consulting and working with new Tasmanians. I have had some wonderful experiences talking to various different communities - African, Bhutanese, Burmese - and community leaders around the issues that concern them the most and where they think services or policy could be improved. That is part of our Better Access to Government services initiative so that we can pull all this information together and work across government to make sure that we are looking after, as best we can, new Tasmanians.

**CHAIR** - And you are absolutely confident that there are no areas of the community that you feel do not have a voice and do not have any way of having their needs met?

**Ms O'CONNOR** - I cannot say that I am absolutely confident all the time that there are no areas of community who do not feel that they have a voice. What I can say is that through the Community Development Division we are working really hard in those policy spaces that identify particular community groups - young people, women, seniors, people living with disabilities, multicultural and LGBTI. We are working very hard in these policy spaces to make sure, if you like, we are at the front line of policy development to inform government policy and decision-making in these areas. There is always more work to be done in terms of building a capacity of different groups within our communities but we in the Community Development Division in terms of policy are working really hard to make sure we are staying at the front edge, if you like, of policy development.

**Mr DEAN** - Why is there such a big drop-off in the businesses that are being registered with seniors cards?

**Ms O'CONNOR** - We have actually increased the number of businesses.

[2.45 p.m.]

**Mr GAFFNEY** - The first year they got a lot and then they have been adding to it, that is how I read it.

**Mr DEAN** - Is it? Can you interpret it, what does it actually mean? It says actual numbers: in 2008-09 there were 161; then the next year, 2009-10 it was down to 84; the next year it was down to 30 - a target of 30, because the first three refer to actions and then targets, so it is a little bit -

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**Ms O'CONNOR** - Well, it would be quite fluid, because we undertake a recruitment process for businesses on a biannual basis. So at the beginning of two years, when we are going through the recruitment process the number of businesses that sign up to assist with the seniors card increases, and some may, as is inevitable, decide they do not want to be part of the program or they fall away. But there has been, overall, a definite increase in the number of businesses who are participants in the Seniors Card Program.

**Mr DEAN** - That does not read right somehow. I know you have 181 then it drops right back to 30. I wonder whether or not the numbers at page 10.18 should be written in some other way.

**Mr EVANS** - Because of the issues we have been talking about in terms of resourcing for the unit: the fact that there are three people in it, and we have lost positions this year we did not undertake a business recruitment round this year. It is not on our work plan to do a business recruitment round next year either, just in terms of the capacity of staffing resources to do that. But clearly, as we go along, as the minister has explained, realigning the way we do our business and we have the capacity to move different staff into these areas, then we would be looking to ramp that up again.

**Mrs TAYLOR** - Is that cumulative? Are these new businesses?

**Mr EVANS** - They are new businesses, yes.

**Ms O'CONNOR** - So you get 181 the first year, then you get an extra -

**Mrs TAYLOR** - That is right, it does not drop to 30.

**Mr EVANS** - No, that is 30 new businesses.

**Ms O'CONNOR** - That is how many new businesses.

**Mr DEAN** - When you read at the top it says actual though, 2008-09 -

**Mrs TAYLOR** - But in terms of the -

**Ms O'CONNOR** - The line new businesses.

**Mr DEAN** - Yes, and it says new businesses but actual.

**Ms O'CONNOR** - Just in terms of the number of businesses who are participating, I did read this figure out before, the total number - in '08-09 the number of new businesses registered was 161, the new businesses in '09-10 was 84 and the new businesses in '10-11 was 59.

**Mrs TAYLOR** - But the total now is -

**Mr EVANS** - 619.

**Ms O'CONNOR** - I did read it out to you.

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**Mr DEAN** - Two areas in my electorate are over-represented when it comes to criminal activity and criminal behaviour. I specifically refer to a report that was put in by the Ravenswood Neighbourhood House about two-and-a-half years ago in relation to community issues, social inclusion and some of the reasons why some of these things might be occurring in that area. They were specifically asking for support for somebody to work with youth in that area. Minister, have you seen that report from the Ravenswood Neighbourhood House that was submitted about two years ago now?

**Ms O'CONNOR** - No, I cannot recall seeing that report.

**Mr DEAN** - The only thing that has happened there since - and the house continually comes to me about it - is the Children and Family Centre that has been built there. Other than that nothing else has happened. They often wonder whether the report has been lost. I suspect that might have happened. I do not mean any disrespect to anybody when I say that, because it was about two years ago, and it happened as a result of the anti-social behaviour in the area with the Metro buses being stoned off the roads and so on.

**Ms O'CONNOR** - I think that right across Tasmania in certain areas of socioeconomic disadvantage, there is a need for more youth support workers. I know that some councils provide youth support workers, and I know that there is an investment in recreational facilities and options for young people, but this is an enduring issue in some of our more disadvantaged communities, where young people may not feel that sense of optimism about the future that some other young Tasmanians in less disadvantaged areas feel.

**Mr DEAN** - Is there anything happening within your area in relation to addressing social disadvantage and increasing social inclusion and community connection. Is anything happening in those areas, in the northern suburbs of Launceston, in particular, which are over-represented in criminal activity and anti-social behaviour.

**Ms O'CONNOR** - I would remind you, Mr Dean, that OCYA is a policy advice division of Government. The Agenda for Children and Young People, which falls outside my area of portfolio responsibility, has a specific focus on improving social inclusion outcomes, particularly for disadvantaged young Tasmanians. It is not the role of Community Development to employ youth workers for these areas. We are the policy development arm of government. There is some good work being done through OCYA - the events it promotes, and are part of, are engaging young people from cities, and rural and regional areas right around Tasmania. School children who attend the youth conference, and the multicultural youth voices forum are coming from schools all over Tasmania, so there is a lot of good work happening in this area, but I acknowledge that there are inevitably going to be gaps.

If I could put my Human Services hat on briefly - through the Gateways, and the investment in early intervention and family counselling services, we are addressing some of the intimate family challenges that can lead to young people being disengaged and disenfranchised. The child and family centres are another investment in breaking some of those cycles of disadvantage that you are so acutely aware of in your electorate.

**Mr DEAN** - Yes. Can you speak about 'building individual community capacity'?

**Ms O'CONNOR** - Mr Johannes may have a contribution to make.

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**Mr JOHANNES** - Mr Dean, I am not aware of the specific report that you refer to, but as part of preparing the social inclusion strategy for Tasmania, there was extensive consultation all over the State, through the neighbourhood and community houses, including in the Ravenswood area. That has occurred in the last 18 months to two years. We would be happy to go back and check that they provided that report and addressed some of its contents. As a result of the feedback we got directly from communities through that process, we employed a series of social inclusion community liaison officers in each of a range of communities, including the communities of which you speak, to work with the community so that Government can determine, and provide the services needed. We sat down with the community - a local group of motivated individuals - to ask about the areas of greatest need in their communities, because that is what we will focus our subsequent service provision on.

**Mr DEAN** - Thank you.

**CHAIR** - Thank you, Mr Dean. If there are no other specific questions in relation to that, Minister, it has been our past practice - if we move to grants and subsidies and specifically the Tas Community Fund - that the minister puts a list across of the successful grants.

**Ms O'CONNOR** - I will have to provide that list for you a little later today.

**CHAIR** - It is always of interest.

**Ms O'CONNOR** - It is a wonderful fund. I can indicate that the amounts appropriated to the fund is reserved by law, and the 2010-11 appropriation was \$5.6 million. The act provides that the amount paid to the fund each financial year is equal to the previous year's allocation, indexed by the Hobart March CPI outcome for the previous year, therefore, the 2011-12 allocation will be approximately \$5.8 million. Over \$53 million has been allocated to more than 1 500 projects since the fund was established from the proceeds of sale of the Trust Bank.

**CHAIR** - Given that there has been a huge number of requests made to that fund, can you give us any idea of whether the number of applications increased over the past 12 months?

**Ms O'CONNOR** - I cannot, at this stage.

**CHAIR** - Are we too early?

**Ms O'CONNOR** - The issue here is that we are dealing with an independently administered fund so whether they have increased or decreased in the previous year, I can't tell you. We may be able to access that information.

**Mr EVANS** - My understanding is that the number of applications is relatively steady. It was increased and maybe I think it has slightly decreased -

**CHAIR** - That is interesting; I would have thought -

**Mr EVANS** - It is around about 300. They do a rolling intake so it is not necessarily a calendar year to calendar year sort of comparison.

**CHAIR** - They have two rounds during the year.



**Mr EVANS** - Yes. My recollection is that there are a little over 300 applications in the most recent round, which was a slight decrease from the previous one.

**Ms O'CONNOR** - I guess all will be made clear when the annual report is tabled at the end of October.

**CHAIR** - That's right. If no other members have any questions in relation to that particular area we will move onto climate change. Thank you very much to those who joined us at the table.

**Output group 1**  
**Support for executive decision making**

**1.2 Climate change -**

**CHAIR** - Minister, you might be good enough to provide the committee with an overview on what has been happening in this particular area that you look after now.

**Ms O'CONNOR** - Well, what has been happening, Madam Chair, is that the planet is getting warmer, climatic patterns are changing and there is a duty of care imperative on all governments to respond to the challenge of climate change. The Tasmanian Climate Change Office works across government on climate change policy. Tasmania has an emissions reduction target of 60 per cent reduction of pre-1990 levels by 2050, but what we do not have, of course, in Tasmania at this stage is an interim emission reduction target, although we do have some advice from the Tasmanian Climate Action Council around considering the introduction of an interim target of 25 per cent below 1990 levels by 2020.

We have undertaken work on the Tasmanian Wedges Project which shows the emissions from different sectors of the Tasmanian economy, so we have good information around what we are putting out. What we do know is that, to date, Tasmania is emitting around 8.4 million tonnes of CO2 equivalent each year. To meet our legislative target we need to bring that down to 4.6 million tonnes by 2050, which is a very significant challenge for us as a community. I can indicate that the Government's response to the wedges report and part of the advice from the Climate Action Council I will be taking to Cabinet in the not-too-distant future, so I think that is potentially a significant step forward. I cannot talk, of course, about what is in that cabinet minute.

We also have the Tasmania Climate Futures Project which is nation-leading in that we have now, through climate modelling out to 2100, been able to break the various components of Tasmania with a gridded approach, if you like, to look at the various different climate change impacts on a micro-regional basis which is an exceptional tool for all sectors of the economy in understanding potentially what the facts are. It can go right down to an individual land owner's level and I will be making an announcement tomorrow about the much greater accessibility of the climate futures data to people in Tasmania. So there is some very good work happening.

We also established the Climate Change Adaptation Unit last year. There are two imperatives, of course, with climate change. The first is mitigation, making sure that we are doing all that we can to reduce our emissions in Tasmania, and that will require a range of strategies, but we also need to make sure that we are preparing for a very different future, which is the work that the Climate Change Adaptation Unit is undertaking. We are particularly working very closely with local government because it is at the local government level and the planning

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level that a lot of the really important preparatory work is being undertaken. So that is more or less where we are at the moment.

[3.00 p.m.]

**CHAIR** - In relation to the wedges report last year the minister indicated that the Government would consider the response, so is what you are presenting to Cabinet the response from that particular report?

**Ms O'CONNOR** - Yes.

**CHAIR** - Then there will be, I assume, some sort of action undertaken?

**Ms O'CONNOR** - A series of actions undertaken subject to cabinet approval.

**CHAIR** - Is there any specific funding available to be able to act on some of those projects or right now or in this financial year, or will that be all in future?

**Ms O'CONNOR** - Because it is part of a cabinet process I cannot talk about the funds that are attached to any different component of our response to the wedges report, but effectively the Climate Change Office is doing the work to prepare us a response to that report. There will be funding implications not just for government but across the community as a consequence of needing to adapt to and mitigate climate change, but we are already doing some really good work in this area. The energy efficiency measures that I talked about earlier -

**CHAIR** - The member received that in the lunch break.

**Ms O'CONNOR** - That is not part of our energy efficiency strategy. That must have come from a very naughty constituent or somebody, but of course an important part of bringing our emissions down is investing in energy efficiency and through Housing Tasmania we have \$8 million in the maintenance budget that we have already invested in energy efficiencies and upgrades, and then there will be \$6 million over the course of three years to provide energy efficiency support to low-income Tasmanians. We have also significantly over the course of the Budget increased and included the amount and the accessibility of public transport. The Climate Change Office is not the primary funding vehicle for how we respond and adapt to climate change; different agencies will have their own programs that are a part of a whole-of-government response.

**CHAIR** - Minister, I might get in ahead of some of our local government reps. You talked about the relationship with local government in this area and I might say that often local government are expected to pick up the slack of a lot of programs, if you like, so do you see an implication for local government that could impact on their budgets in the future as well or do you think it will just be a matter of course?

**Ms O'CONNOR** - The issue for local government is more around planning and understanding risks and vulnerability associated with climate change. I would like to talk briefly about the work that the Climate Change Adaptation Unit is doing with local government because it is at that level that a lot of the important planning work will be undertaken.

The Climate Change Adaptation Unit was instituted in July last year as a consequence of the fact that we have a Greens-Labor Government in Tasmania. The adaptation unit is continuing to

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communicate and extend the results of the Climate Futures for Tasmania project to ensure that we have that unique fine-scale climate projection and understanding available to the community and to government. Results on general climate change projections and climate change impacts on water catchments and agriculture are now publicly available through DPIPWE. We don't have it all on the list; we have the water catchments and the agriculture impacts on the list, but the extreme events are not there.

**CHAIR** - Extreme events - what was that?

**Ms O'CONNOR** - The extreme events projections are not currently on the list, but I will be making an announcement about that in the not-too-distant future. The Climate Change Adaptation Unit has formed a partnership with the Tasmanian Institute of Agricultural Research and DPIPWE to enable key agricultural sectors to take advantage of the opportunity and the risks associated with climate change.

One project I can talk about which is working with local government is a project to develop flexible coastal adaptation pathways for local government. They will receive funding from the Australian Government Department of Climate Change and Energy Efficiency's Coastal Adaptation Decision Pathways program. Through this project the Local Government Association of Tasmania, the Tasmanian Climate Change Office and the Planning Commission will work with Break O'Day Council, Clarence City Council, Kingborough Council and Latrobe Council and the Tasmanian science and research community to identify what is required in practical terms to assist these communities to adapt to coastal climate change impacts.

But of course it is not just coastal local government areas that will be affected, so \$400 000 has been secured to assist local government adapt to climate change, and regional land use and council adaptation plans will be developed for the 12 southern Tasmanian councils this year. There is some really good work that is happening at the moment through the Adaptation Unit working closely with councils so that they are better prepared for the impacts of climate change.

I want to acknowledge at this point the leadership of Clarence City Council which undertook a very significant vulnerability assessment which was released some two or three years ago. They were one of only three or four councils in the country who undertook that work. There are various different levels of preparedness at a local government level in Tasmania, which is why we need to work with councils and with the Local Government Association of Tasmania to make sure that we are all coming up to the same level of understanding of the risks and vulnerability and what we need to do at that planning level.

**CHAIR** - I appreciate that. My last question in this area is in relation to the Climate Action Council. My understanding is that last year the cost of the council was \$138 000. Can you give us the figures for this year?

**Mr JOHANNES** - Just to clarify are you asking how much we have spent supporting the Climate Action Council this financial year or how much we intend to spend next financial year?

**CHAIR** - Both - that would be easy.

**Mr JOHANNES** - Do you have the figures for this financial year, Jeff?

**Mr REEVE** - Not specifically of the council.

**Ms O'CONNOR** - I have some figures here around the Climate Action Council. Each non-government council member receives payment of \$14 543 a year. The chair receives \$24 220 a year. The total cost of operating the council is approximately \$150 000 a year, with \$126 000 per annum in the membership fees and a further \$24 000 in travel, accommodation, events, and meeting and catering for its board meetings each year.

**CHAIR** - Last year the travel and accommodation was \$12 000 on the information I have. So that is double if it is \$24 000 in those figures. Would that be correct? Would they have doubled?

**Ms O'CONNOR** - I do not know why it would have doubled.

**Mr REEVE** - I do not have any explanation on why it would have doubled.

**CHAIR** - I am reading from last year's *Hansard*.

**Ms O'CONNOR** - You would be aware, Madam Chair, that a number of the members of the council come from interstate because we have sought to have a diverse mix of skills.

**CHAIR** - That was my next question, what was the membership and is it still 10?

**Ms O'CONNOR** - The membership is currently 10.

**CHAIR** - How many come from interstate?

**Ms O'CONNOR** - But as a result of the trimming of the budget for the Climate Action Council, because we have had to spread the savings impact the membership will be reduced to eight members. I have spoken to the chair, Kate Crowley, about that and I will have a meeting with her in the very near future.

In terms of the current membership of the council: Associate Professor Kate Crowley is of course a Tasmanian; Dr John Church is also a highly regarded Tasmanian scientist; Dr Noel Purcell is an interstate member from memory although his address is not on there; Adam Kirkman is also an interstate member; James Walch from the TFGA; Rhys Edwards, and we all know who Rhys is and he does live in Tasmania; Roger Jaensch, who is the chair of the Cradle Coast Authority; Ben Kearney who is a Tasmanian; Nel Smit, famous for her work with the Woodbridge Whole School Sustainability Program is also a Tasmanian; and we have a new member, Paul Gilding, who I remember from many years ago when I was a young journalist and he was a slightly radical Greenpeace activist and now he has a CV with a very impressive corporate connection and has moved to Tasmania and is a member of the council.

**CHAIR** - So there be two of those that will have to leave?

**Ms O'CONNOR** - There will be a change but we will work with the council, and Kate Crowley has said there may be opportunities for some members who feel they wish to move on -

**CHAIR** - They are ready to move on at this point.

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**Ms O'CONNOR** - But under the legislation the membership of the council can be between eight and 10 so it is movement within a legitimate space.

**Mr GAFFNEY** - I looked at the funding for climate change and it is sort of treading water and going down a bit.

**Ms O'CONNOR** - In terms of the Climate Change Office.

**Mr GAFFNEY** - But then you explained that the projects come from other places and other funding, because it is more important that office and what they do, so I am pleased to see that it is at least maintained. I am pleased you mentioned the Clarence Council's work because that has greatly helped all local councils. I think they even received a national grant for \$50 000 or whatever. With your announcement or with what's going on, is that in response to the report released by the Australian Government about climate change risks to coastal buildings? The funding or the grant to the four councils that you were talking about, is that part of our response to that report that came out?

**Ms O'CONNOR** - It is not specifically a response to that report. The funding is accessed through the Commonwealth department but it is part of what we know needs to be done. I am not sure exactly what you are getting at there, Mr Gaffney.

**Mr GAFFNEY** - I am just wondering because they did this report for the scenario for 2100 about the height of the water?

**Ms O'CONNOR** - This was released two weeks ago?

**Mr GAFFNEY** - Yes.

**Ms O'CONNOR** - That is a quite a very contemporary report and it paints a frightening scenario of a possible future. The projections for sea level rise in that report I think are at 1.1 metres, so that is what we know at this point. Those funding applications have gone back some way, and the Climate Change Adaptation Unit has worked with LGAT in part to secure at least one of those grants.

**Mr GAFFNEY** - The relationship that your office has with the coastal policy which has had some -

**Ms O'CONNOR** - Let us talk about the coastal policy.

**Mr GAFFNEY** - It would be good to get an overview about the relationship that your office has with the coastal policy and where that is heading so that people are a bit more aware of what we do to make it better.

**Ms O'CONNOR** - As all members are aware, the State coastal policy was rejected by the Tasmanian Planning Commission between six and eight weeks ago. My understanding is that one of the issues of concern was the lack of accounting for coastal risks, vulnerability, sea level rise, storm surges and extreme weather changes. So the Climate Change Adaptation Unit is working within to help develop a stronger and more effective State coastal policy.

The good news is that in the redevelopment of a coastal management framework, the Climate Change Adaptation Unit will be heavily involved. But also on a minister to minister level, I will be working with my colleagues - that is Brian Green as the planning minister and also the Premier who is responsible for State policies - to make sure that climate change risks and vulnerabilities are incorporated into whatever the new State coastal management framework is.

[3.15 p.m.]

**Mr GAFFNEY** - I know this is never a question a minister likes to answer: Has there been any discussion about a timeframe or when you hope this will get out to the public?

**Ms O'CONNOR** - For a State coastal policy, when I hope?

**Mr GAFFNEY** - Yes.

**Ms O'CONNOR** - About three or four years ago.

**Mr GAFFNEY** - Is there a public arena time for consultation? How is the process going to work?

**Ms O'CONNOR** - Not at this stage. We are at a preliminary stage where a formal reference has yet to go to the TPC. The Premier, who is ultimately responsible for State policies, has written to the planning minister and asked him to bring some advice back to Cabinet on the scope of the policy and any potential time frame, and the planning minister is working with the Planning Commission in forming that process.

Mr Gaffney, in some senses, although the State Coastal Policy falls outside my area of direct responsibility, unfortunately, rather than wait for the delivery of a good coastal management and protection framework, we need to keep working through the Adaptation Unit with the coastal councils on identifying those areas of risk and vulnerability. A fortnight ago I wrote to the coastal councils saying, 'Hello, here I am the minister, we have serious issues that challenge both levels of Government,' and asking them for some advice on what their understanding was of their own vulnerabilities in their coastal municipal areas. I am waiting to have some information back there. But also during the winter break I also intend to go and visit the various local Government bodies and talk about particularly the risks but also the potential opportunities that come out of climate change.

**Mr GAFFNEY** - Thanks, minister. I think from recollection 23 out of 29 councils have coastlines so that is quite a significant number. On a good note, I only have praise for the climate office because they get to a lot of sectors from schools to community groups to Landcare. They are doing some terrific work, so pass it on for me.

**Ms O'CONNOR** - They are and they are a very lean and efficient office.

**Mr GAFFNEY** - Lean and mean.

**Ms O'CONNOR** - But they are not mean; they are lean and kind; and they are thinking about the future of the people of Tasmania.

**Mr GAFFNEY** - That is what I meant to say.

## UNCORRECTED PROOF ISSUE

**Ms O'CONNOR** - I am really pleased to hear you say that, Mr Gaffney, because I have been very impressed with the quality of the people working in the Climate Change Office and also their output and actions.

**CHAIR** - On that very positive note I will hand over to Dr Goodwin.

**Dr GOODWIN** - You mentioned the great work of the Clarence Council in undertaking that research on climate change impacts on Clarence coastal areas a couple of years ago. One of the concerns the council has is about legislative protection for councils who act in good faith on advice they receive and undertake protection work to allow developments and then something goes wrong and climate change impacts that they had not predicted occur and then they are exposed. They are obviously very concerned about that. Are you able to indicate what's happening in that space?

**Ms O'CONNOR** - I can indicate in the first instance that I have, since taking on this portfolio, sat down with the Clarence Council mayor, Jock Campbell and the general manager, Andrew Paul, and talked about the work that they have done and their concerns around liability. While I acknowledge that, of all the Australian States and Territories, only New South Wales has moved to indemnify local councils, there is a lot more work that needs to be done, in my view, in terms of councils' preparedness and doing some of that groundwork. It is very unfortunate for Clarence Council in some ways because they have shown such leadership and are quite a way out in front of other councils in terms of understanding their vulnerability, but I do take very seriously their concerns around the liability question. The Council of Australian Governments is at the moment undertaking a comprehensive analysis of the legal liability question and my understanding is that that will be complete in February-March of next year. That will help to inform us around those liability issues and in the meantime we are working with local government to assist them in coming up to speed in terms of understanding the vulnerability of their own coastlines.

But liability is a real issue, as is good planning and, in the absence of any legal liability question being resolved, if local governments make sure that their planning frameworks are good and strong and they are staying at the front end of the science so they are understanding what the potential range of impacts might be, I think that is a really good start for councils in terms of making sure that their decision-making process and future focus is with a view to protecting life and property in the future.

**Dr GOODWIN** - Of course Clarence is trying to do the right thing and they have a lot of areas that are potentially exposed because of the location of the municipality.

**Ms O'CONNOR** - That's right, and I acknowledge they have done fantastic work and I have committed to continuing to work with them around the legal liability question. It is a matter that is on our agenda but I think it would be pre-emptive to make any sort of sweeping policy announcement or legal change in this area until we hear what COAG has to say about it. Internally we have done some work looking at what other Australian States and Territories are doing in response to this question and, as I said, New South Wales is the only one that has given not exactly blanket indemnity but has absolved councils in part.

**Aboriginal Affairs -**

## UNCORRECTED PROOF ISSUE

**CHAIR** - It was very difficult to allocate this particular area for any of the committee members because we could not find anything in the budget papers, so please tell us if we are missing something in relation to your portfolio of Aboriginal Affairs.

**Ms O'CONNOR** - There is no separate budget output for Aboriginal Affairs.

**CHAIR** - So it comes under Community Development and there is no specific allocation. Can you inform the committee about what sort of funds are expended on this and what is being achieved.

**Ms O'CONNOR** - Jeff, are you in a position to talk about the funding specific to the Aboriginal Affairs portfolio?

**Mr REEVE** - I can give you the indicative figure only.

**CHAIR** - We'd be happy to have that.

**Mr REEVE** - It is about \$750 000.

**CHAIR** - Okay, so with that \$750 000 or thereabouts, would you be good enough to tell the committee what has been happening in relation to Aboriginal Affairs?

**Ms O'CONNOR** - The role of the Office of Aboriginal Affairs is to advance Aboriginal Affairs across the State sector; to be the primary source of advice to the Government on policy issues affecting Tasmania's Aboriginal community; to provide an accurate representation of the Aboriginal community view to government and the efficient, effective management of policies, legislation and programs that affect Tasmania's Aboriginal and Torres Strait Island population; to seek to assist Tasmania's Aboriginal and Torres Strait community to achieve social, cultural and economic outcomes; and to promote greater understanding and acceptance of Aboriginal culture.

The Office of Aboriginal Affairs is responsible for administering the Aboriginal Lands Act 1995; maintaining the Aboriginal Employment Register in accordance with ministerial direction 12; administering the State's whole-of-government policy on eligibility for Aboriginal and Torres Strait Islander specific programs and services delivered by the Tasmanian Government; and contributing to a range of Tasmania Together benchmarks, particularly those related to goal 7, acknowledgement of the right of Aboriginal people to own and preserve their culture and share with non-Aboriginal people the richness and value of that culture.

There is a list of achievements of the OAA in 2010-11 if you would like to hear them, Madam Chair.

**CHAIR** - I am sure the committee would appreciate that.

**Ms O'CONNOR** - We continue to be instrumental in the design and implementation of the Tasmanian Parks and Wildlife Service's Working on Country Aboriginal trainee ranger program which aims to increase representation of Aboriginal and Torres Strait Islander people in the State Service by providing a Vocational Education and Training qualification in conservation and land management at certificate IV and/or diploma level for five trainees over a four-year period. A community celebration of the launch of the program was held at Larrapuna, or Eddystone Point, in October last year. We also continued to implement the whole-of-government policy on



eligibility; supported COAG's working group on indigenous reform, supported the ministerial council of Aboriginal and Torres Strait Islander Affairs; supported the national Overcoming Indigenous Disadvantage Key Indicators 2011 report; assisted the Tasmanian Government to negotiate an overarching bilateral indigenous plan for the State, the first of its type between the Australian and Tasmanian governments and which underpins Tasmania's commitment to the National Indigenous Reform Agreement; and continued to deliver a range of activities directed towards healing the impacts of exposure to family violence for men, women and children in the Tasmanian Aboriginal community through the Aboriginal Healing Project. So there is some great work being done by the Office of Aboriginal Affairs and again I would say it is a very small, lean division and we are doing some good work in this area.

**CHAIR** - That is an enormous amount of programs on a fairly small budget so they are certainly punching above their weight.

**Dr GOODWIN** - Is the whole-of-government policy on eligibility being reviewed?

**Ms O'CONNOR** - As you would be aware, the previous Minister for Aboriginal Affairs committed to a review of Aboriginal eligibility policy. The whole-of-government policy on eligibility for Aboriginal and Torres Strait Islander specific programs and services delivered by the Tasmanian Government has been in place since July 2006 and the purpose of the policy is to determine a person's eligibility for Tasmanian Government Aboriginal-specific programs and services and membership on committees, boards and groups. The process used to determine eligibility has proved to be administratively complex and has caused some concern within different parts of the Aboriginal community. The Aboriginal Land Council of Tasmania and the Tasmanian Aboriginal Centre have expressed concern about the current procedures which is why the eligibility issue was raised by the previous minister.

In August 2010 the former minister commenced discussion with the Aboriginal community about the review and since that time the Government has established an Aboriginal Affairs subcommittee of Cabinet of which I am now a member, which will ensure a holistic approach to matters of importance to both the Aboriginal community and the Government. The best process to find a way forward around the eligibility question is in an administrative sense through government, but it is something we need to work on in very close consultation with the Aboriginal community.

**Dr GOODWIN** - So is that subcommittee now doing the review, because it was going to an independent reviewer, wasn't it?

**Ms O'CONNOR** - I will just say at this point that there are some real sensitivities around the question of eligibility and what I am learning, having the great privilege of representing Aboriginal Affairs in Tasmania, is that you cannot rush headlong into these matters. They are sensitive and delicate, so this eligibility question and the process around it is something we will do with great care and sensitivity.

[3.30 p.m.]

**Dr GOODWIN** - So there is no actual time frame for it?

**Ms O'CONNOR** - Not at this stage, no.

## UNCORRECTED PROOF ISSUE

**Dr GOODWIN** - And there might not be an independent reviewer appointed, it might just be this subcommittee?

**Ms O'CONNOR** - Look, we are still considering the options for the best way to move forward around eligibility. It is a very significant issue of concern to the community and, as you would be aware, over the course of the past year relations between government and the Aboriginal community of Tasmania have not been as harmonious as we would all like them to be.

**Mr GAFFNEY** - I see here that a number of Aboriginal people have been issued with licences regarding their hunting, fishing and gathering activities and I notice that the note says that in 2010 and 2011 there were no licences issues because of sustainability issues at Fort Direction. I am assuming that is the same for 2012 because the projected licence target is similar to what it was in 2010-11. Is that the decision of -

**Ms O'CONNOR** - There are real concerns around the rookery there and muttonbird populations around Tasmanian and that is why the number of permits has fallen.

**Mr GAFFNEY** - Are there any other rookeries that may be also looked at because of their sustainability other than Fort Direction?

**Ms O'CONNOR** - We would need to get some advice from DPIPWE because they ultimately issue the licences and make the assessments of the wildlife populations.

**Mr GAFFNEY** - Because there has been some concern over decreasing populations.

**Ms O'CONNOR** - Yes there has and there has been a legitimate policy response to those concerns that has been undertaken in collaboration with the Aboriginal community.

**CHAIR** - Minister, just one final question from me in relation to the Aboriginal heritage legislation, do you have any role in that?

**Ms O'CONNOR** - Well, obviously the Heritage minister, Mr Wightman, has ultimate carriage of the changes to the Aboriginal Relics Act and the review of the heritage issues, but as a member of the Aboriginal Affairs subcommittee in Cabinet I am working closely with the minister on those heritage questions. They are significant and pressing, so I am working with Mr Wightman in government to have an influence, if you like, on the way that heritage review is undertaken.

**CHAIR** - He also indicated to the committee yesterday that it was a case of treading carefully and lightly, so obviously the same message has been delivered all around.

**Ms O'CONNOR** - Ultimately it is about respect.

**CHAIR** - Absolutely. It was just interesting to see what role, if any, you had in your capacity.

**Ms O'CONNOR** - I have been briefed in detail about the issues and of course have been part of the discussions around these issues and I intend to take a helpful role in this process.

## UNCORRECTED PROOF ISSUE

**CHAIR** - Thank you, Minister. I believe that actually covers off the areas you have responsibility for in today's proceedings, so on behalf of the committee, I personally congratulate you and your team from this morning and this afternoon for the answers you have provided and the manner in which you have provided them. We also congratulate you on being appointed a minister proper.

**Ms O'CONNOR** - A real minister. Thank you, Madam Chair. I would like to thank all members of the committee for what has been a rather enjoyable day and a genuine process of information-sharing and general conversation. I would also like to thank all the marvellous people I work with in Community Development for coming along to support me.

**CHAIR** - We know everyone goes to a lot of effort to put together the information they provide and the members of the committee put a lot of work and effort into going through the budget papers and finding their areas. I am very grateful, so thank you all., and we look forward to doing it again next year.

**The committee adjourned at 3.36 p.m.**