

**Monday 3 June 2013 - Estimates Committee A (Michelle O'Byrne) - Part 1**

**LEGISLATIVE COUNCIL**

**ESTIMATES COMMITTEE A**

**Monday 3 June 2013**

**MEMBERS**

Hon Rosemary Armitage  
Hon Ruth Forrest  
Hon Greg Hall  
Hon Paul Harriss  
Hon Leonie Hiscutt  
Hon Tony Mulder  
Hon Robert Valentine

**IN ATTENDANCE**

**Hon. Michelle O'Byrne MP**, Minister for Health, Minister for Children, Minister for Sport and Recreation

**Department of Health and Human Services**

**Mr Matthew Daly**, Secretary, Department of Health and Human Services  
**David Nicholson**, Deputy Secretary, Strategic Control, Workforce and Regulation  
**Michael Pervan**, Deputy Secretary, System Purchasing and Performance  
**Michael Reynolds**, Chief Financial Officer  
**Ross Smith**, General Manager, Shared Services  
**Dr Craig White**, Chief Medical Officer  
**Ms Fiona Stoker**, Chief Nursing Officer  
**Mr John Kirwan**, CEO, Tasmanian Health Organisation - North  
**Ms Jane Holden**, CEO, Tasmanian Health Organisation - South  
**Dr Roscoe Taylor**, Chief Health Officer  
**Mr Gavin Austin**, Assistant CEO, Tasmanian Health Organisation - North West  
**Graeme Houghton**, Chair, Tasmanian Health Organisations  
**Steven Shackcloth**, Chief Information Officer  
**Dominic Morgan**, CEO, Ambulance Tasmania  
**Scott Tilyard**, A/Deputy Secretary Children and Youth Services  
**Susan Diamond**, Director, Strategy, Program Development and Evaluation  
**Sue Baker**, Chair, Audit and Risk Subcommittee  
**Nick Goddard**, A/CEO, Statewide and Mental Health Services  
**Mark Scanlon**, Chair, Audit and Risk Subcommittee  
**Sarah Jordan**, Chair, Audit and Risk Subcommittee

**Department of Education**

**Colin Pettit**, Secretary  
**Liz Banks**, Deputy Secretary (Early Years and Schools)  
**Andrew Finch**, Deputy Secretary (Corporate Services)

**Jenny Rayner** – Director (LINC)

**Department of Economic Development, Tourist and the Arts**

**Jacqui Allen**, Deputy Secretary, Culture, Recreation and Sport

**Glen Dean**, Manager Finance, Corporate Support

**Craig Martin**, Executive Director, Sport and Recreation

**Ministerial Office**

**Bernadette Jago**, Head of Office

**Lesley French**, Senior Adviser

**Jeremy Harbottle**, Senior Adviser

**Peter Robinson**, Senior Adviser

**Beth Smith**, Senior Adviser

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

**CHAIR** (Mr Harriss) - Minister and members, let us get underway. Minister, as always we welcome an opening statement if you wish to make one, otherwise we are happy to go straight into questions. For formality, could you introduce both Peter and Craig at the table so Hansard has a record of that.

**DIVISION 1**

(Department of Economic Development, Tourism and the Arts)

**Output group 2**

**Sport and Recreation -**

**Ms O'BYRNE** - I am joined at the table by Craig Martin, Executive Director, Sport and Recreation Tasmania and Peter Robinson, Senior Adviser on this portfolio area.

We have a good story to tell in the area of sport and recreation. It has been a challenging one when you look at the levels of chronic disease that we have in the Tasmanian community. We have had some outstanding results from grassroots right through to the elite area in Sport and Recreation. I was pleased yesterday to be able to detail the latest data from the Australian Bureau of Statistics for participation levels for sport, recreation and physical activity. The 2011-12 figures for Tasmanians aged 15 and over undertaking regular participation - regular being three times a week - is at an all time high of 26.5 per cent.

That sets us as second highest participation rate in the nation, second to the ACT and on par with Western Australia. It is the highest ever ranking that we have had so we are very pleased about that. We are also ranked second for participation five or more times a week at 15.5 per cent, which is above the national average of 13.1 per cent.

We are making significant changes there and they do show that the work that we have been doing through the Premiers Physical Activity Council, through a broad range of government departments, partnerships with local government, state sporting organisations and select clubs is having an effect. When you partner those with the results that we had at the elite level, where we have had a record number of Tasmanians represent their country at the London Olympics, we do have something to be very pleased about. We will be building on that with the reintroduction of the trails and bikeway strategy. All members would be aware that that has been a successful investment in infrastructure.

We have a lot of people wishing to take part in more unstructured activities, such as walking,

cycling and running. We have been working with a range of stakeholders including local government, state sporting organisations and clubs on ongoing advice and assistance about the provision of their infrastructure, implementing framework and strategies in partnership with DoE and the Catholic and independent schools to get more children involved in physical activity, sport and recreation. This committee has in the past discussed the changes in sport and recreation activity at a school level. That has been very positive.

**CHAIR** - Thank you.

**Ms O'BYRNE** - Through the PPAC Built Environment Working Group we are pursuing initiatives to lead to better support for physical activity, so reviewing effects of things such as open space provision and promoting the importance and benefits of activity environments. We are doing some operational planning work with sport and recreation organisations and we have produced a strategic planning tool kit and a risk management tool kit; advice to organisations on best practice governance principles; we have been implementing strategies under the Tasmanian Ethics and Sport framework and in particular work around Play By The Rules program, which we can discuss if members have an interest; finishing the review on the Tasmanian Sport and Recreation framework for people with a disability and implementing the action plan around that, which is delivering and supporting initiatives and projects to increase sport and recreation physical activity participation of people with a disability. The very strong message within that is that we should not be setting up another sporting organisation for people with a disability, all sports should be inclusive and that's the way that you can guarantee the best opportunities, and working with the sector so there is widespread knowledge of developments, strategies and trends in sports so that we can build the sector's knowledge and look at how they might take up new technology, including the benefit of the NBN roll out.

I believe we are heading in the right direction. It helps when we are looking at the overall health profile of Tasmanians, that we make these investments and I am pleased that we are on the right track, but we still need to do quite a bit of work to ensure that we're increasing participation. If you look at how we manage the chronic disease issues in Tasmania then - whilst later on in the day we will talk about the population health impacts of diet and managing those sorts of circumstances - access to easy sport and recreation and the transition to easy sport and recreation is crucial. I will leave it at that and put myself in the hands of the committee.

**CHAIR** - Thank you, minister. I will go first to the financial stuff and then we will talk about some of the more interactive practical matters related to the portfolio. We can see that there is going to be that bounce in the budget allocation the year after this, and that is for the Blundstone Arena. We can come to that in detail later under capital expenditure. Even in the out years there is going to be a reduction. The emerging year \$13.5 million down to \$12.8 million, so there is already a \$700 000 reduction, then way down to \$9 million in the furthest out year 2016-17. That suggests some sort of lack of commitment to ongoing. You have indicated that you are on track and you are doing some good things, but why the reductions?

**Ms O'BYRNE** - Every agency across government has to live within its means and our means have not grown as everyone would be aware over the last bit of time. There are a number of reductions in the budget that will impact on that change of figures. In 2013-14 we have the Mersey Aquatic Centre money washing through. I did not mean to make that pun, can I apologise for that now. There is also the impact of the removal of payroll tax and you see that across every area of the budget, that payroll tax is no longer listed within the output groups, so there is a reduction in each one of those and I can explain that a little later. It has a larger impact when we get to some of the larger portfolio areas. There has been a reallocation of corporate overhead distributions, but that still leaves us with a budget challenge.

We are in discussion at the moment with the Secretary of the department about ways that the

department more broadly can assist us with that budget challenge. I am not of a mind to reduce any of our engagements in participation and a lot of our funding is tied because it is grant funding that we get from CSL, so we do not have a lot of scope for finding savings within our budget area, so we are speaking with the Secretary now around ways that we might be able to share the love a little bit in the challenges that we have, and that might be done primarily through receiving some support for some of the other programs that we run that are probably more whole of government than specifically Sport and Recreation.

**CHAIR** - I know we will talk about our budgets in future years, but when I look at the 2016-17 year, as an estimate, we are talking about a \$4.2 million reduction from this year.

**Ms O'BYRNE** - Part of that is because Sport and Recreation's day-to-day budget includes money that we have for running the Institute of Sport, money that we have for the wellness program, money that we have in our sport and recreation agencies. We then have money that is grant-based and that is the minor and major grants and the funding they give to state sporting organisations.

What also gets parked with us in the Sport and Recreation portfolio for us to manage is money that goes to particular projects. For instance, you will see in that investment in the Mersey Aquatic Centre, the investment in Blundstone Arena as you mentioned and the additional money that we will get for maintenance at the Silverdome - but also the Hawthorn money sits nominally with us and that can have an impact in terms of the wash of the funding. Our actual challenge is nowhere near as significant as that indicates because our base funding is in fact much lower than that once you remove those fundings that are parked with us. That does not mean that we do not have a challenge. We have managed that challenge through managing staffing numbers and the standard things that we have done across government in terms of cars, travel and telephone expenses and all those reductions we can make.

It still does leave us with a challenge which we are working through with the secretary at the moment because the bulk of sport and recreation is fixed funding so, we cannot find a saving on the Hawthorn money that is parked with us because that is a total money that is contractual. The money that we give to sporting infrastructure also cannot be played with. We have a very small scope for variation which is why we have gone back to the secretary to ask for support.

**CHAIR** - I have not gone back any further than the budget papers and so the 2012-13 year was \$14.7 million; it is down to \$13.5 million for the emerging year and then if we forget about the Blundstone Arena funding and then we go to 2015-16, when we come down \$700 000, then we are down \$4 million. That is a substantial drop. Does that suggest that the Hawthorn sponsorship is going to be completely eliminated come 2016-17?

**Ms O'BYRNE** - Yes, we currently have a contract which ends, so you can see that from 2015-16 to 2016-17 there is a substantial reduction because we have negotiated a contract for five years that will be, given whatever circumstances they are dealing with at the AFL at the time, renegotiated at that point, so it cannot sit there as an amount of money because we only get the amount of money when the contract is signed and it comes from Treasury.

**CHAIR** - When does the Hawthorn funding current arrangement conclude?

**Ms O'BYRNE** - We re-signed another five year contract which concludes in 2015-16.

**Mr MARTIN** - It ends at the end of 2016-17.

**Ms O'BYRNE** - It ends at the end of 2016-17.

**Mr MARTIN** - There is a payment of \$3.709 million to Hawthorn in the 2015-16 financial year

and that decreases to \$934 000 in the 2016-17 financial year, so that is a major reason why there is the drop-off in the Sport and Recreation budget from 2015-16 to 2016-17. As the Minister mentioned earlier, a major part of the reason why there is a drop-off from 2012-13 to 2013-14 is because the Mersey Aquatic Centre funding washes out of the budget; in 2013-14 there were two instalments for that particular project - there was \$2.5 million in 2011-12 and \$2.5 million in 2012-13, so that money washes out.

**Ms FORREST** - I understand that some of that money cannot be shifted in any way or reduced and I mention, minister, there are still savings requirements you had to make, so what have you done to make those savings requirements at a staff level or program level?

**M.O'BYRNE** - In the last 12 months?

**Ms FORREST** - Yes.

**Ms O'BYRNE** - We have done things from the large to the smaller; one of the budget reductions that you would have seen, and we did discuss it last year, was the Launceston pedestrian and cycle bridge and the reason that we did not end up having to fund that from money that we had allocated was because the Launceston City Council was unable to produce its proportion of that; it made no sense for us to build a fifth of a bridge, so that did not go through. We have taken \$20 000 out of DPAC's operations budget; that was done in the 2012-13 year and has a recurrent capacity. SRT grants have been adapted but only in the area that are outside of the support levy; there is a reduction in Sport and Recreation funding for AFL Tasmania.

**Mr MARTIN** - That was part of the original contract.

[9.15 a.m.]

**Ms O'BYRNE** - Planning facilities and environment, we took some position out of there. We used to have a fantastic dinner every year for the Tasmanian Sports Awards that we supported heavily at a cost of \$55 000 and we no longer do that. We just have a small cocktail party in conjunction with sponsors, which is far more cost-effective. We have reduced another half-job position in corporate staffing.

**Mr MARTIN** - Yes, that is the corporate services staffing that gets allocated to Sport and Recreation; that has been reduced.

**Ms O'BYRNE** - We have found savings in our operational structure. There is very little flexibility for us to find savings at all because, as you would know, the grant money we provide, the major and minor grants, is a percentage of the community support levy and governed by our legislative requirement. We have become as efficient as we can within our structure.

At the moment we are looking at what is happening at the Australian elite sports level in the way sporting organisations will be funded with the change the Australian Government has made. That will determine the interactions that we have with them at an Institute of Sport level. The sports themselves will be determining where they will structure their sports, what resources they will put into each jurisdiction or whether they are going to do everything everywhere. I guess at this stage we are in a bit of a hiatus until we see what their decisions are. It will be interesting to see what basketball does but most of the others that we have an engagement with I am feeling reasonably confident about. We are particularly good at cycling, hockey -

**Mr MARTIN** - Rowing.

**Ms O'BYRNE** - Rowing; we are particularly good at boxing but the Boxing Federation probably doesn't send a truckload of money down so it has very little impact on us. The Tasmanian Institute of Sport has already very much focused on those areas where we have a very good

competitive advantage and a strength. Probably basketball is the one we need to hear from. We did have a Launceston boy playing basketball in the Olympics but it is not men's basketball; it is probably not at that competitive level that you would expect for the sport to not look at the changes it might have to make.

**Ms FORREST** - In next year's budget, are there other savings you will have to try to find, outside the changes that you have talked about with the grants?

**Ms O'BYRNE** - I want to give you the actual figure if I can find it. We are still in negotiation with the department about what our share in this division should be.

At this stage, stressing again that we are discussing this with the agency more broadly because of the difficulty and flexibility we have, we have a target of around \$400 000. It would nominally be applied to sport and recreation if you gave a -

**Ms FORREST** - The savings target?

**Ms O'BYRNE** - As a savings target but if you gave a strict percentage increase to each of the portfolio areas then that is the sort of target we would be looking at. Unfortunately, there is so much of our portfolio area that we can't take a saving from but that would be an [?? 9.18.26] allocation. We are discussing with the department at the moment.

We also run other projects such as the Wilderness Project, which is a whole-of-government project, so there is an opportunity to get some support through that. That would hopefully allow us to not impact on any further staffing levels. It is not our intention to. I think the cuts we have made have been reasonably difficult to sustain, and staff have done amazingly well to do so and still increase participation.

**CHAIR** - Rob?

**Mr VALENTINE** - Obviously, it is tight times. It is difficult for any department, I expect. In terms of strategic frameworks, working your way forward into the future, do you have one? How far out does that go? How do you develop your planning from that?

**Ms O'BYRNE** - We certainly do. Sport and Recreation broadly has one and the greatest focus really has to be on empowering and giving capacity to sporting organisations to do those things themselves. Strong sporting organisations are the absolute key to delivering better outcomes because they are on the ground and they are the ones that can respond most appropriately to changing focus, et cetera. For instance, if you look around the state, some years ago we bought a lot of halls for people to play sport in; then people started playing basketball but there was no run-off on these halls because they weren't built for basketball. So, a big focus is particularly on the type of infrastructure that is needed to respond to changing focuses and fads in sports.

We have also produced a strategic and operational planning toolkit, which I am able to table. This is to assist organisations to develop their strength. Most of our work now is about enabling organisations to make those decisions. Do we have a copy of our strategic plan?

**Mr MARTIN** - Our strategic plan is on our website. It is the five-year strategic plan that ends at the end of the 2014 year. It outlines what our core areas of business are - developing the capacity and sustainability of the sporting sector in the state through the state sporting organisations. What we are talking about there is assisting them with making sure that their coaches and officials are properly trained and accredited, there are good governance processes in place for the state sporting organisations and their affiliate clubs, that they have good strategic planning processes and assisting them with the management, recruitment and retention of volunteers. All that bread-and-butter capacity stuff is core to our business, as is working with a range of stakeholders, most notably local

government in the provision of sport and recreation infrastructure and places and spaces for people to be physically active. The trails and bikeways program that is being reintroduced this year will be of enormous benefit to the Tasmanian community in providing opportunities for people to participate in unstructured forms of physical activity. The other area that is core to our business is the Tasmanian Institute of Sport.

**Ms O'BYRNE** - The other framework that is crucial is the issue of the changing way that schools generally, whether they be public, private or whatever, have in investing in sport and investing in sporting competitions. We have built a very strong partnership with DOE and with Catholic and independent schools around sporting participation, about linking up sporting opportunities and getting competition levels back in because what we found that those schools that had really engaged PE teachers had great sporting programs and team opportunities, and those that had PE teachers who were possibly less focused on team sports didn't have that outcome. I have been really pleased with the work that Sport and Rec have been able to lead within that environment to grow sporting opportunities.

The other really important area is the work we are doing should lead. They certainly should be leading the issues around an ethical framework for sport and sporting behaviours.

**Mr VALENTINE** - I am more interested in how you are managing to plan your way. You have these budgets out to 2016-17, so you have a figure in here. You are obviously somehow deciding what the budget is going to be in that year and indeed how you are going to measure your return on your investments to be able to meet these budgets. You talk about the financial strategy framework and then you do your strategic plans within that strategic framework. It seems that your current strategy only goes out to the end of 2014. Do you have a framework further forward than that?

**Ms O'BYRNE** - We do. We've named our key responsibilities, which are the strengthening of sporting organisations and the lifting of participation, and we have an obligation around the elite -

**Mr VALENTINE** - So you measure these things?

**Ms O'BYRNE** - Yes, they are a KPI for us.

**Mr MARTIN** - They're in the budget papers.

**Mrs ARMITAGE** - Minister, on page 2.6 regarding the output group expense summary, it says:

Expenditure estimates include the impact of the cessation of the payment of payroll tax.

At page 2.15 there is a \$3 million difference between the figures. You said you were going to expand a little bit further on it?

**Ms O'BYRNE** - Payroll tax has been changed. Historically, we've been given money from Treasury to pay back to Treasury, which is payroll tax and that is now dealt with separately from each agency. You will notice when we go through Health and Children this afternoon as well that there is a significant change in each budget.

**Mrs ARMITAGE** - I noticed that on 2.6 in the 2012-13 budget we have \$17.35 million and on 2.15 \$14.674 million for the same output. I thought you might be able to reflect a little. That comes down to the cessation of the payment. Page 2.6, table 2.2.

**Ms O'BYRNE** - I will double check.

**Mrs ARMITAGE** - I am assuming that because it had the explanatory note one, but you did say

that you would explain it a bit further in your opening.

**Ms O'BYRNE** - Where it becomes a larger figure and an issue for explanation is more so in the health output groups because there are a number of changes.

**Mrs ARMITAGE** - But \$3 million is still a large figure.

**Ms O'BYRNE** - Yes. There are a number of changes in the health outputs in the way that data is being reported for THOs so I was precluding that I wanted to give an understanding of that. This is one of the more clean-cut ones of any area of government. I am checking the figure.

**Mrs ARMITAGE** - There is \$3 million across the budgets for each year.

**Mr MARTIN** - The drop is in the payroll tax and the other out years; it is the Hawthorn money pushing out of the budget in 2016-17.

**Mrs ARMITAGE** - The Hawthorn money is not the figure I am looking at because it is \$3 million every year.

**Ms O'BYRNE** - Can you show the figure that you are looking at so that we can make sure that we are talking about the same thing?

**Mrs ARMITAGE** - I am sure it is the payroll tax but I just wanted a bit more explanation. Page 2.6 output group 2, 2.1 where we go through our budgets, Sport and Rec, and then on page 2.15 the same output, 2.1 Sport and Rec, with each decrease by the \$3 million: a further explanation of the payment of payroll tax - the \$3 million figure.

**Ms O'BYRNE** - I will ask Craig Watson to the table. Craig Watson, Deputy Secretary Corporate Support, Department of Economic Development, Tourism and the Arts.

**Mr WATSON** - Through you, minister, the second table is the funding for appropriation; the first table is the full output expenditure.

**Mrs ARMITAGE** - I understand that.

**Mr WATSON** - The difference is other sources of funds - commonwealth funding and the use of trust funds. That is a difference of around \$3 million each and every year.

**Mrs ARMITAGE** - It is the extra funding that has come in. Thank you.

**CHAIR** - Starting with your comments about this key engagement strategy and the notion that strong sporting organisations are key to developing and strengthening participation et cetera. What level of funding is provided directly to AFL Tasmania?

**Ms O'BYRNE** - Over five years from 2011-12 to 2015-16, AFL received \$2.5 million in order to grow AFL in Tasmania. The responsibilities that they have in that is for growing participation rates across all age groups and regions; providing support to clubs and associations around a safe environment, including actively promoting Play by the Rules; umpiring, coach training and development; development of officials including TSL general managers; the growth and development of women's football in the state; improved quality of club environments through the quality club environment and the AFL's Respect and Responsibility, and alcohol and drug awareness program. They are to support Tasmanian state league clubs to provide leadership to clubs within their community development zones in the areas of general club community development governance and planning. They are responsible for the review of governance football in Tasmania including review, and action as necessary, of the constitution, by laws, policies and procedures of all



leagues and initiation of development programs to improve leadership in football.

We administer that through a grant deed that requires six monthly reporting on progress. Sport and Recreation have given me a summary of the overall progress towards their key performance indicators during the first year and a half of the five-year funding. They are satisfied at this stage with progress to date.

The AFL has implemented delivery of multiple umpire and coach education courses. They have facilitated a Tasmanian women's AFL club workshop on trying to increase participation and engagement of women.

They have established indigenous academies in Glenorchy, Burnie and South Launceston. They have commenced a review of the regional leagues and TSL clubs' constitutions and bylaws.

[9.30 a.m.]

Sport and Recreation advise me that a number of key performance indicators reflect medium to longer term initiatives to be implemented over the next five years, particularly around governance, communication and marketing. We do very closely monitor the performance against the KPIs because we need to ensure we are getting value for money; these are sizeable amounts of money. It reaffirms our commitment to sport.

We have asked for significant work in recent times, particularly since the Australian Crime Commission's report, to ensure they are fully meeting their obligations, particularly around playing by the rules and the ethical frameworks in the book that are clearly required as a result of that investigation.

**CHAIR** - It is suggested that there is a six-monthly reporting process and that you closely monitor the KPIs.

**Ms O'BYRNE** - Sport and Recreation meet with them and monitor the process every six months.

**Mr MARTIN** - Yes.

**CHAIR** - Is there a published list of KPIs; expectations of AFL Tasmania?

**Mr MARTIN** - It is not published but, as the minister just articulated, we are happy to talk about them publicly. There is absolutely no issue with that. As she just said, there are a number of KPIs they need to meet. Overall, at this point in time, they are meeting those KPIs. There was one area that we were a little concerned about and that was the club development side of things. We have asked AFL Tasmania to do some more work around the implementation of the quality club program, particularly with respect to the TSL clubs. That is a program that works at developing a number of aspects of a club; it is about the responsible serving of alcohol; it is about playing by the rules; it is making sure the club has a good strategic plan, good governance -

**Mrs ARMITAGE** - Good sports practice?

**Mr MARTIN** - Yes, good sports, that's right. We have conveyed to AFL Tasmania that they need to do more work in that space. The next report they will provide to us will be at the end of July. Obviously, we are hoping for some improvement in that area but the other KPIs seem to be tracking okay.

**Mr CHAIRMAN** - Minister, that suggests that there is a focus on TSL clubs that Craig has just mentioned. I guess this discussion probably ought to go wider than just AFL promotion, but we are talking about a sizeable amount, \$2.5 million over a five-year period but, from all that has recently

been contributed by both you and Craig, that suggests there is a heavy focus on the Tasmanian State League. There are many other contributors to AFL football's wellbeing in this state than TSL.

**Ms O'BYRNE** - I wouldn't say that's the case. They have strong obligations to leadership in sport but they also have a very strong KPI and growing participation rates in all age groups and all regions. For instance, a community came to us recently, Rosemary, from Ravenswood, who want to grow their participation of young people. We were able to go through the confines of our contract with AFL and say, 'What can you put on the ground; what are you putting on the ground?' because, whilst they would normally fall into a TSL club region, we would see a disconnect between the young people in that community and their ability to access that TSL club. As a result, there is a meeting in the next couple of weeks -

**Mr ROBINSON** - There is an ongoing series of meetings.

**Ms O'BYRNE** - There have been some already around getting an Auskick program on the ground and the pathways that will need to be put in place to give those young people access to their club. There is also that level and Craig might like to add to that.

**Mr MARTIN** - The delivery of the Quality Club Program is throughout - they are responsible for delivering that sort of capacity-building program and rolling it out across the state. I was focusing on the TSL clubs because we think there needed to be some more work done in rolling that out to the statewide league clubs. The agreement is not just about the statewide league clubs; it is about the whole of the football sector in the state in meeting those things like the umpire training and coaching, the women's football leagues -

**Ms O'BYRNE** - Play by the rules -

**Mr MARTIN** - Yes, the safe, inclusive, advanced sporting environments. They are responsible for delivering on a range of KPIs for the Tasmanian football community in general. The area that we have had some discussions with them and that we would like to see a bit of improvement on, is the rolling out of the Quality Club program to the TSL clubs.

**CHAIR** - Is there a document that you have which can be tabled for the committee's benefit on KPIs?

**Ms O'BYRNE** - KPIs for Sport and Recreation or particularly on this contract?

**CHAIR** - Particularly in this area.

**Ms O'BYRNE** - Can I seek some information as to whether there is one that we could make available or could we perhaps produce a document to submit? We do not have one readily with us, Chair, but we will undertake by the end of today to give you a document that tracks those KPIs.

**CHAIR** - If I could go to AFL Tasmania's annual report to determine what their total funding operations are, but are you aware as to what percentage of \$500 000 per year over five years constitutes their operating budget? If you do not that is fine, I will just go to their annual general report.

**Ms O'BYRNE** - We can seek to get that information.

**Mr MARTIN** - I have a rough idea, Mr Harriss, but I would not want to put it on the record without checking.

**Ms O'BYRNE** - Chair, would you like us to provide that information by the end of today as well?

**CHAIR** - Yes, you probably have quicker access to it than me because of your monitoring of where they track.

**Mr MARTIN** - I have a fair idea, but I do not want to say if it is not totally accurate.

**CHAIR** - That is fair. Tony, on the same theme I think.

**Mr MULDER** - It relates to AFL, but not the funding.

**CHAIR** - Go with that then, please.

**Mr MULDER** - AFL Tasmania has been talking about creating a new multi-sport venue at Seven Mile Beach. I am wondering whether there have been any approaches made to your office for the future of that. I know it is a fair way out, but are there any discussions occurring and what sort of money would it be looking at?

**Ms O'BYRNE** - We have not had a formal approach. We are aware of it and there has been some discussion with the council that has mentioned several options for multi-sport facilities on the Eastern Shore. We do not have a formal proposal that anyone has put to us with a dollar amount attached to it. There has been discussion around a multi-purpose facility in a number of locations on the Eastern Shore for some time. Probably we would talk more to individual clubs who might have a particular view, or individual codes that might have a view, but we do not have a formal one at the moment.

**Mr MARTIN** - I know the Lauderdale Football Club has been talking about getting another ground for their purposes. That does not seem to have progressed very far at this point. As for a multi-sport facility they have not approached us for funding or to outline any sort of proposal.

**Mr MULDER** - Have there been any discussions with you? It is probably a little early to put in formal proposals.

**Mr MARTIN** - We have not had any discussions with AFL Tasmania about a multi-sport facility in that area.

**Ms O'BYRNE** - There have been some changes in some of the co-locations of a range of sports on the Eastern Shore such as Clarence High School.

**Mr MULDER** - I am aware of that, I was thinking about the big picture in the future.

**Ms O'BYRNE** - There has been a number of conversations going around, but there is not one holistic plan that anyone has shaped up that we have been able to engage a conversation in and I would anticipate that we would get that representation not from the code, but from council.

**CHAIR** - Minister, you mention in your opening comments the international sporting contribution to those iconic areas and we do fairly well as a small state. I am looking at the matters raised in the budget paper about benchmarking international sporting events and so on. I think specifically of rowing and that Tasmania does punch above its weight in that area.

**Ms O'BYRNE** - If I might stop you there, Chair, we try very hard in Sport and Recreation not to use the phrase 'punch above our weight' and I apologise, but I have run this very heavily for some time and I am obsessed with it. The reason is that to punch above one's weight indicates that we are performing at a level that is somehow fortunate or lucky or out of the blue. We are just bloody good at some sports and we would like to make sure that that is the case. As many coaches explain, it is a coaching impossibility to punch above your weight. You always play within the capacity that you

are trained to do.

**CHAIR** - It is a good Australian reference which we constantly use, and I suspect we will continue to use in the future. Specifically with rowing, we would be aware that the stretch of water on the Huon River is, by choice, for Olympic training and for world championships training and the like, not Lake Barrington in terms of training for that elite level; right now we have the Australian eight domiciled in that area working out of a backyard shed. Has there been any inclination by your government to upgrade those facilities so that there is a proper facility there; on the water is fine, it is the infrastructure which supports it which is just ridiculous.

**Ms O'BYRNE** - I absolutely agree with you. I have had conversations with the Tasmanian Institute of Sport about working up an application for Treasury on what a remodelled option would need to look at. You are quite right. It is a world class, Olympic level training venue. The course of water is fantastic but the infrastructure surrounding it is dated, small – ramshackle, some would say. We have had discussions with Paul Austin, the CEO of the Tasmanian Institute of Sport, about what might need to be put in place there to upgrade that facility.

**CHAIR** - Do you have a time frame on that?

**Ms O'BYRNE** – No, I do not but I am happy to ensure that members with a particular interest in this area can start that conversation with Mr Austin on what it would look like. I absolutely agree that we need to look at the facilities there.

**CHAIR** - I am going to another area. Drugs in sport is really front and centre across the nation. Do we have any issue here in this state? What do we do as a people to somehow try to understand whether we do have a problem or not?

**Ms O'BYRNE** - It might help if I give the committee an update on the briefing that sports ministers received in the Australian Crime Commission on the work that they did. I am limited in what I can say given the nature of the briefings; I have had two briefings from the Australian Crime Commission and I also had a briefing - one formal briefing from ASADA - and then invited ASADA to meet with me and the heads of sporting organisations around the issue.

The Crime Commission report into organised crime and drugs in sport was a huge wake up for Australian sport, which I think like to believe it was some what immune from these issues. The investigation identified widespread use of prohibited substance including peptides, hormones and illicit drugs in professional sports across a raft of codes, not just the ones that have been predominantly in the media. It was also found that that had been facilitated by sports scientists by high performance coaches and indeed in sports staff.

In some cases as you would have read in media players were administered substances that have not yet been, and may never be, approved for human use, which is extremely concerning. The Crime Commission identified a link with organised crime identities and organisations involved in the distribution of performance-enhancing drugs to athletes and professional sports staff and also showed what was very concerning - a level of personal relationships between athletes and organised crime identities in Australia. They found that professional sport was highly vulnerable to infiltration by organised crime and therefore the possibility of match-fixing and fraudulent manipulation of betting markets.

They found that multiple athletes from a number of clubs in major sporting codes were suspected of currently using, or having previously used, peptides, potentially constituting breaches of anti-doping rules. They found a higher prevalence than expected of illicit drug use and I think very clearly named that there was a tangible and expanding role in the provision of prohibited substances to professional athletes. Interestingly, from discussions with them and ASADA - ASADA does testing - the reality is that the complexity of a lot of the drugs now is such that they are out of your

system in a very short period of time, so the testing has not necessarily given access to this information. The Australian Crime Commission came across it in the course of other investigations into major crime organisations and most of the identification has come through the work that they have done in relation to major criminal organisations and also Customs work and internet searches. It is a significant issue.

Within their report they indicated that there were risks at the secondary level of sport, so it was outside of the elite sports. We have not been given evidence of a specific issue within Tasmania that we need to deal with but we are advised by the Crime Commission and ASADA that it would be naïve to think that we are not at significant risk, and that risk constitutes a number of illicit drugs.

[9.45 a.m.]

There is a potential issue of match fixing in sport and there is the issue of substances that have not been approved. That can get you into a couple of levels; there are obviously the issues of peptides that we have seen in the media but there is also an ethical issue around other levels of drug taking. We got an excellent rollout when we invited all the state sport organisations to meet with ASADA. Most of them came across thinking they would just get a little bit of information but every state sporting organisation left the room with a greater understanding of the risk and a commitment to increase vigilance, particularly because when we are looking at the pathway to elite sports it is all coming from small community clubs. The behaviour of a regional club in Tasmania and the ethical framework they put around its young players will set a pathway for how that athlete will engage and make decisions in the rest of their career.

That is just an overview.

**CHAIR** - Minister, you have indicated that, because we provide a pathway to national participation, whether it be in basketball, soccer or particularly AFL football, there is potential exposure at regional clubs. Are you working with those predominant bodies in any way to make sure that drug use is not going to infiltrate? It would be ever so tempting for a young, up and coming person to get themselves into a situation to impress national sporting organisations to get to that level.

**Ms O'BYRNE** - There are a couple of levels of dealing with it. We were the first state jurisdiction - I am not sure if anyone has copied it yet - that convened a meeting of state sporting organisations and brought ASADA down so that ASADA could take them through where the risks exist. I think you are right; if you are a major crime organisation looking to infiltrate a sport, the secondary and community level of sport is an easier option for you to get into where there may be a view that the instructors are not as strong.

As a response to Project Aperiio, which was the ACC project, the commonwealth is introducing legislation to strengthen ASADA's powers. They are increasing ASADA's investigations capacity. They have increased the intelligence information capacity with the National Integrity of Sport Unit so that it can work with codes and other stakeholders. You would have seen the CEOs and presidents of all of the confederation of Australian Major Professional Participation Sports - COMPPS - around making those decisions. They are also looking at legislation that could happen across the board in relation to inappropriate activity by medical practitioners, pharmacists and other health workers to ensure greater integrity.

The strongest thing we can do at a state level is to ensure that we are working with the clubs. That is what getting ASADA down was all about, to provide them with that strength and that work that they can use to protect young people. Illicit drugs are always an easy risk because of their prevalence in the broader community. The other significant risk is behaviours around particular gymnasiums in other jurisdictions that can be into performance enhancing drugs. The regulation of sport scientists will play a significant role in that, but it is up to clubs. It is not enough for the administration of a club to say they were not aware of activities that took place, and we have seen

this nationally. Appropriate governance is being aware of activities that are taking place within your sport.

We are looking at broadening some education campaigns particularly through Play by the Rules and with the Good Sports program that we already have in Tasmania. Good Sports does deal with a lot of issues around alcohol. Within those clubs where Good Sports has been run we have seen a reduction in the level of alcohol, the level of driving with alcohol in the system within those clubs. We are seeing behavioural change being led by those organisations. Mr Martin, are you currently chair?

**Mr MARTIN** - I am currently chair of the Committee of Australian Sport and Recreation Officials.

**Ms O'BYRNE** - They are putting together a detailed response to sports ministers. We are meeting next month in Launceston. They are looking at briefing the ministers on match-fixing legislation. We will be introducing legislation this year to criminalise behaviour that involves cheating, gambling, corrupting the betting outcome of an event - it will closely mirror the New South Wales legislation - and also to find ways to criminalise the trafficking of peptides and hormones. One of the biggest issues is that a lot of the ones being used are not necessarily illegal drugs but they are being used inappropriately. For instance, there was a burn cream which when applied topically to a burn, did exactly what it was supposed to do, but when applied to healthy skin and muscles has a completely different action.

We are aware, and the media has reported, on people who have medical conditions being prescribed peptides by a pharmacist, sport scientist or medical practitioner who they trust and the peptide, whilst having one effect on a normal healthy body, can have a completely different effect on someone who might be taking a cocktail of medications already.

We are creating a network of sports integrity units with each jurisdiction of ASADA and law enforcement agencies and the national integrity sport unit.

**Mr MARTIN** - That will be one of the recommendations I am sure of.

**Ms O'BYRNE** - We are also looking at major sports having athlete biological passports. Rugby came out last week and said that, I think.

**Mr ROBINSON** - Rugby League.

**Ms O'BYRNE** - That is a regular assessment of blood samples which records biological values to identify changes that can be caused by blood doping. Union Cycliste Internationale have had that in place for several years and it measures the biological effect over time of doping rather than testing for banned substances. One of the issues for banned substances is that they can be out of your system so very quickly that you cannot necessarily get a key for it.

One of the reasons why the cycling community found the Lance Armstrong stuff so challenging was that cycling worked very hard to clean up its act. It did have a very poor reputation. Athletes that continue down that pathway damage the entire sport. The register has brought sciences but also education of athletes around enhancing drugs, greater knowledge of people involved in businesses that clubs and major sports have contracts with. You start to do probity work with some of their partners.

AFL already does that. Better protecting sport at the sub-elite level which may look at us having an integrity officer in each state and territory that can provide advice, support and structure for clubs. Play by the Rules is a program which we lead with and encompasses quite a bit of that work.

**Ms FORREST** - The minister has answered a lot of it. Because of the significant risk that this poses to the future for Tasmanian athletes if they wish to perform at the elite level, the budget constraints that you have talked about, is this an area that you are confident you can put enough resourcing into on into the future?

**Ms O'BYRNE** - We have already been funding Play by the Rules and there is a very good take-up of sports, because we are putting in every one of our funding contracts that sports must engage in partnerships around this. All of the new contracts will have an understanding of the club's obligation because we are already partnering with the Good Sports program. We have had some clubs say already that they would be keen to share the cost of an integrity officer because that would give them a greater capacity. We do believe that we can do this.

I would imagine that the Australian government would end up putting more funds towards this kind of development. We have already seen that with the funding that they have given to strengthen the arm of ASADA and the Integrity Commission.

**Ms FORREST** - Particularly in developing those tests that can give a history.

**Ms O'BYRNE** - It is a biological pathway.

**Ms FORREST** - Something like diabetes, HbA1c, is a track of how your diabetes has been managed over several weeks or months rather than just one blood sugar level. Is that the sort of thing that we are looking at getting better at, is it?

**Ms O'BYRNE** - It is, whether or not - the cost of that would still need to be understood. I think the major sporting codes will do that. It is important to remember that, at the moment, if you are playing in any kind of competition and you have a substance that is listed or a non-approved substance, regardless of the level of competition, the club is supposed to know about it and report it. It became a bit of an issue at the ASADA briefing. Shall I tell the story when a regional club mentioned that it had a competition that included some elderly people who took some medications that were entirely appropriate for them, they were thinking just because they play against town, a badminton roster of ladies on a Tuesday, surely they don't need to have structures around that. The reality is, unless you have an exemption, yes you do; you need to apply for an exemption for anyone participating in sports.

**Ms FORREST** - If they are on it for medical reasons then they'd get an exemption.

**Ms O'BYRNE** - Yes, but you would need to apply for the exemption. I think if this - what was really informing in the ASADA briefing was the need for clubs to step up but I think there was a genuine desire of every sporting organisation to get across this, particularly because we are asking parents to trust clubs with the future of their children. Particularly if you then send them off to the elite level; parents need to know that the whole way through their development they are being protected.

The exemption is only required in competition sports.

**Mr MARTIN** - High-level competition - if you are in a competition where you have the potential to represent Australia, like in the A-League and the high-level elite sport, AFL -

**Ms FORREST** - The Masters Games - that would get a bit of subsidy.

**Mr MARTIN** - Yes, if you potentially represent Australia or if you are on a scholarship as an Australian representative, that is when you need to apply for an exemption but, as the minister was saying, you don't need to apply for an exemption if you are taking medication and you are playing in

the B-grade local badminton roster.

**Ms O'BYRNE** - It is about clubs needing to understand where the kicks are.

**Mr MARTIN** - The minister alluded to the issue of sub-elite sport and Mr Harriss, you were asking a question about this. It is an area that a lot of thought needs to be put into. The national sporting organisations will have structures in place to deal with breaches at a national level but we need to make sure that we protect the integrity of sport at the sub-elite level as well. That is something that CASRO and the ministers will need to have a good discussion about on the 11 July meeting in Launceston. It is an area that concerns me a bit that we need to put in place the necessary frameworks and processes that protects integrity in sport at the sub-elite level.

**Ms O'BYRNE** - That was certainly highlighted by our briefings from the Australian Crime Commission.

To touch on the Australian Crime Commission, a lot of people said we have had all of this media and you name it about all of their sports and you have accused all these athletes and sport scientists of particular behaviours but we are not seeing criminal charges laid yet. The Australian Crime Commission works under a different framework. It works on information gathered which indicates to it this risk. It then has to pass on that information to police forces, who then investigate on an evidence basis, which is different. A lot of the information gained by the Australian Crime Commission would not be admissible because people are compelled to testify; they are compelled to respond to the questions. This is different in the legal framework around a police investigation and that explains some of the delay between the information that is gathered and the evidence basis that would be required for criminal charges to be laid. They also very much wanted to make it clear they were aware this was happening, and to stop some of the behaviours because the behaviours are life-risking. There has already been a reduction, according to the Crime Commission, in some of the evidence of this behaviour as a result of that. I am sure they have just gone quiet waiting for the heat to go away but the information provided to police will hopefully also support that.

John Lawler, the crime commissioner, also said that he got a lot of criticism around why they had gone public but that he would rather get criticism about going public than have to front a coroner's court and explain why they didn't go public and reduce risks to individual players because the behaviours that some of the players are engaging in, with the full knowledge of either their pharmacist or doctor or their sports scientists or coaches, is life-threatening. It is very dangerous behaviour.

**CHAIR** - Okay, a significant matter; we have given it a fair time. Rosemary, another matter please.

**Mrs ARMITAGE** - On the capital investment of Blundstone Arena. We haven't really touched on Blundstone Arena. I have three questions and in view of the short time I will put them altogether, if you like, and you can just answer. With the \$15 million to be spent by the state at this arena, what are the estimated monetary gains to be made from this investment and over what period? Also, with the extra capacity for attendance of 4 500 people from this upgrade, how will you facilitate parking arrangements and convenience of getting people in and out of the venue without further negative impact on the residents of the area? While I appreciate Blundstone's coming in under the umbrella of cricket, what evidence do you have that suggests that those seats will be filled in view of the fact - this is for football - that attendances at northern AFL games have reduced, likely as a result of football now being played at Blundstone Arena? Is this a case of revenue shifting?

**Ms O'BYRNE** - I will start with the final question first, if I might. There has been some criticism of some of the attendance at the games at Aurora. Depending on who you talk to, there is a different reason for why that might be. There are those who believe it is because we have not had Melbourne-based clubs to play. There are those who believe that it is because football is being



played in the south and there are those who are saying it is part of a broader economic challenge which exists in Tasmania. I think, and I have been a huge supporter in my time of football at Aurora Stadium in Launceston, the home of football in Tasmania - did I get that on the record enough? If I look at what we need to achieve for AFL opportunities within Tasmania, I still believe that we should have a Tasmanian team. I still am firmly of the belief that a Tasmanian team would have to play some of its games in Melbourne because that is where you get the crowd numbers that you need to sustain an operation, so growing capacity across the state is very important for the growth of AFL.

We do not wish ill on any club; Mr Valentine, I particularly want you to know that we do not wish ill on any club right now -

**Mr Valentine** - Very good.

**Ms O'BYRNE** - but the AFL is in a position where it must sustain an 18-team competition for the network agreements that it has. There has been a long-held view that there is a challenge to the capacity of Victoria to maintain the number of teams that it has in both an economic and a quality football environment. The opportunity for Tasmania and the planning that we have had in Tasmania has always been that an opportunity exists for us if the league changes its composition, if they go to a two-tier league or they expand to 20 teams.

**Mrs ARMITAGE** - Can we go back to Blundstone Arena?

**Ms O'BYRNE** - I am just saying it is not a bad thing that we grow football because it leads to a broader plan. On the Blundstone Arena parking issue, I don't have the information with me. I am happy to seek some information on the conversation that took place.

**Mrs ARMITAGE** - On how you will facilitate it, that would be good.

**Ms O'BYRNE** - It has been a challenge for them. One of the ways that they have dealt with that is by commuting, so the better use of buses. Tasmanians are historically very bad at walking and very bad at catching public transport. We are seeing a change in behaviours in Hobart where people are parking their cars at key destination points and bussing in, which has worked quite effectively with both cricket and I think for football. We saw it particularly when they had the capacity crowds for Twenty20 cricket, so I think they will continue that pathway.

The development in Blundstone Arena: frankly, it is the success to the economy of Aurora Stadium that gives an indication as to why investment in major event opportunities delivers an economic outcome. I can point you to the economic benefit that we have had from the Hawthorn arrangement.

**Mrs ARMITAGE** - Do you believe that you can actually split it, though? You are saying the economic benefit but that was at the time when we only had one football played in Tasmania, now you are dividing it between Hobart and Launceston.

**Ms O'BYRNE** - We are also looking at test match cricket, we are also looking at the Cricket World Cup being played, and there are a number of other opportunities for Blundstone Arena that exist outside of the AFL arrangement and the arrangement that they currently have with North Melbourne. As to North Melbourne's longer-term commitment within Tasmania that is a matter for it and its sponsors and the AFL. The AFL can schedule games wherever and whenever it chooses to. My guess is that is predominantly led by the networks these days in terms of decent television rights and television outcomes.

The biggest risk to football in Tasmania from an economic perspective and tourism perspective is Monday night football. Monday night football would be extremely damaging for us because,

certainly from the Hawthorn perspective, we have invested as an events and tourism opportunity. Monday night football would not guarantee those kinds of returns and that has been the case we have substantially made to the AFL around its scheduling. The AFL choosing to play matches at Blundstone is a matter for the AFL.

**Mrs ARMITAGE** - I can take as a given, then, that you really have not worked out any figures or the monetary gains apart from looking at what happened with Aurora Stadium? The estimated monetary gains for the \$15 million investment that we are actually -

**Ms O'BYRNE** - Cricket has done a business plan around the additional investment. I am happy to see if we can get a copy of what we can get for you.

**Mrs ARMITAGE** - That would be good if you could so that we could find out over what period the gains are expected, because we are looking at \$30 million.

**Ms O'BYRNE** - The important thing to remember is that whilst we have a conversation because of our particular interest in AFL, there is a broader planning around Blundstone in terms of cricket, in the same way that Aurora now will be working at the end of the football season about our drop in pitch to ensure that we can also play some cricket up in the north of the state to broaden the capacity. Giving opportunities for young players to see elite sports in as many locations as possible is good because it builds a growth in the sport and in participation and also a growth in kids believing and knowing what it is they can achieve. We have seen a different take-up in AFL since we have had AFL played in Tasmania and we are certainly seeing a different take-up since Victory has been playing games as well. It builds on an engagement of participation but we fund Hawthorn through the state government on a tourism events perspective. The North Melbourne arrangements are a matter between North Melbourne sponsors and the AFL.

**Mrs ARMITAGE** - Thus far my questions are not regarding that, my questions are purely regarding the \$15 million for an extra capacity of 4 500. I would like to see some figures when we are likely to get that figure for any sport, whether it be cricket or football.

**Ms O'BYRNE** - Certainly they get capacity for their Twenty20 matches.

**Mr MARTIN** - I believe they will achieve capacity for Twenty20 matches and they will achieve capacity particularly for one-day internationals that involve Australia against a high profile Test-playing nation as well. You have to regularly reinvigorate and refurbish sports areas also, otherwise they get very tired and then you are up for a lot of maintenance costs. We have seen a situation with the Patersons Stadium in Perth that has not reinvigorated as much as they it should have been or could have been and that has meant that there has had to be another major stadium built out at Burwood in Perth as well. It is really important to keep reinvigorating and refurbishing stadiums for those reasons.

**Mrs ARMITAGE** - I appreciate that, but with Blundstone there seem to have been a lot of other issues as well, particularly the parking.

**Mr VALENTINE** - I found that framework that we were talking about on your website, Tasmania's plan for physical activity 2011-21.

**Mr MARTIN** - That is PPAPs, the physical activity plan for the state for the next 10 years.

**Mr VALENTINE** - That is right, so obviously you are working to that?

**Mr MARTIN** - Yes, absolutely, and we have a strategic plan of our own for sport and recreation as well. That is essentially focusing on unstructured forms of physical activity in which we have a role to play. Obviously there is a sport component for us as well.

**Mr VALENTINE** - In reference to that, I note in here in your strategic plan you have wilderness programs that you are dealing with now. I did this myself for about four years -

**Ms O'BYRNE** - We had this discussion last year as well.

**Mr VALENTINE** - Yes, we might have. We are getting more and more people into this state that are travelling into the wilderness areas and we hear more often of people getting into strife. You cannot train people coming from outside the state, obviously, but there is an opportunity to make sure that the people delivering programs and providing services within the state are properly trained up. Has that gone any further?

**Ms O'BYRNE** - There is a higher education course that is run for guiding. The Maria Island walks, which are internationally award-winning, source their staff from that particular course which gives a high quality of guiding training. That exists for people as a career pathway now. There are KPIs that I do not have with me but I am happy to see if we can source them for the committee.

**Mr MARTIN** - The focus of the wilderness program is different.

**Mr VALENTINE** - It is on disadvantaged youth.

**Mr MARTIN** - Yes and no, but for the most part it is.

**Ms O'BYRNE** - The wilderness program was inherited from the Life. Be in it and Project Hahn some years ago with \$700 000. It gets used by a range of organisations. Education tend to buy a lot for two cohorts, for their school leavers as a leadership opportunity and for disengaged young people. We have been having discussions across government around the therapeutic value of it because it effectively is a short time away from life to give you a bit of time to reengage and have some different experiences and there is a whole lot of personal strengthening that occurs. How well that fits into an on going therapeutic model is something that we need to review to make sure that we are getting that benefit. That is something we are discussing from a whole of government level so that wilderness course is not the type of traditional wilderness course that you would have been familiar with, it is a different model.

It is growing because people are opting for that as a career option because there is quite a lot of work particularly during the summer months for guiding opportunities at particular levels. There are a lot of people prepared to pay ridiculously large amounts of money to have somebody else carry their gear and cook their meals while they have a wonderful wilderness experience and the bulk of people employed in that area have done that kind of guiding course.

**Mr VALENTINE** - Do you have a breakdown of output spending across sports and the regions?

**Ms O'BYRNE** - I am not sure that we would have that.

**Mr MARTIN** - We have a breakdown of what we provide to the state's sporting organisations each year through the state grants program.

**Ms O'BYRNE** - We could also provide the grants that we have given to sporting organisations, individuals, so clubs through the major and minor grants are on our website. They are not determined on the basis of every region must have  $x$  per cent and every sport must have  $x$  per cent. When we partner with a club it is because we believe that club has the capacity to deliver, that can also increase participation and it has some matching funding opportunities. They are highly competitive and there are often organisations that meet all of the criteria but there is not enough money to go around so we are always looking for opportunities to partner with other areas of

government to spread that love a little bit, to able to support organisations, and the minor grants can be lawn mowers, anything that allow you to increase -

**Mr MARTIN** - It is about increasing participation.

**Ms O'BYRNE** - The larger grants can often be infrastructure such as change rooms, club facilities, those sorts of things, and then the work we do in supporting organisations is around the governance and instructors.

**CHAIR** - Minister, there is only one matter to conclude with and that is the capital investment program. Rosemary, do you have any questions on the Silverdome upgrade?

**Mrs ARMITAGE** - Only the \$300 000 in 2013-14 and 2014-15, could you give me a breakdown of what the upgrade will be and what are the requirements for occupational health and safety that you are addressing?

**Ms O'BYRNE** - For 2013-14, there is some cracked glazing in the administration area, there are some repairs to the main concourse area and 2014-15 we have areas around access to people with disabilities, the amenity upgrades to the canteen kiosks, toilet facilities and stadium seating. What we have in the Silverdome is an amazing piece of infrastructure that was given to the state some time ago and it is one of the issues when you have funding from Australian government, whether it be in sport, in health or in anything, that when you fund a facility, the infrastructure of building the facility is the easy part of the responsibility, the ongoing recurrent costs are the greater challenge and we find that across every portfolio and it has been an issue with the Silverdome. We have looked at many ways of managing the Silverdome. And if anybody would like to sell the 'dome, our office is always open to have discussions around it.

If you look at where the Silverdome has to go in the future and currently the arrangements that we have is that it is a sporting facility, the institute of sport is housed there and that is great because of access to the cycling track which is still a significant drawcard, while there is a change in people's cycling activities, track cycling still has a strong role to play. It also needs to be a commercial opportunity to maximise its return and that return, every cent, goes back into the facility. It is an aging facility so we have some decisions that we are going to have to make about its ongoing role. We have spoken to some sporting organisations who are looking for a home around what that might mean but it would require us doing more than the minimal downgrade work we are doing now. It would require a significant investment to get it to a point where an organisation might want to take it on and you can never avoid the risk that 12 years down the track they will say, we have changed our mind, you can have it back now.

It is an issue when we get large boarding infrastructure. We were funded for the Silverdome as the international cycling velodrome for Australia and then it was 18 months later that South Australia got an international cycling velodrome for the nation. Those kinds of things are very challenging for state jurisdictions but particularly Rebecca Hardman who manages the facility out there. She has done a great job in keeping it together and I do not get to congratulate Rebecca on the record very much but it is a difficult facility to run and particularly when organisations want to utilise it because there are so many access and entry points by the nature of the type of facility it is. This will get us through. Parking is excellent, I was up there yesterday where we opened the new Cape Reid cycling track and there were truck loads of other people using the facility on that day, so it is a great facility.

**CHAIR** - Any further questions on the Silverdome?

**The committee suspended from 10.16 a.m. to 10.24 a.m.**

**DIVISION 2**

(Department of Education)

**CHAIR** - Minister, we will tear into the next area. If you would like to introduce the people at the table, please, and then we will give the opening.

**Ms O'BYRNE** - For the benefit of *Hansard*, to my right is Jeremy Harbottle, minister's advisor on the area of children. To my left, starting with my immediate left, is Colin Pettit, the Secretary of Education, Liz Banks, Deputy Secretary (Early Years and Schools) and at the end we have Andrew Finch, Deputy Secretary for Corporate Services. If I could seek some advice, Chair, do you want an overview of all three areas of Children, or just touch on all three, or how would you prefer to manage the overview statement?

**CHAIR** - I think we will just do the Early Years first, minister, because then that will be fresh in member's minds.

**Output group 1****Pre-Compulsory and Compulsory Education****1.4 Early Years**

**Ms O'BYRNE** - The EarlyYears area for which I have responsibility within the Department of Education encompasses the regulations and reform around childcare facilities. Childcare facilities are in fact not funded by us, but we have a regulatory obligation around standards. The area that I am particularly proud of is the work that is being done in the child and family centres as they have been rolled out around Tasmania. If the budget were a place of great joy rather than the challenge it was, I would like to see a child and family centre in every community. What has been exciting is the way that every child and family centre has developed differently. If you visit the different ones around the state, they respond to their communities in different ways. Whilst there might be some common themes around some of the services that come in, they are quite different entities.

That is a very difficult thing for governments to do. We tend to like a model that we can assess against that everything looks the same in, so this has been an exciting opportunity to respond around those local enabling groups to determine what their child and family centre might look like, what it might bring into the communities and how it might partner with existing organisations. We are funding the final stage of that this year. We have George Town, really, everyone else -

**Mr PETTIT** - Geeveston is almost finished.

**Ms O'BYRNE** - Geeveston is almost finished, so they are the two that are still in completion. For committee members who have not had the opportunity, there is a standing invitation to visit any child and family centre to see the different ways that they operate. The first one we set up was at Beaconsfield, responding very much to a childcare issue that Beaconsfield needed. If you go to that facility and then go to somewhere like Chigwell, whilst the ideology and philosophy around the child and family centres are exactly the same, what you will physically see and physically encounter is completely different, as they have responded to different community needs. I might just stop there, Chair.

**CHAIR** - Ruth, please.

**Ms FORREST** - Minister, with the early years, the Launch into Learning program was a key aspect of that and the national legislation that we dealt with putting educationalists, or qualified teachers into every childcare centre, can you give us an update on how that is going?

**Ms O'BYRNE** - Launch into Learning?

**Ms FORREST** - Yes, and also the placement of teachers in childcare centres.

**Ms O'BYRNE** - The change in childcare centres. I can broadly update you on Launch into Learning, but that reports to the minister, Mr McKim.

**Ms FORREST** - I thought it was your area.

**Ms O'BYRNE** - It is quite complex, but I am happy to give you some update in terms of the outcomes that we are seeing from it. In those communities where we are doing Launch into Learning we are seeing a positive influence on student performance when they are then presenting into the formal schools. The biggest performance gains in meeting the minimum standards have occurred in children from more disadvantaged socio-economic backgrounds and a significant impact in improving children's literacy and numeracy skills when they start at a full time prep. Attendance has been an interesting statistic as well; we are seeing the children who participated in Launch into Learning are more likely than other children in the community to not have high levels of absenteeism in those first years of compulsory school. Whilst we could answer the question, you might want to direct it more to the minister, Mr McKim.

**Ms FORREST** - The question is, why does it sit with him and not with you when we are talking pre-school?

**Ms O'BYRNE** - That was the case last year as well when we had this conversation; it just reports to him. I would love to have it, so if you would like to tell the minister, Mr McKim, to give it to me I would be very pleased with that, probably because Launch into Learning is more closely linked to the provision from schools. It is delivered by existing school structures, whereas child and family centres sit outside the schools and that is why I have responsibility for those.

**Ms FORREST** - Can we go, then, to your budget line item, which I see has increased funding every year, which is a positive thing, particularly when the payroll tax is taken out of that, so it is an even more significant increase.

**Ms O'BYRNE** - It is funded in all schools that have primary enrolments.

**Ms FORREST** - The funding of the Launch into Learning program fits under this line item that is yours; is that right?

**Ms O'BYRNE** - No. I think it is referred there because it is part of the broader process, but you will find it is in the education responsibility of the minister, Mr McKim, and I do appreciate it. We had the same conversation last year, I believe, but it is frustrating.

**Ms FORREST** - Also, what is covered as far as what you are responsible for under 1.4 Early Years - the four-plus million dollars that is allocated each year?

**Ms O'BYRNE** - I do the child and family centres. I have responsibility for the childcare regulation.

**Ms FORREST** - Okay.

**Ms O'BYRNE** - I am happy if it assists in the other questions that you have, whilst it is slightly outside of the standards. I am sure Mr Pettit could give you a quick update if that assisted in framing up the other questions.

**Ms FORREST** - The early intervention in children from 0 to 5 years has been identified time and time again as a key area for engaging not just those from low socioeconomic backgrounds, particularly those children, but all children. Launching into Learning is part of that, but as you said, the Child and Family Centres all play a part.

**Ms O'BYRNE** - I can give you a brief update to put some context around it. LIL expanded by \$2 million 2011-12 and the extra funding was recommitted in 2012-13 and the annual budget is \$5.912 million. It is funded in all schools with primary enrolments with opportunities for families and young children from birth to four years. The reason that it sits with education is that it is that the schools develop the programs and strategies around the relationship building families before they come to school. It is about giving young children the best possible start in life; supporting parents, because parents are the child's first and most influential teacher; and trying to reach families that are finding it hard to access services on occasion and may have significant additional needs. I talked about the data already that we are seeing around the positive outcome. There is a statewide early years team that reports to Ms Banks and they support the development of consistent approaches to curriculum and work in partnership with Early Years Learning framework.

We have funded the 10 hours of kindergarten for more than 40 years; we have an additional five hours as part of a national partnership agreement on early education. That is the three-day kinder. All kindergartens in Tasmania are delivering 15 hours and more than 95 per cent of eligible children are enrolled in kindergarten.

Unless Mr Pettit has something else, I might leave the rest of that discussion to the minister, Mr McKim. But where we have a child and family centres in communities where Launching into Learning exists there is a partnership between those, so that there is a seamless transition. It is often easier to get a family into a child and family centre at a school. Some parents may not have had the best experience in their own school engagement and therefore do not necessarily want to be part of that. Child and family centres are non-threatening institutions, they are not government. People do tend to roll up to the opportunities that they offer in a different way and from there we are able to create those links into Launching into Learning and into transition into school.

You also asked about the childcare standards.

**Ms FORREST** - Yes, in looking at that area, do you monitor the uptake of the teachers in childcare centres? There is a requirement that they have among their numbers at least one.

**Ms O'BYRNE** - There is still a challenge around the education nature because we are transitioning the childcare workforce substantially. There is a shortage of qualified staff for childcare centres. That is a national shortage. Recruitment and retention issues - the pay is lower than one would expect for the level of engagement that they have and conditions, whilst gradually improving, are still, you would have to argue, on the lower spectrum.

The education care service national law requires all childcare educators to hold or be working towards, that is part of the transition, at least a Certificate III qualification. And as you identified at the beginning, depending on size from the beginning of 2014, all services are required to have an early childhood teacher or at least access to an early childhood teacher. That is your traditional kindergarten prep model.

At both a state and national level we are happy to address that and part of the issue has been the challenge in courses. We have recently had a childcare advisory meeting and in that we discussed the opportunities for universities to offer a diploma course. One of the problems is that if you have gone all the way through your education degree to be an early childhood educator, why would you take the job with lower pay?

One of the opportunities is that you can do the components of an early childhood qualification

that allow you to be in a childcare centre and possibly not do the other ones until later on. You could do those later if you wished to pursue a career in early childhood.

**Ms FORREST** - That is not true now?

**Ms O'BYRNE** - That is a discussion that the advisory board are having with the university now as a way of managing the transition. There are a number of people who do work in this area who are passionate about early years and are very keen to work in childcare centres, but the pay is less and that is a matter that needs to be resolved. There is some additional funding from the Australian government for childcare centres to manage some of the staffing issues. We need to see how that rolls out to get an idea of whether that will change it.

**Ms FORREST** - So, supporting them to ensure they have someone on that pathway?

**Ms O'BYRNE** - Yes.

**Ms FORREST** - What sort of support is available for childcare centres?

**Ms O'BYRNE** - We modelled a creative kit in Tasmania for transition to the new model, which was copied by a number of other jurisdictions once they saw the work that we had done, which was saying to the childcare centre if you do these three things here and you need to get to these five things here, what are the steps to get there. That has been invaluable for childcare centres in terms of transitioning their framework. What we are looking -

**Ms FORREST** - Financial support?

**Ms O'BYRNE** - There has been some financial support. The Australian Government finances childcare centres. I do not know if I have it with me but we can probably get for you the additional money that comes from the Australian Government.

We provide support for scholarships and mentorships to assist childcare centres to identify -

**Ms FORREST** - The state government?

**Ms O'BYRNE** - Yes. To assist in - the Australian Government is providing additional funding for the national partnership on early childhood education, universal access to early childhood education which is \$14.2 million for this initiative in Tasmania. That is the Australian Government funding but we provide, through our ministerial education care advisory council, a number of things. We have the mentorship and the scholarship program which is about assisting those people who already have a certain level of skills to transition up to the next level. That requires a conversation with universities about flexibility and recognition of prior learning. Whilst universities are getting better at recognition of prior learning, I think it is safe to say that historically that has not been a space they embraced, whether it is in education or in other pathways.

We provide \$35 000 for funding support, which we would have normally known as scholarships, for unqualified staff to undertake or continue training for PRL qualifications. Increasing numbers of home-based educators are applying and upskilling throughout the sector. Early Childhood Australia has a funding support committee, comprising their sector representatives, enabling a reflection process. In the 2011-12 funding rounds, assistance to meet course costs is being provided to 130 childcare educators. Predominantly, what was needed was an upgrade from Cert III to diploma and we are now starting to see that transition into the degree studies. New workforce initiatives, both state and commonwealth, since 2009, have resulted in fewer applications for the scholarship program because there are other pathways available. We changed and extended the focus of the program so we can also support outside school hours care staff.



In 2012 the applicant numbers increased. We have had a mentorship program for experienced childcare service personnel to work with services experiencing difficulty. Those larger or structured services are providing a level of support, so there is specific training and associated resources to complement the training, which is provided for the commonwealth professional sport coordinator. Because this is a transition point, if a centre has done all it can to attract staff with the national standard, there is a temporary waver available that they can apply for almost at the level they need to be. Because we are going through that transition phase, there are a high number of staffing loaders currently available because they have staff who are already employed who are working towards increasing their qualification to that next level. We imagine that will start to decrease when the diploma qualifications start to flow through as people access that.

There is concern around the sector about its ability to meet the capacity but there is also an understanding of that. I have had some concerns, and I am now going to deviate from the departmental position, probably.

Yes, \$300 million up; I did get \$20 million over two years for the workplace reform to offset a grant being offered from the Australian government to offset costs in employing higher qualified staff. I must confess I have had some concern. I was able to find on the internet, where I had put under some desirable social media sites, buy my training qualification for a certificate 3 for a very small amount of money.

**Ms FORREST** - Did you do that for your next job?

**Ms O'BYRNE** - I have thought about it. I thought about doing it as an example of concern because the Australian Government also regulates the quality of the training. I am a little concerned of when you have times when there is a great demand for transition to a training model, that some of those training models might not be of a standard you would expect.

We have a very high standard of child care in Tasmania. The staffing ratios that we are moving to nationally are pretty much the state standards that we used to have, that when we moved to a national system we dropped back to. Many of our centres did not drop back at that point; they made different economic decisions over the time line. We have a very high standard and high expectation of child care; that is why the transition needs to be done well and that is a constant scrutiny of the type of approved and accredited course is crucial. It was on one of those ones - I don't remember the name of this particular site - that you get on Facebook, on the internet. They are about different lifestyle things that you might be able to access if it gives enough information about where you might find it. I think I could do my certificate 3 diploma for around \$98, which was something like a 99 per cent reduction in the fees of doing a proper course.

That is the sort of thing that we asked the Australian Government to monitor. The Childcare Advisory Board have been quite concerned about it because in a nationally regulated system you take on face value the accreditation course that people tick off on. If it is a nationally accredited course, every childcare centre would be within its rights to say that is okay and then the risk would come later on if there was an incident.

One of the other challenging things that have changed is about behaviours in childcare centres as well. Childcare centres have also been quite risk-adverse so you would have seen over a number of years childcare centres getting rid of climbing frames, removing trees from the playground and those sorts of things because they are perceived as dangerous. One of the things that we have seen through this mature debate about what it is that you want to provide in child care is that risk-taking and learning about safe risks is actually a really important part of development. Getting childcare centres back into putting in play equipment and slides and growing trees again is good because kids climbing up trees and falling out is actually part of life. One of the concerns that we have seen in society is that if you do not take safe risks when you are young, you do not know the difference between a safe risk and a dangerous risk; that is one of the things that the regulation allows childcare

centres to start to explore again within their skills development. The work that has been done is quite interesting but it is challenging for centres.

**Mrs HISCUTT** - Minister, with regard to KPIs and the child and family centres, how do they report their KPIs? Who do they report them to and how often are they reported?

**Ms O'BYRNE** - Child and family centres are a reasonably new environment. We are working at the moment across the state for a model of measuring the differences and because they are so different it is hard to get a consistent KPI model. Some of our centres have been open for months not years, so there is a change around that. I do not know whether, Liz, you want to talk about the new process that is currently happening around the standards. Is that something I can put to you?

**Ms BANKS** - That is fine. We are developing a set of KPIs so the minister is absolutely correct that some of our centres have not been finished, however, the learning centre managers and the liaison people meet as a group and they have a senior person within our department who line-manages them. The main KPIs at the moment are the learning that is going forward through the Early Years Learning curriculum so that we have a consistent approach in that sense and something that we can measure. That will lead into assessment against the kindergarten development check list, the AEDI - Australian Early Development Index - and PIPS - Performance Indicators in Primary Schools - when those children are in their first year of compulsory schooling so that we will be able to track them through the child and family centres. They are the two prongs at the moment.

**Mrs HISCUTT** - You do have not a routine in place yet for reporting?

**Ms BANKS** - No, not in other areas because the services at each of the child and family centres varies significantly, however, within the learning we do because we have that Early Years Learning Framework.

**Mrs HISCUTT** - Watch this space.

**Ms BANKS** - Yes.

**Mr VALENTINE** - Is it the Education department that wears the maintenance of these facilities that have been built and having to account for the ongoing depreciation?

**Ms O'BYRNE** - The child and family centre budget is placed within the education department, yes. There is no one else who is responsible. There are some child and family centres that also have childcare centres attached to them, so that is a slightly different contractual arrangement that would exist there, but they are an education department responsibility, although we try very hard not to name them up as being education department in case we frighten people away.

**Mr VALENTINE** - The question is, do you get an increase in your vote every time one of these new centres is built?

**Ms O'BYRNE** - An increase in their vote?

**Mr VALENTINE** - In their vote, in the allocation.

**Ms O'BYRNE** - I was a bit worried about the voting thing.

**Mr VALENTINE** - To take care of the maintenance and depreciation over time.

**Ms O'BYRNE** - It fits within the broader education department maintenance budget. If there is a specific issue outside of that we would go to Treasury because the child and family centres are a

whole of government initiative, but they are very new. Probably Beaconsfield has been around the longest and I don't know that they have had a significant upgrade request at this point.

**Mr PETTIT** - No.

**Ms O'BYRNE** - No.

**CHAIR** - I think we might be done on Early Years, minister.

**Ms O'BYRNE** - If I can thank you all very much for appearing and I will see you tomorrow.

#### **DIVISION 4**

(Department of Health and Human Services)

#### **Output group 7**

#### **Children Services -**

**Ms O'BYRNE** - For the purposes of *Hansard*, I advise that at the table to my right is still Jeremy Harbottle, the adviser for children, the Secretary of Department of Health and Human Services, Mr Matthew Daly, and, appearing without uniform, the Acting Deputy Secretary for Children, Mr Scott Tilyard; Scott is in this position while Mr Des Graham is on sick leave and leave associated with that.

**CHAIR** - Thanks, minister. An overview, if you wish.

**Ms O'BYRNE** - We have attempted at every opportunity to shield the area of children from the significant pressure on revenue that we face across government. There is a significant reform agenda under way in relation to Children Services. This is not a reform agenda that is peculiar to Tasmania; there is not a jurisdiction in Australia that is not constantly reviewing and reassessing where it performs in relation to Children Services, primarily because where we are seeing across western engagement in Children Services, we are not necessarily getting the outcomes, particularly for children at risk or who go into care. Every jurisdiction is going through constant reviews and attempting to gain better frameworks around that.

We shifted to a public health approach around the safety and wellbeing of children, which is moving towards an integrated universal services for children and their families, so that we can assist every young person. There are some things that every child needs: a safe home, access to education and an adequate diet and love. There are whole things that apply to every child. What we then see from the universal perspective is that there are some children who need a little more, so the next tier of service provision is targeted early interventions for those people who need more help, for those who may have additional needs and then we tier off again in the public health model for specialised services for children and families who have particularly high needs.

The Child Health and Parenting Service is an example of how a public health model works. Every child is provided access to universal services, so everyone gets your child health appointments and then secondary primary services are available for those who are assessed as having escalating needs. We adopted this as part of a response to the select committee report on child protection and in that response we identified six key areas for action.

The first key area is system reform. Children and Youth Services over the last year have been improving their models of care so we have launched a revised model of care for CHAPS in March 2013. We are working with staff and unions to development a workload management tool for child protection. We have worked with other health and human service providers and Tas Police around early intervention services with selective vulnerable children, young people and their families. That is a lot of co-location of multi-agency and multidisciplinary management teams. We have the new

care concern policy that was introduced in February to address complaints in child protection and new funding arrangements in minister O'Connor's area around Gateway and integrated family support services. A lot of work has been done around the second action area, which is building and strengthening relationships so we are improving consumer engagement. We are fostering a relationship with UTAS around their students for placement. We are engaging children in care with mentoring support from a significant person and collaborating across agencies so the children, particularly those living in Ashley Youth Detention Centre, are supported in their learning.

Legislative reform is a third action area. We have had the release of the legislative amendment to review the reference committee final report that will lead to a rights framework for children, young people and their families and also a less adversarial approach when assessing and responding to child protection, which is probably an area that we need to talk a little bit more about. Across Australia, across most western cultures the child protection environment is very adversarial. The bulk of them end up in the court. The moment you move into an adversarial model everyone wants to prove that they are right. What tends to get lost in that is what is best around supporting the child. It means that more children are removed and we see that across all jurisdictions. Removing children is not always the best thing for children. They love their parents and their parents love them. What is lacking is the capacity and support to do the right thing around it. That is a shift that we need to make and one we think that we can make through this process.

The fourth action is ensuring transparency and accountability. We are providing greater reporting systems for maintaining the kids database. Out of home care is an important service for children that do need it and there is ongoing reform. That is part of the fifth action area. We have a project team working on that who are reviewing out of home care service and trying to improve permanency and placement stability for children and young people on care and protection orders and increasing professional development opportunities for all carers and improving collaboration across all sectors. Families might be engaging with a number of different providers and not necessarily understanding what that provider might be doing in their house at any given point. It is about integrating that so there is a seamless interaction for the family and so that they know what they are being provided with and what that means.

Finally, the sixth action area is increasing the professionalism of our workforce through education, training and professional development. We have put in improved professional development and training for staff, particularly those working in child protection. As a basis for that we have recruitment of skilled nursing practitioners who are dedicated to doing that workforce development for us. We are having quarterly reviews to support reunification of children and to improve the quality of case and care plans.

We are continually expanding our professional development program, particularly in relation our Signs of Safety Framework, which is a completely new model around child care. Instead of having that adversarial evidentiary basis of why we remove children we start to look at what is it that we need to give that family so that they can operate as a family so they can stay together. It promotes a framework of case practice that demands greater engagement with families where safety concerns exist. It also gives greater potential for them to work with support providers. Instead of saying 'You don't work and we will take your child away until you work' we are asking 'What do we need to give you in the home environment to make it work? How do we need to support you in that process?'

There are always going to be children whose safety is at such a level of risk that they must be removed. We have around 1 000 children in care. I don't believe 1 000 children needed to be removed had we used a different model, but that is the nature of the adversarial system that we have historically had. We have had some really good outcomes with a dedicated children's magistrate. Magistrate Daly started some fantastic work there in ensuring that we're getting a better engagement, but if we move first to family conferencing, which we should be able to do quite well and support families to stay at home, we believe and where this project has been rolled out, they are already

starting to see better outcomes for families to stay together. There is a wealth of research that says that children who are removed don't necessarily do significantly better in their life journey than if they had not been removed. So that is the responsibility issue that we need to make.

Some recommendations were also made about a further review of the functions of the Commissioner for Children, but we could talk about that when we get to that point.

We have allocated more than \$110 million for the children's portfolio in 2013-14. It supports a range of critical programs and \$37.6 million over four years has been allocated to respond to a growth in demand for out-of-home care for children who are no longer to live with their biological parents.

I believe that if we get signs of safety right, we will see a reduction in the amount of children coming into care; that doesn't necessarily mean that we'll save any money because that will still require support at home but, if you look at the outcome for children down the path, we are hoping that will be a better outcome for them.

**CHAIR** - We will lock 6.1 and 7.1, those two outputs together.

## **7.1 Children Services**

### **Output group 6**

#### **Children Services System Management**

##### **6.1 Children Services System Management -**

**Ms FORREST** - Just to clarify, the fall in appropriation for 2013-14 is related to the payroll tax?

**Ms O'BYRNE** - Payroll tax, yes.

**Ms FORREST** - There's no real reduction in funding for that group?

**Ms O'BYRNE** - Because we have had the additional funding for out-of-home care, had that not been granted to us, I think there would be a slightly different picture. There's been a growth in out-of-home care funding and also there is an understanding that if we don't use all of the out-of-home care money for out-of-home care, we don't need to put it back there; we can use it for broader family support.

**Ms FORREST** - So, the out-of-home care funding should be under 7.1, not 6.1, isn't it?

**Ms O'BYRNE** - I am sorry. I thought you were rolling the two in together -

**Ms FORREST** - We are, yes. I am just trying to clarify that 6.1 is not suffering a cut other than the payroll tax.

**Ms O'BYRNE** - I will give that one to our finance person to be absolutely sure - no.

**Ms FORREST** - Okay, that's fine. Obviously, it's a very difficult area and we all have our horror stories to tell.

**Ms O'BYRNE** - Yes.

**Ms FORREST** - The staffing levels; I hear, around my electorate and I am sure others could probably say the same in theirs, that staffing levels are such that the support is not there for some of

these really at risk young people and they seem to be cycling through. There are problems on both sides; there's a problem with the parents in their engagement as well as the department at times. I am interested in the staffing levels; if you could provide some detail around the staff who work directly at the coalface, I guess - the numbers over the last few years and the other areas of support for children at risk in out-of-home care or going through that process.

**Ms O'BYRNE** - As at 30 March, there were 538.3 full-time equivalent across the children's services portfolio which is a 5 per cent increase from the figure of 1 July 2012 which was 509.75 or an increase of 28.55. The biggest issue that we are managing is the demand for individual case workers. That is why we have been working with the union on a casework model because there has been a nominal figure of how many cases a worker might deal with. The problem with that is that you might inherit the nine most complex families with a much greater workload.

So the management tool that we have been working through, with Tom Lynch from the union, is work around identifying a reasonable caseload which takes into account not just the number of cases but the complexity of the cases. That is being informed by work in other jurisdictions; a draft tool is to be piloted in the next six weeks that has been designed by the agency and the union. Apart from assisting case load management it has been identified it will also be valid in inviting the supervision dialogue that is required around the child protection process so that we are ensuring that the engagements we have are appropriately monitored and reported on, and you would be aware that we have had challenges with that in the past.

[11.00 a.m.]

There are difficulties in considering clear benchmarks; it was not that there was a benchmark in any jurisdiction where we could say that is the model and that is a good standard we should use because they are all so different. They are partly different with other agencies and they have other challenges. In the interim, up until this new tool has been tried, workload limits have been established based on national and international comparisons, which is an ideal maximum of 15 cases or 24 children as a guide, but we are overlaying that with an assessment of the complexity of a family. For instance, you might have one child in a family but then when you visit that family they might have four other children, so whilst that is not your case it adds to the complexity of the engagement you might have with the family when you visit.

**Ms FORREST** - Basically you are trying to weight them?

**Ms O'BYRNE** - It is difficult and it will be done with supervisors the whole time to ensure that they are being reassessed, and also it will change. It could move into a complex family arrangement after a while of just checking them every six months because everything is going okay. It will be an ongoing weighting assessment of the complexity of staff we are dealing with on any given day in what is a very highly charged, difficult environment. Speaking of people who are risk-averse and the level of risk aversion in child protection - and this is an example we were given in our induction on signs of safety - in the UK there was an horrific child protection case that resulted in a death of a baby. In the 12 months prior to the publicity in the media and the explanation of what had gone wrong, there were 49 000 children in care and within 12 months of that case the number of children in care had risen to the high 90 000s - almost 100 000 children in care. What you have is a work force that is terrified of making a mistake because the outcome of the mistake is horrendous but what we also know from research across the globe on out-of-home care is we do not necessarily make children's lives better by taking them away.

There is a US state that has done probably the biggest longitudinal study - 40 years of assessment - and their 40 years of assessment of these data shows that children's lives are not better. They get a rare case where a child performs above what other members of that community would but with the bulk of them you do not actually do them that much of a favour. There are always going to be children that have to be removed because their safety is at risk and that is where you get that real

challenge. The signs of safety is really about assessing risk but also about assessing strength. We have been really good in Child Protection about saying 'that is dangerous, that is dangerous and that is dangerous' but we have not been good about saying 'That works really well and what can we do to help you to make the other things work really well?'; in the bulk of families some things work really well and you can manage risk.

We will be offering committee members a briefing on signs of safety later in the year when proponents are down again. They are conducting training for our staff at the moment. It is trying to get us out of that adversarial 'I have to prove that you are at massive risk so the court will let you take you' to family conferencing about assessing what the strengths of the family are and what other supports exist - what support aunts, uncles, grandparents, neighbours and broader communities can give as well because quite often you can pull together a really safe environment for children and they are happier if they are at home because they love their mum and dad, most of the time. The vast majority of kids we take away want to go home; if they do not go home they want to at least be in the same community they were taken from; they want to be able to play for the same footy team they played for before and they want to go to the same school and have the same friends. In a structure that is heavily geared towards removing children, as Australian child protection is, that cannot always be the case.

It is a fundamental shift we are asking our staff to make. It is going to require a lot of training but also a lot of trust because if they make calls we have to back them, and we do know that one day the call will be wrong, as it is in child protection and as it is many of the frameworks. We can actually give you the data on staffing as well.

**Ms FORREST** - Yes, and that is what I was going to come back to, if we can have the numbers but also the areas in which they work.

**Ms O'BYRNE** - Yes, I have that. I think she is actually looking for the regional break-up of staffing?

**Ms FORREST** - Yes, geographic as well as the areas within the department.

**Ms O'BYRNE** - In Child Protection we have 105.8 FTEs in the south.

**Ms FORREST** - These are the people who do the case load.

**Ms O'BYRNE** - Yes, in Child Protection. I will hand over to Scott, so he can stop handing me pieces of paper.

**Mr TILYARD** - Overall in Child Protection in the south there are 105.8 FTEs. There are 81.6 child protection workers in the south. These child protection workers who go out into the field and they are supported by another 7.4 support officers in the field in the south.

In the north in total in Child Protection there are 50.5 FTEs and that is comprised of 36.3 child protection workers supported by 4.4 support workers in the field.

In the north-west in Child Protection there are 45.5 FTEs and that is comprised of 33.7 child protection workers supported in the field by 4.6 support officers. There is also some administrative staff in each of these three regions as well.

**Ms O'BYRNE** - In the last budget we merged the two southern areas to create some greater efficiency.

**Ms FORREST** - The north-west has the highest level of social disadvantage in the state, the highest levels of poverty and it seems what I am hearing is that there aren't enough staff. Maybe

there are high levels of staff turnover. Is this meeting demand in the north-west? I am hearing that there are not enough people on the ground to deal with the demand.

**Ms O'BYRNE** - I think a big part of it has been the allocation of workloads because that has been across the state in equal distributions, possibly. We hope that this tool will give us a better outcome. I think staff turnover has dropped off; we are not seeing it as high as we were.

**Mr TILYARD** - It's eased off a bit now. It was an issue.

**Ms O'BYRNE** - Historically we have had a high turnover in Child Protection. It is a very stressful job, which is not unexpected, but we have had a slowing down of turnover. A big part of that has been the increased investment in training and the commitment to work around the workforce loads. We need a different distribution of staffing and we will have to respond to that. It is a six weeks -

**Mr TILYARD** - The tool is a six week-trial. We have also sent some additional staff from the south to the north-west in recent weeks to help them go through their case loads and review their cases.

**Ms FORREST** - Hopefully I won't have so many phone calls in the office then.

**Ms O'BYRNE** - I think you probably always will in child protection. That is part of the reality because we are dealing with families - whether it be a stressed staff member or the particularly distressed family.

**Ms FORREST** - They are quite volatile situations.

**Ms O'BYRNE** - There is child protection and there is Family and a host of services that sit around that. Families sometimes struggle to work out what they need to do and who they need to talk to, so we are looking at an EOI to get a not-for-profit organisation to assist, similar to a WA model, to help families navigate their way. They are not an adversarial advocate for the family who goes and argues with Child Protection because we want to get away from that adversarial environment, they are a support person to assist them by saying 'If you need to do these things, this is where you go to get them and this is how you access Gateway, and this is what you can do at the child and family centre and this is what you can do around family violence issues. We will help you navigate your way in a supportive way', rather than have all those agencies effectively doing things to family, which can become just as stressful and complex.

**Ms FORREST** - With regard to the staff turnover, do you have figures over the last two years of the staff turnover in various areas and also the number of staff on sick leave or stress leave?

**Ms O'BYRNE** - Sick leave comparison by group: for 2011-12, 24.23 per cent of rate of leave of FTE's taking leave, is the proportion of the total FTEs. As a proportion of all the staff there was a 4.23 per cent in 2011-12 and is 4.7 in 2012-13. It would vary year from year but the broad rate seems consistent with leave rate recorded in 2011-12.

**Ms FORREST** - Is there a breakdown by region? The turnover of staff?

**Ms O'BYRNE** - We would need to seek that information for you and try to table it by the end of day.

**Mrs ARMITAGE** - Going on to something slightly different. It is regarding the checks for people working with children and vulnerable people, the money that we are putting into that. Is it okay to go onto that now?



**Ms O'BYRNE** - That is in minister O'Connor's portfolio but I can speak to it. The money goes through minister O'Connor's as part of DHHS.

**Mrs ARMITAGE** - Who will be encompassed in those checks? Does it include foster carers, people working in a childcare facility, allied health workers?

**Ms O'BYRNE** - Yes.

**Mrs ARMITAGE** - The fact that \$700 000 in 2013-14, going down to \$200 000 in 2014-15 and then no ongoing at all. I am wondering what is happening from 2015-16? Do we think that there are no more vulnerable children after that and that no one needs checks?

**Ms O'BYRNE** - No. The \$900 000 is being provided to establish a centralised unit within the Department of Justice for the background checking and risk assessments of anyone who works with children or vulnerable Tasmanians. The first stage is to establish a more comprehensive background check of risk assessment and if you volunteer at your school, whether you are a foster parent, whether you are with a sporting organisation, there is a standard police check. A standard police check does not always give the level of information that might be required to appropriately assess risk. We also have the development of a new information system and a new business process to support the assessment and the second phase will expand the process to include those working with vulnerable children.

The initiative will establish mandatory minimum checking standards that will apply across all regulated activities. Both volunteers and employees over the age of 16 will be required to undergo background checking and risk assessment. The model will be consent-based and the applicant will be required to consent to have their background check undertaken and to give permission for the result of a risk assessment to be shared with current and potential employers. In cases where there is little or no information indicating risk, applicants will be registered and provided with an identification card. That card will be similar to your driving licence, you will have a physical card that you can produce, it will have a photograph, and will be transferable across all employment and volunteering activities.

As you know, when I volunteer at the school to go to school camp, I have to get a police check. If I volunteer at Meals on Wheels, I have to get a second police check. This will be one identification card that will cover that spectrum.

It will be based on a broader range of information than is currently the case. It is about setting up the structure that would exist and people will pay the fee that you pay for a background check, and covers it from then onwards.

**Mrs ARMITAGE** - That would cover the recurrent cost, the fee that is being paid?

**Ms O'BYRNE** - Yes, because what we are doing is moving to a new system. Because this check will be done broadly it will possibly mean that there is less of an outlay for most people who volunteer, so they are not having to do checks at every different entity. As we all know, the person who volunteers in one organisation is most likely to volunteer in five. That has been a burden for people. The money is about setting up the structure that allows the assessment to be done.

**Mrs ARMITAGE** - I appreciate that but I would have imagined that there would have been some ongoing recurrent costs with it.

**Ms O'BYRNE** - I imagine it may be assessed in the outgoing years that there may be but it is probably a question for minister O'Connor. Probably Public Justice will house it, so I might suggest that you ask the question of minister Wightman but I am not sure they will be able to do that with short term.

**Mrs ARMITAGE** - That is all right, I can always ask it in the House.

**Ms FORREST** - Before you move off that particular point, how often do the working children checks that need to be redone, is there a time frame?

**Mrs ARMITAGE** - Good point.

**Mr TILYARD** - Five years.

**Mrs ARMITAGE** - One other while we are looking at this. You might tell me that this isn't yours, either - the Church Street youth accommodation?

**Ms O'BYRNE** - Not mine. I know it is complex when ministers share portfolios; it is not purely a Tasmanian challenge but when you share portfolios there are delineation issues. It is better to ask earlier in the week, though, so you do not miss the opportunities so it is probably safer to ask to ask and narrow it down.

**CHAIR** - We do not have any other ministers, so we will keep moving.

**Mrs HISCUTT** - Minister, I have two subjects I would like to cover; one is Ashley, but I would like to start with the grandparent carers, who spoke down earlier about children who need people who love and this is obviously accepted there, can you tell me how many grandparents are now receiving the kinship care payments, please?

**Ms O'BYRNE** - Support for grandparents caring for grandchildren is shared between us and the Australian government. The majority of grandparents receive payments for the care of their grandchildren from Centrelink. Where there are child protection concerns that a child is placed with a grandparent, the grandparent receives the same support as foster carers through kinship. We had a review of the circumstances with grandparents and other relatives who worked with certain foster care payments and that review resulted in the approval of foster care payments for 215 children who were not under care and protection orders so, we have those that are under care and protection orders and then we also provide payments for those who are not and 169 of those children, as of 31 March, were being supported through foster care.

If the grandchild was not under a care and protection order, they are eligible for financial assistance of \$1 696 per child per year, and 67 as 31 March receiving those relative carers.

**Mrs HISCUTT** - Grandparents.

There are two: there are grandparents who are responsible for the kinship and there is 318 kinship care; there are 169 receiving supported extended family payment and 67 receiving a relative's allowance, so we break up it up between those who are a responsibility to the state and therefore we provide kinship care payments but also a recognition that there are times when bad grandparents step in when there is not an obligation of the state. I do not think that is mirrored in any jurisdictions – we are one of the few jurisdictions that pays a payment to families who are without a care and protection order. One of the challenges that does occur when people move interstate, though, is that you might be under a care and protection order in another state. If you leave to come to Tasmania and quite often that care and protection order lapses, they do not advise us, so then you would not necessarily be entitled to a payment under a care and protection order because there is not one any more. That has been a challenge, but the Grandparents' Representative Group have raised with us that there are some people who move and are not aware that their care and protection order has lapsed.

**Mrs HISCUTT** - So there are 318 under kinship care.

**Ms O'BYRNE** - Yes, there were 305 in 2012 and 314 in June 2011.

**Mrs HISCUTT** - And there are 67 in the relative care payments.

**Ms O'BYRNE** – Relative's allowance and 169 in supported extended family payment.

**Mrs HISCUTT** - So, are you moving people from the relative care up to the kinship care, because this difference there in payments for basically doing the same thing, the same job, caring for the kids?

**Ms O'BYRNE** - The relative's allowance, they are not under a care and protection order; they are not a responsibility of the state, we pay it because we recognise that, so if they are not under a care and protection order we have no control over - you do not want to put people on to a care and protection order just to get more money. Their supported extended family payment is probably the one that is a bit closer to a kinship care one.

**Mrs HISCUTT** - The other question is, with regards to Ashley, can you tell me what would be the staff-to-detainee ratio on any given day at Ashley?

**Ms O'BYRNE** - It is an expensive model, predominantly because it was built as a facility for 60 children and on any given day now it has less than 20. Ashley Detention Centre employs 89.7 staff. That doesn't include the other agencies or is that just our proportion?

**Mr TILYARD** - That is just our staff.

**Ms O'BYRNE** - We also have health staff there as a result of an inquiry; we maintain a 24-hour health facility there as well, and education support in what is an excellent school environment which gets fantastic engagement for young people, but as I said in previous discussions we are looking at the transition out - Save The Children have done some good work in that space. Often if you go back to the community where education wasn't valued, they could not have that transition. We had 14 children there last week; the staffing ratio is the question though. I think for each detainee we need four staff on a 24-hour basis, but I will double-check the figure for you.

**Mrs HISCUTT** - What about something like Christmas Day? How many staff would you have had working on that Christmas Day, any idea on that?

**Ms O'BYRNE** - It would depend on how many children were in care. I will get the ratio and I will temper this with needing to check the figure. It is about four staff per one detainee on a 24-hour basis for the supervision model.

**Mrs HISCUTT** - When you are looking that up for me, could you look at that Christmas Day as an example?

**Ms O'BYRNE** - I suppose we could do that.

**Mr TILYARD** - It would be available.

**Mrs HISCUTT** - Thank you.

**Ms O'BYRNE** - As I said, the number fluctuates, but at this stage we are probably averaging 18 to 20 children or young people on any given day in the facility. Some of them are in there for long periods, some for short periods and so there is a flexibility around staff. The school runs I think about four staff there.

**Mr TILYARD** - Yes.

**Ms O'BYRNE** - We have the medical component as well.

**Ms FORREST** - On a different line, CHAPS - Child Health and Parenting Service - and the important role they play in supporting the families. There are a couple of points I want to raise. CHAPS also promote breastfeeding and the comment was made that during 2011-12 the proportion of attending mothers exclusively breastfeeding at eight weeks improved across Tasmania, from a pretty low base to still a very low base as far as I am concerned, less than 50 per cent.

**Ms O'BYRNE** - Yes, I don't disagree with you at all.

**Ms FORREST** - It goes on to say that there is work being done in this area. What is actually being done to improve that? The new target is only 52 per cent in the out years. That is an improvement, yes -

**Ms O'BYRNE** - It is and it is not inconsistent with what we are seeing across Australia. As it is one of my portfolio areas, one of my concerns is when you see formula milk on the shelf in the supermarket. We have been moving to a health claims issue around food reg legislative environment because I think a number of parents look at their labelling and it says that it is better for you. It tells you all the wonderful things your children are going to get and a lot of people are moving to having formula milk because marketing tells them that formula milk is better for you. There is no evidence. There is no health evidence to suggest that is the case because it is attempting to replicate what you get in breast milk. If you are looking at some of the societal attitudes, I worry very much and that is the reason that the food legislative reform process that we dealt with as food ministers is trying to deal with health claims. Formula and food for babies has been one of those key areas because they make it sound like this little jar of stuff is better than the vegetables that you might be able to cook up yourself, so that is a shift.

**Ms FORREST** - In some cases they may be, but not generally.

**Ms O'BYRNE** - In terms of other programs between CHAPS, part of the reason is that we are changing the way CHAPS operates, is to be able to escalate those additional appointments for families and breastfeeding is a key part of that.

There is a program that is happening in hospitals to support that decision-making and to support people around attachment. I can probably get for you, but do not have them in front of me, a selection of the things that are being provided.

**Ms FORREST** - Is that baby attachment as opposed to attachment to the breast?

**Ms O'BYRNE** - Yes, and to give them that right because it is not always easy to breastfeed and it becomes harder and people will go to the other option because that milk is just as good and we would rather have as many children breastfed as possible because the health outcomes are key and we have also seen a greater society acceptance once more of breastfeeding in public despite a café in New South Wales saying that it was unnatural to bare your breasts in a café. There are some particular things that we are rolling out now.

**Ms FORREST** - With regard to the introduction of a community nurse educator what would the nurse educator's role be?

**Ms O'BYRNE** - Within CHAPS?

**Ms FORREST** - It is a bit hard to tell whether it is in CHAPS or where that role sits.

**Ms O'BYRNE** - It is in CHAPS. It is around the workforce development. It is around the new models of care. It is around identifying risk and when additional supports might be required. It is the quality thinking we are running out across the whole CHAPS sector.

**Ms FORREST** - What is happening with the home visits?

**Ms O'BYRNE** - Part of the change in the model is to try to expand the opportunities for home visits. What we do know is that everyone is good about their first visit and then it starts to drop off as the child gets older so part of the remodelling is allowing us to shift and to be able to support those families who require additional support and do home visiting if that is the only way that you can get access to them. Not everyone can get into a clinic. Some of our clinics are probably not located in the most accessible places.

I used to go to one at Kings Meadows but on the occasion that I had to go to the one in the city in Launceston, getting parking around York Street was really difficult and managing a pram through the process. I was completely able to get access to a clinic but if you are a family that is already struggling and using public transport and trying to get to a clinic, it becomes a significant challenge and the drop-off rate in CHAPS in terms of visits is quite high. Previously there were 10 child health assessments and under the new model of care there are seven with the option of an additional four visits if you need to get more than 10 visits.

In the new blue book that is being distributed, and there is an online component of that that we are looking at, there is an initial home visit within the first two weeks, there is the four-week child health assessment and psychosocial assessment of the family situation. There is the eight-week child health assessment and screening of the mother for postnatal depression. There is a six-month child health assessment, a 12-month health assessment, a two year, and a healthy kids check at four years, with the option, should an assessment be made by your CHAPS nurse that you require additional support, that support is given. What I can table is that this is the new model of care so that is the universal model and you will see that there is the basis of everything that you can get and absolutely everyone gets that and then it escalates for selective and targeted early intervention. That is the Right at Home pilot that we are in the process of participating in.

For the groups of first-time parents, there is the Outreach for Tasmanian Aboriginal Centre, the See You at Home, the enhanced child health, including the parenting centres, short-term intensivist support and the child development unit and there are very specialised services beyond that. I might table that, Chair, for members, which shows the shift in the way that the model has worked. What we did find is when we offered just a standard 10 most people did not use them so they were not getting utilised. Six or seven was about the level that most people would drop out and by saying those are the mandatory ones but we are going to give you access to all of these other ones, we believe we will develop a far better wrap around those families who need more support who might not know about it yet.

**Ms FORREST** - Any non-attendance at any of those seven, which you call 'mandatory' appointments -

**Ms O'BYRNE** - They are universal appointments. We would highlight a flag and then we would seek to visit them at home. A visit from the child health nurse is a lot less threatening than a visit from other government agencies.

**Ms FORREST** - In most cases.

**Ms O'BYRNE** - In most cases; there are also some people who don't respond.

**Ms FORREST** - That's because we're so nice.

**Ms O'BYRNE** - Well, you know, as with any service provision, people have different stories.

**Mr MULDER** - That's why we send the Deputy Police Commissioner around these days.

**CHAIR** - Just ignore that.

**Mr VALENTINE** - Coming back to the child protection cases and the like, I might have mentioned this last year, but some of the more consistent people that are involved in a child's life are teachers.

**Ms O'BYRNE** - Yes.

**Mr VALENTINE** - Is there engagement of teachers in a case where a child is being considered as to what should happen? That teacher may have very important information to be able to impart in the process. Is that done regularly?

**Ms O'BYRNE** - There are a couple of aspects. There is the mandatory reporting component, like if a person believes that the child could be at risk.

**Mr VALENTINE** - I realise that.

**Ms O'BYRNE** - That is often one of the reasons you have far more reports than you do of actual cases because they can be from a group of people around the same child. If the child is in care, then there is a care and education plan that's negotiated with the school. Part of the framework around the signs of safety is identifying all of the supports that can be provided to a family. I think, in many cases, the role of the school is going to be crucial and the role of individual teachers would also be quite crucial in providing that support. Certainly, some of the examples that have been provided to us where they've had good outcomes had engaged as many people who touch on the child's life as possible. As to how children necessarily relate to teachers - I think that's also a case by case perspective.

The other thing is that, if we're looking at where children escalate into engagements with justice, it's often that they've been suspended or expelled from school so they don't go home; they go out in the community and play up a bit, get picked up by the local police and that's the pathway on to the youth justice cycle. So one of the things that we asked the previous Commissioner for Children and the next Commissioner for Children to do is to work around the expulsion/suspension process. Schools have changed - and the education people aren't here any more - but schools have changed significantly. There's a lot of in-school suspension happening now so you are removed from the broader populace because of your behaviour and the risk that you might present to other students. That risk must be assessed but remain within a structured environment in order -

The project is to assess whether or not we need to put in other mechanisms because if you pull random cases from our child protection files and link up all the data, what you will see is that their first engagements with youth justice tend to come around the same time as the suspension or expulsion from school. That has indicated to us that there is an engagement we need to have across different agencies. That's part of the reason why we have a cabinet sub-committee made up of all the agencies that have a role in this area. There are different key points that we all need to engage.

Another flag that we would like to put in is presentations to EDs. They are the sorts of things that might indicate you might want to support a family a bit more. Absenteeism from school can be one of the indicators. Not turning up to your CHAPS appointment could be one of the indicators as well. Certainly, we do see with pretty much all of the kids who end up in the justice system that there's a non-attendance at school issue happening as well which is why we've asked the Children's Commissioner to do that work.

**Mr VALENTINE** - The last question is in reference to information systems that support child protection and child welfare. What's happening there? Do we have new systems in place?

**Ms O'BYRNE** - Yes, we do. One of the criticisms of child protection in the past was that there wasn't appropriate oversight of engagements with the young people in care. Certainly, the system we now have in child protection, which is called -

**Mr TILYARD** - Child Protection Information System.

**Ms O'BYRNE** - - the Child Protection Information System allows, at any stage, for you to -

**Mr VALENTINE** - Is this new?

**Ms O'BYRNE** - It's been out about 12 months. It had only just started when we talked last year. It allows you to bring up a file and identify every interaction that we've had with a child, every interaction that everyone else is having with the child so that we can piece together all of the players that are supporting. The work that we still need to do is across the whole of government so that you can start creating a structure that flags when there might be reasons for concern.

**Mr VALENTINE** - Give you the full picture.

**Ms O'BYRNE** - There is a problem with the formula, though. You might look at things like absenteeism from school as being a high risk and so you might flag it but it might be because the family are doing home school because they have taken the children off on a tour around Australia in a caravan. That does not indicate that the family has a child protection risk. It is how you weight the information that is the most complex area. The last thing you want to do is burst through a family's door to rescue the child when their story is quite legitimate and the child is not in any risk at all. Signs of Safety is another way of helping us. I would like to see Signs of Safety rolled out across a number of agencies because it is about assessing strength as well as risk. I know that some of our emergency departments are looking at Signs of Safety as an opportunity to help them assess risk and strength when people present at EDs.

**Mr VALENTINE** - So that is child protection. Is it the same in the child welfare area? Has what used to be the old child welfare information system been replaced?

**Ms O'BYRNE** - This is across Children and Youth Services.

**Mr VALENTINE** - Right across.

**Ms O'BYRNE** - Yes. If you would like to see how it works we are happy to provide you with an example. It also provides more information and makes people think seriously about the information they put on, as it will be looked at by lots of people. As you would have seen from previous cases, sometimes information on files can be a little pejorative. I think that it is helping to deal with that as well.

**Mr VALENTINE** - It would help you with case load and workload management too, surely.

**Ms O'BYRNE** - It is one of the things that has made the discussions with the union around weighting and complexity of case loads a lot easier because you can just pull the files up immediately and see where people are and monitor how they are managing that workload.

**Mr VALENTINE** - It has been an issue since 1988.

**Ms O'BYRNE** - We might not have it perfect yet. There is not a model anywhere that we can

look at and say it is the perfect system that we would overlay into Child Protection to manage it. However, joining the data will assist us.

**CHAIR** - Minister, on the performance indicators on page 5.19 of the budget paper, investigations finalised within 28 days of receipt of a notification are trending upwards, which is good. Your expectation for 2012-13 is a 50 per cent achievement in that. Is that likely to be achieved? Your target for 2013-14 is a 75 per cent achievement. That is a dramatic jump from recent performances. What actions are in place to get to that level of finalisation of cases within 28 days of receipt?

**Ms O'BYRNE** - We have exceeded the target of 50 per cent within 28 days or less already. That is updated information. We are at 52.3. The investment in staff skills and training is a key part of being able to identify and respond to that. One of the challenges, when we talk to experts, is that when we do set arbitrary targets and they become the defining factor you get locked into meeting all different requirements by that target and sometimes that becomes the driving focus rather than the care and support of the family. Whilst we do want to see timely resolution to these issues, Signs of Safety is about changing the way that we do things, from saying 'I've got this checklist of things I have to tick otherwise I will get in trouble', to 'How do I support the family better?' We think that the skills that come along with Signs of Safety also will mean that we can maintain that level of efficiency.

**CHAIR** - On that same thread I go to child abuse or neglect. The number of unallocated cases on 30 June is way down in 2011-12. How are you tracking for 2012-13?

**Ms O'BYRNE** - On 28 May there were 11 children in unallocated cases. Unallocated cases are a moment in time and it can be zero the next day.

That seems to be progressing substantially better, possibly because there is a higher supervision level around the allocation of cases.

**Mrs HISCUTT** - Do you have figures of the breakdown across the state for youth justice workers for these two areas?

**Ms O'BYRNE** - Yes. In Youth Justice, we have 12.9 FTEs in the south of the state, 8.5 in the north of the state and 6.7 in the north-west.

**CHAIR** - We will move to the Commissioner for Children area, minister, please.

## **Output group 8**

### **Independent Children's Review Services**

#### **8.1 Office of the Commissioner for Children -**

**CHAIR** - You do not need to bring anybody else to the table, you have the right people here. The commissioner has been tasked with the investigation into what are the appropriate services for children in detention. The first component of that is: what is the status of the investigation and an aspect of this work, as is my understanding, is to look at the possibility of closing Ashley. What is your current position as the minister with regard to that proposition?

**Ms O'BYRNE** - There are a number of investigations that I have asked to be done under the Commissioner for Children. One is part of the youth justice continuum project and that was for the Commissioner for Children not to determine should Ashley close, but what would you design around the youth detention model; what is the ultimate opportunity around a youth detention model? The Commissioner for Children is currently on eight weeks' leave before she finishes and I am about to announce the interim Commissioner for Children, who will continue that work. The current



Commissioner for Children advised that she will be unable to finish that project, but I understand that quite a bit of it was already done by staff in her office, so I am hoping to see that that bit of it will still come through.

In relation to Ashley, it is part of the broader continuum of care, but it is an expensive and outdated model of care for the number of young people who are there. The broader conversation needs to be about what it is that you would design around youth detention now. Also, what has come out through some of the prison reform conversations is, what do you do with young offenders in the prison system, bearing in mind Ashley could have a 12-year-old child and a 22-year-old young person who has been sentenced under the Youth Justice Act. I think 18- to 25-year-olds is the area that has been looked at in the UK, predominantly in prison settings, about what is the most appropriate framework of incarceration for people who have committed a crime under the broader spectrum.

The bulk of the money I have for Youth Justice is in that tertiary end. It is in funding Ashley. If there were a model we could invest in that was more cost-effective but provided care for the sorts of numbers that we are seeing now, as opposed to the numbers that we have seen before, which would mean that I could put the rest of my budget into alternative sentencing and diversionary programs, then I would like to do that. We have already seen some really good success. We had some kids down the Huon who got themselves into a bit of trouble and their youth diversionary program, which was supervised by staff at Children and Youth Services, was to repair some of the fencing and infrastructure around the showgrounds.

It did a couple of things: it locked them into being responsible for something and having to fix something that they had engaged in and damaged; it provided a good community amenity, but also it changed the attitude of a lot of people in the community to those young people because they saw them doing something worthwhile and engaging.

If you are going to spend money in youth programs, it is better to spend it there than waiting for it to get more complex and spending it all in a detention facility. Ashley is expensive because it is an old model. It is not that the model was wrong at the time. We just do not have 60-odd kids in detention any more. The Youth Justice Continuum of Care project will continue and then we will see what it advises. The Commissioner for Children is responsible for the section around alternative - what you would do around youth detention if you were starting from scratch.

**CHAIR** - Are there any other reviews being undertaken by the commissioner's office?

**Ms O'BYRNE** - Yes, there is the study on young people's attitude to smoking, the smoke-free generation work that the upper House supported so overwhelmingly and we referred to the children's commissioner because it is not a prohibition legislative model; it is a social change model. The commission has been working with children in primary and high schools across the state around their attitudes to smoking. What will be interesting out of that is if it continues we might be able to measure that point where behaviour has changed. If you ask any primary school child they will tell you that smoking is disgusting but something happens by the time they leave high school and I think some really good comparative data to start tracking where that change happens would be a good outcome for us from a health perspective and also from a [?TBC 11:45:25 indistinct, possibly acronym] perspective. There is also the project that we have asked for around the expulsion and suspension policy in education, plus the commissioner is responsible for a number of other tasks within her office.

**CHAIR** - Any other questions on the Commissioner for Children? We are done in that area then, minister, and we will take a five-minute break to get organised and then the major health issues.

**The committee suspended from 11.46 a.m. to 11.57 a.m.****Output group 1****Health Services System Management -**

**CHAIR** - We are ready to go, minister.

**Ms O'BYRNE** - I introduce at the table my chief of staff, Bernadette Jago, and once again the secretary of the Department of Health and Human Services, Matthew Daly. If we require other people at the table I will introduce them as they come up but for their benefit because they were not here before, if you make inappropriate coughing noises, if you make lots of noise with your papers, if you talk while someone else is talking, *Hansard* will rise and stab you.

We do have Beth here, who is a nurse so if you are disciplined then, hopefully, Beth still has a practising certificate and you would have one, too.

**Ms FORREST** - Yes, I am still registered.

**Ms O'BYRNE** - We have two registered nurses to provide any assistance should you break any of the rules around making a noise. There is only one channel, so if you rustle papers or talk while someone else is talking, *Hansard* has a difficulty and I make their life challenging enough without you adding to it.

I do have a brief overview and the reason, Chair, why I would like to go through the overview is particularly for positioning but also because the budget is structured differently this time than it has been in the past and that might provide committee members with an understanding.

**1.1 Health Services System Management -**

**CHAIR** - Just before you do, minister, we are up to speed with the different structure in the budget. We had a briefing just last week, so we are familiar with that process and that is why we are focusing on 1.1 as an output for this overview, which will take us to matters related to the common chairmen of the THOs and overarching and general to all of the THOs, and then we will specifically get into the three THOs after lunch, so we are familiar with that structure.

**Ms O'BYRNE** - That is fine. If you are comfortable with how that sits then I will not waste the committee's time in going through that process, other than to just broadly say that it has been a time of significant change in health with national health reform. We have moved into - and of last year, those members who were here will remember that we had gone to the first stage of the THOs and we were getting ready to sign the first service agreements which changes the way in which we purchase services from the health organisations now. We have since then had our first year of operation. We have seen the governing councils operating, I think, at an excellent level; certainly the first six or nine months was a learning process for them but I have seen them stepping up significantly in the roles of the governing councils and the health organisations in their individual areas taking not only that responsibility but accountability for health services in Tasmania.

The reform has a strong governance structure which is about transparency as well. One of the challenges that we have had in health over the years was that money comes from very different sources. It is allocated for many different reasons and it is quite difficult to determine what the taxpayer gets for its dollar. We historically had a situation where you just put bucket loads of money - as much money as possible - into Health and then we still have health challenges you throw more money at it. Many jurisdictions have gone down that pathway. The challenge that we now have is to say this is what we wish to purchase from you and how do we manage the efficiency within that,

how do we support organisations to be efficient? We now purchase through activity-based funding, so we purchase the services from the health services, which is a significant shift. I think what we will see is that kind of commissioning happening across the broad spectrum because it allows you to see what you get for your dollar.

[12.00 p.m.]

One of the issues that we have had in Tasmania is that our health costs have been high in comparison to other jurisdictions - not just to those city areas, but to comparable regional areas as well. There are a number of reasons for that. It can be the cost of doing business on an island state that is highly dispersed with an ageing population. It can be because of the high levels of chronic disease. It can be because we are doing things in a particular way to respond to those challenges, but it also could be some levels of inefficiency and duplication as well.

We have welcomed the federal government's investment and particularly the work of the commission of inquiry into health services, which really is to assist us in identifying what is the cost behind our services and why do our services cost such different amounts in different locations as well. That doesn't mean that you would only do things on a cost-driven basis. If you were efficiently funding neurosurgery, you would not purchase it in Tasmania because we don't do enough of it and it is complex and expensive. However, it is also not appropriate to put everyone who requires that on a plane and send them away because there are a whole host of other things that need to be provided to patients in that circumstance. There will always be services that we do here that we will block fund because they would not be efficient on activity-based funding. The other area would be intensive neonatal care, for instance. Our regional community hospitals will never be able to fund on an activity-based funding model because they do not do that kind of activity, so they will be block funded as well.

There is a mixture of activity and block funding for our services. We as the government now act more like a ministry of health; we are a commissioner and purchaser of services. Then the THOs record that they have achieved those services or have not achieved those standards and we deal with that accordingly. From a government perspective we do quality control, policy, the work that needs to be done with the Australian Government and we still have those broader, overall population responsibilities of ambulance services, population and health.

We are in the process of moving Mental Health into the THOs. Not all of Mental Health is going. We have spent some time doing this because we want to be sure that what we are delivering is better access to the services from a community perspective. In other jurisdictions, when mental health has been moved into hospital, their funding has been pillaged by the hospitals, as you would, because hospitals try to get every dollar that they can. We are quarantining the funding for mental health so it does not become part of the broader budget and still has to be reported against in mental health outcomes. That is not a criticism of CEOs in the jurisdictions that did that. Hospitals in every jurisdiction are expensive to run, demand is high and that is the process around that.

We have \$1.4 billion being spent on health. It is the biggest ever budget for health. In real terms it has increased funding for health, and funding for THOs has increased. The combined allocation for the three THOs has increased by more than \$163 million to just over \$1.2 billion. THO South has grown from \$493 million to \$601 million; THO North from \$329 million to \$366 million; THO North West from \$217 million to \$236 million. A significant portion of that increase is the transition of Statewide and Mental Health Services, but even if you exclude that, THO budgets have risen by a combined total of more than \$38 million.

In 2013, activity-based funding for the three THOs will total \$470 million, which will purchase 105 000 episodes of patient care, with an additional 10 000 at Mersey. There is that additional Australian Government funding for a further 642 patients requiring elective surgery.

We have an initial \$1 million for preventive health, so that is \$580 000 over two years for young

parents connecting with local health support through family health community development workers in neighbourhood and community houses, and additional funding for smoking reduction with \$420 000 over two years predominantly for the Cancer Council for social marketing, presently one of the most effective changes.

There is \$20 million, \$80 million over four years, to continue the important service reforms across Alcohol and Drug Services and Family Support. We have given some money broadly across the budget to the Department of Justice for the new mental health tribunal, which starts work on 1 January, and significant capital funding - over half a billion dollars - over the next four years, which I won't go into in detail because I am sure, Chair, we are going to go onto that very soon.

**Mr VALENTINE** - In the implementation of this new model - and you have had 12 months at it - a very important aspect is efficiency and effectiveness and, to my mind, a corporate services component is something that must be a real challenge. Can you outline how you are intending to make sure you don't get massive duplications and that you are getting some good, efficient, effective services with that corporate component?

**Ms O'BYRNE** - There is a shared-services model across the three THOs - the three THOs are responsible for one entity and that entity is there to help with issues such as procurement, IT and HR, so that we are not creating a massive bureaucracy that does all of those things in each THO. It is also not entirely appropriate that it all remains in head office because that also takes away your capacity to have self-determination on what your priorities are.

The three -

**Mr VALENTINE** - I am talking about all of the four entities - head office as well as the three THOs, not just the THOs.

**Ms O'BYRNE** - The THOs have a shared-services model across the three of them but your other question was, how do you ensure that it is not duplicated in the bureaucracy.

**Mr VALENTINE** - Yes.

**Ms O'BYRNE** - I think that has been a significant shift for the bureaucracies to make because we have had to move from running health to purchasing, accrediting and supervising health, and it is a completely different model. Payroll, financial operations, business systems and procurement of assets management are under review at the moment on that statewide basis so that we can achieve the economies of scale and deliver those efficiencies. While the shared-service model is developed, at the moment it remains in DHHS under Strategic Control, Workforce and Regulation but, as that model is developed, all of those responsibilities will actually sit at the THO level. You can't have replicative IT systems; that would be a huge cost if everyone set up their own IT structure.

**Mr VALENTINE** - To my mind, just within Health, ICT is a challenge enough in its own right, having been there but obviously there are whole-of-government strategies associated with ICT. Are you working in with those strategies?

**Ms O'BYRNE** - We are. I invite David Nicholson to the table, who can talk about how that is working across the transition. It has not been an easy transition, defining who takes responsibility for what steps. David Nicholson is Deputy Secretary -

**Mr NICHOLSON** - Strategic Control, Workforce and Regulation.

**Ms O'BYRNE** - Thank you.

**Mr NICHOLSON** - There are a couple of things from your question, Mr Valentine. The first

really goes to the heart of what we are doing with the shared-services model and, as the minister said, we have a vision for shared services, which is to make a more commercially focused organisation within the department that provides services more efficiently and effectively to health organisations as well as the rest of the department. We are in the early stages of developing a model for that. The intention is to have a committee that oversees the transformation of that business over time and we have picked a couple of early projects to focus on under the new general manager of shared services, where we think significant gain can be made early on in the piece. The major one of those that we see potential with this is procurement. We have been working with KPMG to do a phase 1 analysis of our existing procurement activity and to look at where there are potentials for us to gain significant efficiencies by better coordinating that. That is the number one task.

There are also areas of focus that have been looked at in payroll services, for instance, rostering and those sorts of things. It is early stages of bringing that model on line. There is a whole-of-government ICT agenda and we have worked hard over the last 12 months to develop what we call our connected care strategy. This is a strategy that will underpin the health side of that whole of government ICT agenda. It marries to that and then to the new commonwealth, state and territories e-health memorandum of understanding. Which will marry up our agenda for ICT with national agendas and funding sources, as well as the whole of state agenda. If you want to talk in more detail about that I am happy to cover it a little more with the chief information officer shortly.

**Mr VALENTINE** - I would be interested to hear more on that. It is an important area. It underpins the whole of your work.

**Ms O'BYRNE** - One of the pieces of work that we have seen is that where good IT systems are in place, we can draw from all their other services, you can reduce a huge amount of cost in the health system which occurs through duplication. If you front to emergency, the ability with your e-health record to be able to ascertain whether you had those five tests within the last three days, saves us significant amounts of money and also distress with a patient having to go through the same tests again.

There is a model that was used in the Darwin ED, and they saved about seven FTE simply by not having to duplicate the data. They saved significant money in their tests but also they got better patient outcomes because often the tests would be ordered by every doctor you saw in your journey through the hospital but when the responses came back they would not have been actioned because they were coming back to a different doctor who ordered a different set of tests.

This is game technology that sits over all the existing health information which acts as a prompt so it says have you checked that these tests have been done, if not here is how you order them, and here are tests that have come back that no ones has actioned. It creates flags the whole way through so you get a much better patient experience because you are joining up the data. It can be dispersed between the GP, the community health centre and the hospitals. There is a huge opportunity for efficiency and savings through use of good IT.

**Mr VALENTINE** - That is in the delivery of services. What about in terms of the way you deal with things from the corporate services perspective saving a lot of road miles by doing video conferencing and those sort of things?

**Ms O'BYRNE** - We do a lot of that. We are looking forward to the NBN when things will be even brighter and greater but within each of our health facilities we have Telehealth and we conduct a number of our meetings and training sessions across Telehealth now. With the Australian governments, through Medicare ability for specialist to charge against Medicare for an e-consultation, we are seeing an increase in doctors agreeing to do e-health consultations. In its most simple sense your patient from St Helens, your 76-year-old person who has had ongoing treatment and has their last couple of physio appointments coming up, all they are really going to do, after their long tiring drive to Launceston, is walk down a hallway where a doctor watches them and says yes,

your gait is okay, you are okay now. We can do that through e-health. You can have a nurse, you can have a GP, with the patient getting them to do the things that they need to do and the specialist making recommendations on the basis of that. Huge cost savings for us but also a huge pressure saving for the individual.

The Strahan medical centre has a Telehealth model in their emergency area that links straight into the Royal Hobart Hospital ED. Those sorts of works are able to -

**Mr VALENTINE** - The islands?

**Ms O'BYRNE** - They are connected to the e-health service as well. For training and workforce development opportunities it has been fantastic. I use it. As much as Hobart is a lovely town I use it for my meetings so that I am not travelling along the highway and we can get most of our work down that way.

An exciting opportunity is the child health e-record which comes into a conversation we had before that is part of the e-health process which is an electronic health record for all Tasmanian children linking health records from the hospital and community health nurses and health centres which can be available through a mobile phone application. There is the national prescription and dispense repository which will have significant quality and safety benefits through medication management. So you can view and share your medication history with your clinician. If you go to a different clinician they can see what you have had. If you front to an ED and they ask what medications are you on, you are not always in a position to explain that.

**Ms FORREST** - You have to be conscious.

**Ms O'BYRNE** - Even if you are conscious. E-prescribing will allow clinicians to submit electronic prescriptions and dispense records for out-patient medications, and the infrastructure upgrade will continue, so that we can roll out that patient electronic health record. The efficiencies from an administrative, but also from the care perspective are really quite exciting.

**Mr VALENTINE** - One of the THOs takes that under their wing to develop that or is this something that -

[12.15 p.m.]

**Ms O'BYRNE** - That is the discussion that is happening with David's area at the moment. It will sit in the shared service opportunity. You don't want to link it just to a THO because THOs don't have responsibility, for instance, for child health centres. You need a broader engagement. When we talked before about being able to link up data across government to start identifying when people might need more support, the more that we do that the better.

The clinical redesign work happens with our lead clinicians group. They are designed into clinical structures for areas of care and then that all feeds in. While THOs have to make local decisions, what you do not want is duplication of clinical services or running a couple of lesser-resourced clinical services. The lead clinicians group are looking at how they do statewide service management. Before anybody says that means centralising things in Hobart, the statewide Lymphoedema Centre is in fact located at St Marys and operates extremely well. No-one has a problem going there, and it is a clinically supported model as well.

**Mr VALENTINE** - You cannot provide every service in every location, so are you aiming to specialise services in different THOs?

**Ms O'BYRNE** - The lead clinicians group are going to go through - because if I decided to do such a thing I think the reaction publicly would be rather overwhelming.

**Mr VALENTINE** - I understand; we have to get real, don't we?

**Ms O'BYRNE** - That is why we have also put it in the hands of clinicians. We have established a lead clinicians group, which is made up of practising clinicians and it is the rule that they must be practising clinicians. Historically lead clinicians groups have been - and I apologise for saying this - predominantly administration positions. They might be doctors who are no longer working, but work in the department and I do not think that had the connect with the community and health services. The lead clinicians group is rolling out a series of projects to drive reform of the Tasmanian Health Plan. That does not necessarily mean that you will see things removed from areas, but you will see a greater efficiency in how they are done. Within each particular treatment you might have six or seven different models of care being used around the state because they are the favourite of a particular clinician or particular area. With that comes often an associated high cost of consumables because you are doing seven different ways to treat the same thing. One of the things the lead clinicians group will look at is how it is done best and why we are not doing it that way across the whole state.

The lead clinicians did the work on redeveloping the renal plan, which then led us to purchase the additional services we are purchasing on request. I understand the next one is a cardiovascular project that they want to take on to make sure that they are doing that to their best. This is quite timely given the fact that nationally that is also an area under consideration because there is a view that we might not be providing the best level of cardiovascular care in smaller facilities, and what does that then mean that we need to provide.

The other direction is the role of our Health Commission chair, Alan Bansemer, who is looking at how we do things more efficiently. They will make recommendations.

**Mr VALENTINE** - Whilst we are not here today to compare and contrast THOs, how are you going to maintain moderation in the way each of the THOs approach the delivery of certain services so that you can compare over time for your service delivery checks and balances?

**Ms O'BYRNE** - I have a Health Commissioner, who is sitting in the back row, but we may bring him forward in a moment; let us see how I go.

The commissioner uses service level agreements to purchase services from the individual THOs, so that creates the regulatory body. Certainly when we had the additional Australian Government money, one of the things that came out very clearly was the different costs of providing services in different regional areas. That did not mean any of them were gouging or doing the wrong thing, they were often incorporating different elements into their cost analysis. A part of the work that we are doing is trying to unpick all of that so we are costing things the same way, but also from a quality and safety perspective to make sure that we are getting the best outcome in each way. It might be that you get to the point where the commission purchases the most efficient and best outcome service in one THO, if that is how it works, but that will be decided clinically as opposed to politically.

The other thing we can do with a mature service level agreement is, if I had to think of a problem with national health reform, the problem is that we are purchasing procedures - it means that hospitals become predominantly surgical- and emergency-focused, when we know that the greater challenge for health reform is also about wellbeing, prevention and making different decisions so that the acute section is the smaller part rather than the dominating part of health services.

There is a potential under a commissioning model to say to the North West Regional Hospital, we want to purchase a 2 per cent reduction in presentations in ED for heart attack. The only way they could deliver that would be to engage with the primary care sector on hypertension and education of GPs, and community services. One of the ways I think a smaller jurisdiction rather than a larger one can actually use this commission model to its greatest strength is that you could purchase health outcomes in a different way than just with procedures - which is where the ABF

model is traditionally linked.

**Mr VALENTINE** - My concern is, where you have three separate THOs operating under their own governance, you have a common chair, as I understand it. Is that chair going to be able to make sure that a certain service being delivered in the north is being delivered under exactly the same information systems that are being used in the south, to make sure that the accounting and all the rest of it comes together in a nice cohesive lump for the state? Traditionally in the past - and I know this from the inside - that has been the difficulty.

**Ms O'BYRNE** - Where the purchases are being made, they will be made against the Tasmanian health plans. It will say we must do these things, provide these services in these areas and then we will purchase against that plan for the THOs. So that is how you manage where the service might be provided.

**Mr VALENTINE** - No, that is fine. I understand that.

**Ms O'BYRNE** - That is part of it. The second part of it is in the quality and safety. How do you ensure that what you are getting in each area is the same and that, once again, is the statewide clinical management that will occur. Whilst the local decisions are made around how you do things and what you will do, you will have to do it under a statewide clinical model.

**Mr VALENTINE** - You will have a minimum data set that perhaps needs to be adhered to in each of the -

**Ms O'BYRNE** - One of the biggest challenges around moving has been getting the data to match and getting everyone to count things the same way. We probably have a little way to go in that but we are not the only jurisdiction experiencing that; getting things measured up in exactly the same way has been quite complex.

The other issue is and one thing I have committed to in the legislation was an independent review of the THO model. We have just asked them, given that the health commissioner is down here doing all of that work anyway, also to fund that independent review.

One of the ways that the commonwealth, through the National Health Reform, has wanted to drive that efficiency is with a national efficient price. The national efficient price is, by its very nature, an average price, which means that there are always going to be people on either side of it. Small jurisdictions are always going to be at the top end of that.

The work the commission is doing and the work we need to do broadly if we did not have the commission, is to work out what element of that cost above the national efficient price that we are doing is stuff that we can change. There are things we can do more efficiently and we have already seen that in the efficiencies that hospitals and THOs are making.

What we will get out of the commission is that there are some things that are a cost of doing business on the island, here are things you could do differently but you are kind of locked in for a while and you might need to be flexible about it, and here are things you absolutely should change, and to do that will drive the price down.

We are way above the national efficient price. What we will get out of the work from the commission though is an understanding of what is clearly the cost of doing business here, which will allow us to get a loading on our national efficient price that actually reflects the cost of doing business in Tasmania, and certainly there are other jurisdictions that are interested in that. WA has a massive disparity between the cost of health services in Perth and the cost of health services outside Perth so they are ready. Most states are quite interested in how those calculations are going to be made in Tasmanian terms of identifying what an appropriate loading for regional Australia might be



and where it might be different around regional Australia as well.

**CHAIR** - Rosemary, do you have a question on this same theme?

**Mrs ARMITAGE** - A very brief question. What have the reductions been staff-wise and in cost savings in DHHS, the Department of Health and Human Services, since the THOs came into operation? What actual savings have we had in that department?

**Ms O'BYRNE** - There has been a combination of things taking place. Whilst I don't have the actual numbers, there have been those who have moved into the THOs because their work fits within the THO structure and there have been those pressures that we've had around our budget savings as well which is required for efficiency.

**Mrs ARMITAGE** - Full time equivalents would be good.

**Ms O'BYRNE** - Do you want the difference between each department and the THOs? I can give you a comparison from 7 July 2012 to 30 March. Would that be -

**Mrs ARMITAGE** - Perhaps you could table some figures if you do not have them at hand now to give me -

**Ms O'BYRNE** - I have these figures at hand. DHHS departmental from the total DHHS, which includes population health, strategic and portfolios, strategic control, workforce regulation, purchasing performance – included are disability housing, community services as well, which is not my area and children and youth services. The total in the pay period 7 July 2012 was 238.33 and is now 228.57.

**Mrs ARMITAGE** - That does not actually help me. I really want to know, since the THOs have come in and that would be before July. Could you go back?

**Ms O'BYRNE** - No they didn't, sorry.

**Mrs ARMITAGE** - July 2012. What I am saying is, can we get a 12-month figure as opposed to a -

**Ms O'BYRNE** - No, because 1 July 2012 was when they started it and we haven't got 1 July -

**Mrs ARMITAGE** - It would be interesting to compare with what you have had 12 months previously; that's what I am saying - the comparison.

**Ms O'BYRNE** - Right.

**Mrs ARMITAGE** - It would give me a truer comparison - or even a nine month comparison.

**Ms O'BYRNE** - You are not comfortable with a nine month? You would like a -

**Mrs ARMITAGE** - I would like a comparison with the previous as well, up until July.

**Ms O'BYRNE** - Could we give you March 2012, July 2012 and now? Would that be enough?

**Mrs ARMITAGE** - It would be very helpful just to see -

**Ms O'BYRNE** - I have March to date figures.

**Mrs ARMITAGE** - But I would prefer to just have Health; can you leave the others out? Is

there a way you can do it and just have Health as opposed to Children and the other things you have in there?

**Ms O'BYRNE** - Yes.

**Mrs ARMITAGE** - I really want to compare apples with apples, not apples with pears.

**Ms O'BYRNE** - So, you would like the THO figure?

**Mrs ARMITAGE** - I would like the comparison. Once we have had the THOs, what changes have occurred in DHHS since the THOs have come in? By giving me children and other areas, you are comparing apples with pears as opposed to apples with apples.

**Ms O'BYRNE** - But when I suggested I could break it down, you said you just wanted the total. I can actually break it down if that would make life easier for you.

**Mrs ARMITAGE** - Absolutely.

**Ms O'BYRNE** - Right. THO South has had, since 7 July 2012, an increase in 83.55 staff. THO North has gone up 29.34; THO North-west has gone up 44.11. The DHHS operation, which would be a combination of the pure department figure for the same period is 232.37 to 221.65; a reduction of 10.72. Does that help you with that?

**Mrs ARMITAGE** - It does. I will have a closer look. Thank you, if I have any further questions, I will ask this afternoon.

**Ms O'BYRNE** - If there is more, please ask and I can find better data for you.

**Mrs ARMITAGE** - I'll bring some other questions this afternoon and we can drill down to it.

**Ms FORREST** - Just on that, I am thinking in the same way as Rosemary. It would be helpful for us to understand that a number of staff were transferred to the THOs.

**Ms O'BYRNE** - Yes.

**Ms FORREST** - Can we have a figure of the number of staff who were transferred directly to the THOs, to south, north and north-west, that, prior to 1 July last year, were actually working in the Department of Health and Human Services?

**Ms O'BYRNE** - Sure.

**Ms FORREST** - Okay, and then we have the total number of DHHS staff before and after that change. It will help us, as it doesn't take much to do the maths there.

**Ms O'BYRNE** - Obviously the biggest shift in the staff and people who are still going to be doing the same thing, providing patient service at the coalface under another structure. A couple of points: if you talk about a couple of their shared services and IT makes sense and that should be a no brainer but the other areas that you mentioned, procurement, HR, your asset management, payroll services, rostering, all those sort of things, will there be anyone within the THO to support all 3 THOs whose job will be managing some of these things, as well as the shared service. It is a shared services office that has caught that, that will be staffed I assume, and how many staff will that have and will there also be staff in the THO's that will have to work with the shared services. I would like the details around that and the numbers.

**Mr NICHOLSON** - As a general comment, there are HR operations staff in the THOs who can

work as part of the shared service systems, payroll services, so they have their own people but they operate in a coordinated fashion with the shared services entity. The exact low count of that staff we can get for you but at the moment it is quite similar to how it has always been except that there was a physical transfer through Gazzetelot - some staff, two THOs, we created them on 1 July last year.

**Ms FORREST** - So if we had one THO would we have less staff in this area because what I am hearing is that you have shared services staff that will have their own structure and you have people in the THOs working with them to facilitate the HR procurement, asset management at each of the THOs?

**Mr NICHOLSON** - I think you will always have something like that because you are going to need local representation in what are effectively big sites for those types of functions, if you consider the comparative size of the THOs. THO south has about 3,500 employees, THO north is 2 100 and the North West 1 200-1 300. So talking about quite big complex organisations in their own rights and when we look at things like payroll, rostering, all those sorts of decisions are made at the coal face so everyone is going to need some local representation. We have not shifted the shared services model to what it might be in the future. We are still actively considering it. What we are looking at in terms of staffing for most functions in the THOs is pretty much how it has been traditionally.

**Ms FORREST** - Traditionally it has been a problem, in that we are spending a lot on the administrative areas where there can be duplication. Can you demonstrate some duplication of effort where the money can be better spent on service delivery?

**Ms O'BYRNE** - This is one of the reasons that we put the shared service model up to the responsibility of THOs rather than leaving it in the department because their argument has always been there is duplications and inefficiency and that impacts on our cost base. Because they will own the share services, that allows them to drive that efficiency between what is done on the shared service level and what is done on a site level. They will do that work themselves but this model is still new but we would expect that they will gain greater efficiencies because they run it and it is not a duplication but a supportive model.

**Ms FORREST** - So we see in next year's budget papers then, \$1.6 million on the northern THO shared services. How are we going to allocate this so there is funding that each of the THOs are going to own, the shared services, they are going to drive the efficiencies.

**Ms O'BYRNE** - The CEOs of the THOs control the shared service, that is where the efficiency will be.

**Ms FORREST** - How are you going to see how this money is spent?

**Ms O'BYRNE** - They will still have to report against it.

**Ms FORREST** - How are we going to see it in budget papers?

**Ms O'BYRNE** - Because they run the service and they are purchasing the service from it that is where the drive is to drive the cost down of the service. That will be within their individual budget still where they purchase those services. That will still be there as part of one of the service purchases. Remember they have to table their annual report as well which will include that data and the service level agreements which are also on the public record will include that information.

**Ms FORREST** - My concern is duplication of effort and services and sucking up money that could be spent in other areas.

**Ms O'BYRNE** - That is the reason we have moved to this model. One of the issues around the

duplication was that there was no connect between the government's broader department taking on a role when everyone in hospital is doing their thing. Because the hospitals actually own the shared service arrangement and they will purchase from it they will drive its efficiency and they will drive its cost down. That has been the entire argument around local decision making to stop bureaucracies over here having large costs imposed on them. That is the stuff that they drive for their efficiency.

**Ms FORREST** - The point I am making is - and I am jumping ahead perhaps to the THOs in budget paper 2 volume 2 - in each of those three THOs you have 1.1 admitted services, 1.29 admitted services, 1.3 emergency department services and so on. The shared services will sit across all of those I would think. You would be buying services in all those areas. If they are going to sit under there somehow -

**Ms O'BYRNE** - It will be in their annual reports and it will be in the services agreements and both of those are tabled. The service agreements that are tabled in parliament will include the overall budget but also the component of the shared service agreement. That will be clearly defined in what each THO is funded for before its purchase of a service agreement. That sits in the service agreements which are tabled in parliament.

**Ms FORREST** - Which is fine, that is the service agreement, but we are talking about -

**Ms O'BYRNE** - The service determines all of our engagement.

**Ms FORREST** - It does, but the budget and the budget papers tell us how we are going to be spending it, how much is going to be allocated for providing that service. If we want to check whether they are spending the money that is appropriated or overspending in that area or maybe making savings in that area, it could be good news -

**Ms O'BYRNE** - You will notice that the budget papers are defined so that the total that is spent in the area will not change but it also identifies that it will be allocated as per the service agreement as they are negotiated because they are also negotiated on a calendar year.

**Mr NICHOLSON** - I could hypothetically attach a headline figure of 600 million and the service agreement might include a figure of 580 plus which is net of its contribution to shared services for the provision of things that are in that category. You will see that in the service agreement.

**Ms O'BYRNE** - That is what is tabled in parliament for everybody to see that and then what we purchase we have to get; that is the arrangement. It is not that we give them budgets and off they trot on their merry way as used to be the case. The transparent process actually allows us to see if we purchase  $x$  amount of procedures and  $y$  amount of expenditure here and you will be able to see that.

**Ms FORREST** - When you then go to the department you have three THOs, the department would also have payroll, HR -

**Ms O'BYRNE** - Because DHHS also includes a number of other portfolio areas outside of the THOs.

**Ms FORREST** - How do we avoid duplication of effort across that?

**Ms O'BYRNE** - This is the conversation that we have been having around actually doing the commissioning model across the entire DHHS to allow you to see that, to be able to manage that. That would be the way that you would manage that potential duplication. Have the one model across the entire agency. Having said that, I have not quite got the other minister across the line on that one yet. One other way that Matthew has pointed out is that we can issue an order that all areas of the

department use these services and purchase these services as well, which means that they cannot be quoting themselves as well.

**Ms FORREST** - Purchase them from?

**Mr NICHOLSON** - From the shared services.

**Ms O'BYRNE** - Population Health can purchase them from the shared services.

**Mr NICHOLSON** - It is section 38 of the THO act.

**Ms O'BYRNE** - It is one of the reasons that we have made sure that the governing council is skills-based as well. Certainly, their audit committees are keeping a very close eye on this and they have an audit committee across the state which meets between the three THOs to make sure that they are all charting and assessing against the same things.

**Mr VALENTINE** - How do you strategically plan the development - and I will say 'ICT' - across the whole state with a common goal under that model?

**Ms O'BYRNE** - Because that is how the model is designed to work. That is what the model is.

**Mr VALENTINE** - Who is going to take responsibility for delivering a strategic framework and then plans within that? You might have a 10-year strategic framework, I presume, and then you might have five-year strategic plans or it might be 20 years – I don't know, it wouldn't be 20 years in my view, too. Who takes the responsibility for making sure that that plan is delivered on and holds the shared services component into account for delivering on that?

**Mr NICHOLSON** - Under the national health reform agreement and then in the act, the concept of the system manager above the public health care system was created and what the MHRA says about that is that states are the system managers and in practice those powers sit with our minister and with the Treasurer and in practice the department for or on behalf of the minister carries out most of those functions, so when it comes to coordinating a whole-of-public health care system ICT strategy, that is the responsibility of my division for and on behalf of the minister. That is what the connected care strategy is and that is governed by an ICT board that comprises the THOs and departmental representatives and, for the whole-of-government side of it, DPAC representatives as well, and they have overseen the development of a connected care strategy and that is unashamedly a centralist world view of how ICT should work and that still allows for some local level innovation but on a common platform. That is how we have approached that challenge.

The question of what we do in the system is very much a system manager question and that is very much the responsibility of the minister under the act, but in practice it is carried out by her department for and on behalf.

**Ms O'BYRNE** - It is the what and how model that we talked about last year. From a systems manager we decide what is done and from a local perspective they decide how it is done but within a framework that is consistent. We do have a connected care document that we could table if the committee has an interest in that.

**Ms FORREST** - Mr Chairman, on that point -

**CHAIR** - Why do we not just park that because we will keep developing this? Let us take the lunch break and reconvene at 2 p.m. and we will come straight back to that area.

**The committee suspended from 12.43 p.m. to 2.01 p.m.**