Monday 28 May 2012 - Estimates Committee A (Michelle O'Byrne) - Part 1

LEGISLATIVE COUNCIL

ESTIMATES COMMITTEE A

Monday 28 May 2012

MEMBERS

Mrs Armitage
Ms Forrest
Mr Hall
Mr Harriss (Chair)
Mr Mulder
Mr Valentine
MrWilkinson

SUBSTITUTE MEMBERS

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
Ms Alice Burchill, A/Deputy Secretary, Strategic Control, Workforce and Regulation
Andrew Finch, Deputy Secretary, Corporate Schools)
Ms Penny Egan, Chief Financial Officer
Dr Craig White, Chief Health Officer
Ms Fiona Stoker, Chief Nursing Officer
Mr John Kirwan, CEO, Northern Area Health Service
Ms Jane Holden, CEO, Southern Tasmania Area Health Service
Dr Roscoe Taylor, Chief Health Officer
Mr Gavin Austin, Assistant CEO, North West Area Health Service
Mr Nick Goddard, A/CEO, Statewide and Mental Health Services.
Mr Des Graham, Deputy Secretary, Children and Youth Services
Colin Pettit, Secretary, Office of the Secretary, Department of Education
Judy Hebblethwaite, Director Early Years
Liz Banks, Deputy Secretary, Early Years and Schools
Belinda Quinn, Chief Information Officer

Graeme Houghton, Chair, Tasmanian Health Organisations
John Smith, Director, Service Purchasing and Performance
David Nicholson, Director, Government Relations and Strategic Projects
Martin Hensher, Director, Strategic Planning
Dominic Morgan, CEO, Ambulance Tasmania
Michael Willie, A/Director, Operations

Department of Economic Development, Tourist and the Arts

Elizabeth Jack, Deputy Secretary, Cultural, Recreation and Sport
Glen Dean, Manager Finance, Corporate Support
Craig Martin, Executive Director, Sport and Recreation

Ministerial Office

Bernadette Jago, Head of Office
Peter Robinson, Senior Adviser
Ken Campbell, Senior Adviser
Susan Diamond, Senior Adviser
Lesley French, Senior Adviser

The committee met at 9 a.m.

CHAIR (Mr Harriss) - In terms of process you would be aware that as the day proceeds there might be issues that we would request information for and you might not have it immediately available, we would appreciate it if that could be delivered some time during the day if at all possible.

Ms O'BYRNE - We will attempt to get everything we can today. We would prefer not to take things on notice because of the workload involved.

CHAIR - Outside of that we will be providing written requests early the following day and that does assist the process in terms of that turnaround time. Members, the minister earlier before we commenced the official proceedings requested as to how we see dealing with the first output areas, Early Years or the Minister for Children. Minister, just run through that and then the committee can get their mind around what we might handle in terms of that first output area.

Ms O'BYRNE - My advice is that the first area that we would be dealing with up until roughly 10.45 would be children. For children that requires two different government departments. The Children Services area being the one that most people identify with, but I also have responsibility for some of the early years work in the education department, predominantly around child and family centres and engagements with education at that point. I just wanted to know whether or not if you have specific questions on that area, perhaps it might be wise to deal with that, because that I am assuming will be a lesser period of time and then we can allow the education department officials to depart, if that suited.

CHAIR - Are members comfortable going with early years first up, output 1.4. Before we head in that direction, Minister, can I also indicate to you that whilst we had this program in front of us on Friday, on review this morning you might see that when you look at sport and recreation, we have allocated 10.45 a.m. to 1 p.m. There is no way that we are going to -

Ms O'BYRNE - I was so impressed with your commitment to sport and recreation when I read that.

CHAIR - We are suggesting probably 11.30 a.m. You might like to advise your health people to be ready to go somewhere around that time.

Ms O'BYRNE - That is fine. I also understand that, with this committee, there may be some flexibility even with those times and we will accommodate as quickly as we can to get people into the room for the appropriate questions.

CHAIR - In addition to that, as you are aware, we only have nine hours allocated. If we need to go past 5 p.m., are you happy to keep ploughing on rather than a dinner break?

Ms O'BYRNE - I do not think it is entirely up to me but I am very flexible, depending on how far you want to go. If you need a dinner break because there are substantial other questions - we will be fine as we are very flexible in the Upper house.

CHAIR - Minister, could you introduce the people at the table for the benefit of *Hansard*. If we have any challenges during the day, we might get people to individually identify themselves as they speak as well. Let's see how we go with that.

Ms O'BYRNE - I will attempt to remember every new face that comes and even reminding faces that come to the table.

To my right is Bernadette Jago, my chief of staff; she has been reincarnated into this role and probably has more experience than I do. Colin Pettit, the Secretary of Education; Andrew Finch, the facilities manager; and Liz Banks, Deputy Secretary for a number of areas but in particular she is the person I deal with for the children's space in education.

DIVISION 2
(Department of Education)

Output group 1
Pre-compulsory and compulsory education

1.4 Early years -

Ms O'BYRNE - Thank you for the opportunity for us to be here. I did not have a specific introduction simply for children but I wonder whether it is appropriate to make my opening statement for all children at this point. Does that suit you?

CHAIR - We are doing Early years, 1.4, aren't we?

Ms O'BYRNE - Yes.

CHAIR - Yes, the overview for children generally will be fine.

Ms O'BYRNE - We are very committed to doing everything we can across Tasmania to ensure that children are nurtured, educated and protected. This is not an easy task because we are dealing with families which, on many occasions, make their own decisions, doing so with a range of influences against them.

More than $102 million has been allocated for children in the 2012-13 budget and that includes the $95 million in the DHHS budget for children's services, funding for the children's commissioner and more than $5 million in the Department of Education budget which is the matter before us at the moment. We have done everything we can to shield this area from the significant impost that we had across DHSS and in education. We tried to protect them from the need to find savings which are obviously the repercussions of the GST right down. That will continue in this year's budget as well. In 2012-13, Children's Services has being exempted from having to deliver the increased savings which are required of other government departments.

There is significant reform work to be done around the whole area of children's services because we are committed to a public health approach. This means we have to see a shift in the way that we nurture or protect children. We have very much had a focus, in the past, that in order to represent and support children we simply are in the role of protecting them when something goes wrong or when something bad is happening. Clearly, that has not in any way stemmed the increase in numbers of children who come into care, or who have challenges.

What we want to do is move to a public health approach which recognises that, for every child, there are a number of things you have to get right. If you get those things right across the spectrum for every child, you start to reduce the number of children who might come up that triangle to the peak of those who end up in Child Protection. That is very much the response we have had and we are very clear in the select committee report.

Also, if you look at areas such as Child and Family Centres, they are absolutely the model of how you would look at a public health approach, a universal approach, that tiers up. So a Child and Family Centre is available for every single family. That is often where they have their CHAPS appointments and it is where they can have a number of their normal appointments. So, its universality insists that everyone can walk through the door if they are close to one. It then tiers up where you might get access to CHAPS, access to some early learning and access to particular support programs. From there, if you then tier up to requiring an additional level of care, you then get to the primary care model.

It is about taking the public health approach across all of children. If we do that in a planned and integrated way, we think we will start to manage the challenges that many families are facing before they become beyond a challenge and before they become a crisis. That was very much our response to the [Select Committee on] Child Protection's Children, Young People and their Families report and will be overseen by a cabinet subcommittee to ensure we do get engagement across all portfolios. Members would be aware that we set up the Office for Children, which was allowing an opportunity to get three portfolios: Education, Children and Police into the room to make sure they were doing joined-up engagements. That was when there was a minister who was the minister for those three areas and it was an appropriate mechanism for her to use. What has become clear through ongoing work with the Office for Children, through our early work agenda for young people and children, and through some of the reports that we have had - the upper House select committee report, in particular - is that there is a broader engagement needed across

government. We needed to make sure that Disability, Housing and Justice were all at the table, so that is the reason for the elevation of the cabinet subcommittee. I think that probably really covers it. I have a reasonably large, well-written introduction, but I don't think the committee necessarily needs to hear that and we can talk about it as we go.

We really do need to deal with supporting families so that the difficult circumstances that end up in the Youth Justice or the Child Protection Service do not occur or occur less frequently. That is, recognising that every family and every child needs the same things. Children need to be housed, children need education, children need access to health care, children need access to play because through play they learn, and children need to be loved. If we work through getting as much of that supported as possible, we believe we will then start to see a lessening in the number of children escalating to further needs. That is a much briefer overview than I had written before.

Mrs ARMITAGE - Minister, you mentioned the child and family centres; last year's budget deferred some of the child and family centres. Where are we up to with that?

Ms O'BYRNE – Ideally, if we had an unlimited amount of money, we would want a child and family centre in every community. Regardless of who might be in government at any given time that would be an appropriate aim for anyone. They are multi-purpose centres around education, health care and wellbeing from birth to five. There are 10 state-funded CFCs, two of them, additional ones, are funded by the commonwealth. We now have operating in their new buildings:

- Beaconsfield, which has been operating for some time. This probably was responding more to a defined need in the community for childcare, so it is probably a different type of service than some of the other ones that have developed because they have all responded to particular community needs;

- East Devonport is a really exciting excellent service - only a CFC, it does not have any other process around it but is co-located with the school and has proved to be very popular;

- The west coast one, which is actually a LINC, so that has the LINC and the child and family centre, so acts as an entire hub;

- Clarence Plains, and we had a lovely story from Clarence Plains just recently, particularly around the work they have done with the Family Food Patch and the connection with families around that. They have quite a diverse role. They have done everything from Family Food Patch to Being a Parent courses, where parents can then become facilitators for other parents on parenting skills; the Stepping Out Program, which is for younger mums, 17 to 25, which then resulted in those mums being connected with other services such as St Giles, CHAPS and parenting courses; and men, in particular, have had a really good engaging program. We had a quote from a man who said he had lived in Clarendon Vale his whole life and had never seen so many men together having such a good time. I am sure that is a positive thing -

Mrs ARMITAGE - Sorry to cut you off there, but just to go back a step.

Ms O'BYRNE - I can probably finish the list quickly if you want to go to the next question -

Mrs ARMITAGE - It is still relating to it. I am really interested, as well, as to the costs for each centre and how they are coming on budget and new staffing. Do you have any stats to show how much each centre does as opposed to how much it costs?

Ms O'BYRNE - Each centre does completely different things and those things are not determined by us. We set up a local enabling group in the beginning so each centre then determines the things that the community might need. The cost of them is not necessarily related to a difference in the things that they do. The difference for what they do is determined by them.

Beaconsfield for 2011-12, the budget was $266 000 - and these are the operational budgets - $272 000 for 2012-13; Burnie, $169 000 and $231 000; Chigwell, $214 000 to $262 000; Clarence Plains, $269 000 to $264 000; the Huon Valley, $105 000 to $265 000; East Devonport, $256 000 to $264 000; George Town, $105 000 to $264 000; Queenstown, $256 000 to $264 000; and Ravenswood, $260 000 to $264 000.

Mrs ARMITAGE - How do you measure the money that we are actually spending if you are saying they are all doing different things? Do you have stats that come in?

Mr O'BYRNE - There are general costs that have to be provided in relation to their cleaning contracts, equipment purchases, energy, telephone and communications, and any vehicles or possible travel that might be needed. Those things are determined by whatever negotiations have been occurring in terms of what those things might cost for each individual centre.

We also supply a centre leader at a band 8 and a social inclusion committee liaison officer at a band 4 in each centre. That is the fixed cost within each centre but it does depend on the services that they have and the costs of those. For instance, some of them bring in more services than others but they are directly responsible to the community. For those that might be co-located with a neighbourhood house, for instance, or have a neighbourhood house next door they might necessarily bring in services that the neighbourhood house provides so that would impact on the amount of money that it would cost to run that facility.

It is about a place that services come to as opposed to us paying for each of those individual services on each given day. Does that make sense?

Mrs ARMITAGE - Yes, I understand where you are coming from. I thought there might have been some way that you are actually measuring the output and what is actually coming in.

Ms O'BYRNE - In terms of community output and engagement?

Mrs ARMITAGE - I thought you might have started already.

Ms O'BYRNE - It is reasonably early for most of them. Beaconsfield has been open the longest and the way that we will be measuring it is not necessarily from a financial perspective. What we want to see is that they are still responding and engaging with communities and if people stop coming through the door that would be the indication that we were getting things wrong. I think particularly we need to have the capacity to assess whether or not we are making changes in community but we will not see those in the first few years. That will take 10, 15 or 20 years.

Mrs ARMITAGE - That is the thing: we need to see some benefits for the money that is going out. Every other department is having cuts as well so we need to see their benefits from the money. I am wondering what the balance is you have there.

Ms O'BYRNE - In most cases - and we have talked about this through St Marys and part of my other portfolio - we really need to look at longitudinal data to see whether or not the engagements have made a significant difference over a generation. One of the problems is that we often try to say that it did not work last year and if we continue in the children space to worry about whether it worked last year then we are probably never going to get the kind of things that change parenting and engagement behaviours over a generation.

Mrs ARMITAGE - So will we be continuing, not cutting it after a pilot of a couple of years, so that we can have a long-term -

Ms O'BYRNE - We have spent money building these because we are absolutely committed to them. They are always subject to the whims of another government that may have different philosophical position. Having said that, I have not heard anyone say they do not believe that we should not be wrapping services around young families during those early days to try to support them through parenting. I would be extremely surprised if anyone at any stage thought that this was not an appropriate mechanism. It is data driven. It is based on a huge amount of research about the difference you can make in a child's life if you engage early.

Ms FORREST - Ideally, pre-conception would be good. That would make the most difference.

Ms O'BYRNE - That is part of it as well, though. It is actually working with our pregnant mums but also with broadening communities so that people have a greater understanding of the decisions that they may or may not make.

Mr WILKINSON - I think Ruth was talking about pre-conception.

Ms O'BYRNE - That is about working in schools. One of the reasons for placing these in communities is that you want communities to engage and understand broadly the steps they are taking.

Ms FORREST - The most damage is done in the first 12 weeks.

Ms O'BYRNE - This is a picture I am happy to hand around for members to have a look at. It is a little screen of a brain of a three-year-old child and the one on one side is a very well developed child. This child has all the cognitive capacity that a child will need in order to get through life on a day-to-day basis. They should, with those sorts of capacities, be able to manage conflict, stress and move through. The child on the other side has not, as you can see, developed in those key areas and, frankly, by the age of three will not develop much more than that. So before three is crucial. The child that is fully developed is a normal child who has had a lot of normal engagement of good, strong parenting. With the other photograph, a doctor will generally say that that is the result of foetal alcohol syndrome, which impairs the development of the brain.

If you ask a child protection worker or an educationalist they will say clearly that that child has been abused. It is actually a photograph of a child who is in a Romanian orphanage, so therefore had food, shelter, clothing and all of those basic needs, but not play, touch or love. That

is why we have to do child and family centres in every single community because if you do not get that right before the age of three you set that child on a pathway that is not going to be one that you can engage with and get better. They just do not get better.

Mr WILKINSON - Can I ask questions about this? I understand it, that is a photo of one -

Ms O'BYRNE - This is just an illustration of why CFCs are important.

Mr WILKINSON - Sure. Are we doing anything here that delivers this type of information so we can check to see whether we are doing a good job or not?

Ms O'BYRNE - We are not going to haul children in and do MRIs on them. What it shows is that you need to teach parents how to play and how to engage. We assume that every parent knows how to do that and the reality is that that is not the case. Play is not just something that you do when you have time with children; play is how they learn. Our work around CFCs is about recognising that you have to work with young parents early to be able to get those things right. That is the data that drives this engagement.

Ms Forrest - Parents of young children, not just young parents.

Ms O'BYRNE – No, parents of young children, new parents, and often parents who have a number of children as well. None of us go into parenting knowing every single skill and many of us never learn most of them.

Mr WILKINSON - It would be terrific to have this type of evidence available, and that we are doing is the right thing by having some way to test whether that child is on the left as opposed to the right as we look at the photograph.

Ms O'BYRNE - The child on the right is more likely to end up requiring additional support through its engagement with education and youth justice. That is the pathway that the child on the right would probably engage with. The evidence then becomes whether or not we see a changing referral pattern or engagement from children in communities where we have a CFC into that stage. That is why it is longitudinal. I do not think that you can work this stuff out in a day or even a year.

Mr WILKINSON - That goes without saying. Are you saying that the only way we can test whether what we are doing is the right thing is by noting whether these young people go into child protection or the court process or something like that a number of years later?

Ms O'BYRNE - What we will want to see is a reduction in those numbers. I might ask Colin, given he is a far bigger education expert than me.

Mr PETTIT - To answer your question, as an aside to this we are evaluating the Launching into Learning program which is part of all of our CFC constructs. We certainly have early evidence that suggests that any child who has gone through the Launching into Learning program which the CFCs are very much patrolling has a remarkable increase in performance in their first years of NAPLAN, and a marked increase compared to those who don't.

Mr WILKINSON - You have already tested that?

Mr PETTIT - We have tested that. I cannot say that it is the CFC solely that has done that but certainly that is one program that we have put into a CFC that can demonstrate that CFCs do have a remarkable change. Anecdotally, we are getting a large number of young parents who are now reengaging in forms of education - some at a very low level but others who are moving back into formal education.

Mr WILKINSON - I understand that Launching into Learning, and I have a fair bit of understanding about that because one of my daughters is involved, is bringing parents on board as well much better than previously. Parents are becoming activated and wanting to be involved much more than previously the case. Is that right?

Mr PETTIT - That is correct. That model is one that we have now put into the CFCs. We are now seeing a far better engagement in local communities. As the minister has already indicated, each of these centres is very different and reflective of the local community. It is having a greater attraction.

Ms O'BYRNE - Another thing to remember is that many parents did not have the best memories of school so school can be quite a threatening environment for some parents. Engaging in the CFCs allows you to be in a very open, friendly and non-judgemental environment.

Mr VALENTINE - Minister, with regard to special children in schools. I am just wondering how you connect the support workers in schools with special children, and included children in the education system with the services that you are talking about for the benefit of that child. Is there a connect there?

Ms O'BYRNE - I might ask Liz to talk a little bit about that. The areas of my portfolio don't deal with the allocation of resources for children with specific needs, but Liz does that across the agency.

Mr VALENTINE - I am interested in how that connects through to the general services that are provided through health and human services.

Ms O'BYRNE - So, support that we give to children with specific or additional needs -

Mr VALENTINE - Included children.

Ms O'BYRNE - - in the very early years.

Ms BANKS - Before students enter into the regular schooling system we connect with their families through the Early Childhood Intervention Service, and this service exists across the state in each region: Burnie, Devonport, Launceston and Hobart. That is a family-based approach to supporting families with those little babies. The Early Childhood Intervention Service provides a connected-up service which helps the family to work in a learning environment and then follows through to a transition into regular schooling. It is a case-managed type of approach and has outreach support as well. So the people in the Early Childhood Intervention Service would travel out to families, work through the issues with them depending on the learning needs of that little person, which depends on the disability, and when they enter the schooling system those other supports kick in.

Mr VALENTINE - Those support services when they do enter the schooling system link back somehow to the early childhood services. I am just interested in whether there is a disconnect or not, that is all.

Ms BANKS - No. The transition supports this through. For example, our school psychologists work with those families assisted by the Early Childhood Intervention Service as well as in our regular schools. They work across them.

Mrs ARMITAGE - I was going to ask what early intervention we have in our state system. How many workers would you have across the state?

Ms O'BYRNE - Sorry, Rosemary, just as a courtesy the questions need to come through me. It places them in a difficult position, otherwise.

Mrs ARMITAGE - Sorry. Just expanding on the early intervention services provided in our state system -

Ms O'BYRNE - Is this for all children or for children that Mr Valentine was particular talking about?

Mrs ARMITAGE - I was thinking for all children because you do not know who is going to require early intervention.

Ms O'BYRNE - That is one of the reasons for CHAPS, which as part of the other portfolio is a universal service. What you do not want to have is parents having to self-identify a need because in many cases parents would not self-identify a need, and they do not necessarily take hold of a service if they think they should only get it if there is a problem. That would require a level of prescience that I think many of us would struggle with during those early years when you first have your child.

The universality principle is key to that. The public health model is key to that as well. It is about all children having access to the right amount of things. Where it fits in the child and family centres, which is part of this portfolio, and we can touch on it again when we get the CYS people forward - is the child and family centres making sure that when we work with communities those universal applications apply. That is how the transition works. You come through the door simply because you are a parent and you have a child, or you might be a grandparent, an aunt or an uncle; there is no requirement around that.

From there, if it is clear that there are other things that you might need or other engagements you might need, there is an easy referral pathway that does not require you to leave the building, does not require you to have to think about whether you are doing something right or wrong. It just allows you to continue to develop and engage, and have those services wrapped around you at that point.

That is why I believe, ultimately, in a world where the budget comes to a point that you can continue to invest, you would want to see a centre in every community.

Mrs ARMITAGE - How are we going with these costs? This is not quarantined from cuts with staff, so how are we going with staff numbers?

Ms O'BYRNE - These are a new service.

Mrs ARMITAGE - I know, but will they be quarantined from cuts in the future?

Ms O'BYRNE - They are quarantined from cuts. We have not reduced any funding to CFCs.

Mrs ARMITAGE - There won't be any cuts in the future?

Ms O'BYRNE - No, because what they are, effectively, is a place where services come into and then we have the two staff, the band 8 and the band 4 staff who are there to coordinate and provide that support and engagement. All the evidence shows that if you are going to work out where you spend your dollar, you spend your dollar as early as possible, so it would be counterintuitive to do that.

[9.30 a.m.]

Mrs ARMITAGE - I understand that but last year's budget deferred the full rollout, as we mentioned before.

Ms O'BYRNE - But there has been no change to the rollout as previously identified. We have not cutback the rollout further, if that is the concern. Having said that, should money become available in the future I would be arguing very strongly, as I think any minister in this role would be, to get additional funds for new CFCs in communities. The amount that we had set aside last year is the amount we set aside this year.

Mr WILKINSON - I know that stage 3 of deferred centres are those planned for Latrobe, Warrane, Mornington, Invermay, Mowbray, Risdon Vale, Glenorchy and Goodwood. Is anything happening with them, or are they still going to be on target as previously believed?

Ms O'BYRNE - When funding becomes available we will be working through with those ones.

Mr WILKINSON - Are we able to say when that it is going to be?

Ms O'BYRNE - Under the current budget we do not have a forward plan for that, no. Should GST revenue grow again, we will be in a position to assess those. Last year they were the communities that we wished to go to. It may be that in two years' time, if we are in a better financial position, we would reassess, and we might even have a different list of communities that would be priorities.

Mr WILKINSON - Or, if the results were very good, would you be prioritising. If you have some good results with the schools and CFCs that are up and running at the moment, would you bring these others online earlier than otherwise expected or, alternatively, as a priority compared to something else?

Ms O'BYRNE - I will always be looking at an opportunity to get additional funds for CFCs. That will depend on the available evidence.

Mr WILKINSON - I am not just talking about additional funds. If they are as good as we hope they are going to be, are we able to reprioritise to, let us say, lift these over and above other things?

Ms O'BYRNE - I see. In reality, the savings we will find are longer term and I would want more CFCs brought online, because it really will not be until kids are probably later primary or early high that you would start to see that there is a different costing engagement with those children later on. That would certainly then be an opportunity to reprioritise funding in that circumstance, but we would also be wanting to look at opportunities to get funding over the next few years.

They really are a fantastic initiative. I am assuming members have had an opportunity to visit them, but if you have not we are very happy to facilitate that, because you do come away almost a zealot in your desire to make sure that every child gets access to these services. I know, as a parent, I would have loved to have access to these sorts of services. They make a big difference.

CHAIR - Anything further, Rosemary?

Mrs ARMITAGE - Not at this stage.

Ms O'BYRNE - I am happy for members at any stage to get a brief or a tour and an update on CFCs in particular because I believe they are going to be a dominant feature of the way we progress early years in the future.

Mr MULDER - I have some general questions and they relate to a plethora of reports about children's services.

CHAIR - This is specifically on early years and we will move to children's services in a moment.

Mr WILKINSON - A matter was raised in the coroner's court a number of years ago, and it was determined that there was no communication between the different support groups, and as a result of that lack of communication - and this would have been about 10 years ago - unfortunately, a young child died. Has there now been a change where there is communication between everyone working on individuals, as opposed to these silos that were around a number of years ago?

Ms O'BYRNE - We have been attempting to break down silos for some time but this is difficult because people genuinely, and with the best of intentions, focus very much on the work they have in front of them on any given day. The reason behind the move to a public health approach to children is absolutely recognised, and despite the fact that we have some really good connectivity now - much better than we had before - there is still a way to go. The CFC model is about recognising that you cannot expect a parent to go and find support here, and find support there, and understand how to do that all the time, when they are busy trying to learn how to be a parent. They are about making access to information easier.

There is much more work that happens across agencies, but also across the community sector now than probably did 10 years ago. Does that mean that we have made a seamless transition for every child? I do not think so, yet. We are elevating the children's issue to a cabinet subcommittee to make sure that every government agency has to report against what they have done to join up those services, and to act on those issues that are priorities in their areas. That is recognising that, whilst I think the Office of Children made some extremely good progress in

joining up with government, it did not deal with housing or disability, and it did not deal particularly well with the justice aspect as well. It is about trying to get everyone together, recognising that the earlier the intervention the better.

When we look at a particular child protection case, we have not previously been able to join the data and that is still a challenge. Particularly with one of our more high profile cases recently, when you start to plot their engagements with different services, you can see that way before they got to crisis point there should have been across-government flags raised. In isolation it might not be an issue for one particular department; it might not look that damning but when you recognise that it might not just be about attendance, it might be about their engagement with CHAPS, and it might be about their engagements in emergency wards, that picture would give you a point where you might want to talk to the family earlier or provide support to a family earlier.

At this stage, we are working on a data collection system that allows us to draw down information that we have, being very aware of the privacy implications, to ensure we can get that engagement earlier.

Mr WILKINSON - In other words, Jim Wilkinson is a little bugger when he is two or three; he doesn't do the things that he should be doing; he has some problems; his parents have real issues; does that mean I am on a central - I don't know what you would call it. In other words, if Housing wants to tap into me they can, if Health wants to tap into me -

Ms O'BYRNE - No, we do not have a central system at the moment because we have to get the privacy issues right.

Mr WILKINSON - Right.

Ms O'BYRNE - You might have had a couple of presentations as a family to emergency, but nothing that warranted a notification. You might not have gone to your CHAPS appointment, Housing might be struggling to find you some accommodation that is appropriate to your family's needs - you might be in a one-bedroom unit rather than a three-bedroom house. All of those things sit there in isolation but none of them on their own point to a particular picture. When you put them together they might point to a picture but bear in mind they might not. I did not go to all of my CHAPS appointments as a parent because I used my GP so it might look like I did not do my early year's work with my child health nurse but I was also seeing my GP for my older child. That might be an explanation why someone does not go to CHAPS.

Someone not presenting to school might do so because their family is on an overseas holiday or because there is another issue going on. It does not mean that there is a parenting issue. Presenting to emergency might mean you have one of those kids that fall off bunk beds; some kids are climbers. In isolation, or even when you put the issues together, we have to find a framework of waiting, so that we don't just say: didn't go to CHAPS, turned up at emergency, didn't turn up for school this week, therefore you are a problem child and a problem parent. You might not be, but in some cases you might be the sort of family that requires additional support.

So the waiting is probably the technical issue, to make sure that we are not creating an unmanageable system that puts parents through an engagement they do not need.

Mr WILKINSON - Does any state have this system in place?

Ms O'BYRNE - No, no-one has a completely joined up system. It is probably because of the risk, as I said, that you start identifying parents who might find it quite distressing, but it is about starting to share data so that if there is an issue, we can start dealing with it earlier. Every kindergarten teacher can tell you which child, or children, in their class, will have some issues later on. We should be able to then say, 'What do we need to do to work with that child's family to give them support over the next few years?' CHAPS nurses can often identify, very early, the families that are going to need additional support. How do we join government up for those families?

The way that the data will have to come together is not about naming and shaming individuals. It has to be about saying - if you pooled data together to formulate public health models, you could help ensure the right supports for every family. That is the difference, but the privacy issue is one that we will really have to get right.

Mr WILKINSON - We know there are some families who do not want to take their children to these types of systems. What are we doing with those families? Child Protection clicks in, I know.

Ms O'BYRNE - Well, they only click into Child Protection if there is a statutory notification that says the child is at risk and, therefore, is the responsibility of the state. It is one of the reasons we are having the review of CHAPS, which comes into the next section and I will probably talk about it there. It is about saying every child should have access to services but sometimes we probably need to work with families. We have a program called See You At Home which is about going to the parent and sending a child health nurse because, frankly, governments can be scary. If you are a young parent, a new parent or someone who is feeling vulnerable in any way, and the government comes and knocks on your door, that can be quite a frightening thing and you might not be honest about what your needs are. A child and family nurse or someone who works from a Child and Family Centre is seen as someone who is there to help you and give you support and can get in the door in a different way and support families. That is the focus behind that.

The challenge is to make sure that we are doing that work and helping those families who need it while maintaining the universality of access to the service. That is a challenge not only because of the budget but it is a challenge anyway.

Mr HALL - I may have missed a Q and A on this one, but do the centres that are operational at the moment have any performance targets of any kind? If so, how do you measure their success?

Ms O'BYRNE - We did touch on this and much of it will be longitudinal success. The early data around Launching into Learning, as Mr Pettit has just pointed out, is already showing that we are getting some outcomes in children's performance once they get to school if they have been involved in Launching into Learning. The other thing is we need to be wary in making assessments because every Child and Family Centre has devised itself within its own community so it might not offer things that other ones do. So you really cannot in any case measure like for like, otherwise you get into the problem that governments say, 'Here is a one-size-fits-all model for your community, off you go,' and whilst elements might not be absolutely right, the difference in these is that we want communities to drive what it is they need. Those things might change, too. Communities might determine in the future that there are other things that they want and at the centres that I have visited there are many things that are common; the way they do them might be different but there are also things that are quite different as well.

One centre, for instance, has a room that it uses for its young offenders so it is younger Youth Justice people so that you are taking a child into a children's environment as opposed to a court environment when that is appropriate to do so to allow them to better engage with the child. On occasions, the determinant might be that we are going to take the child to court because they need to understand the seriousness, but those issues have to be determined individually around the needs of the child and the needs of the community.

Mr HALL - Given the differentials, as you explained, are you happy with the performance of all of them at this stage?

Ms O'BYRNE - The feedback that we are getting is very exciting. The reality is that it will be longitudinal data that shows us whether we are actually changing the way communities, parents - and communities as a whole - whether it is mums, dads, aunts, uncles, grandparents.

Mr MULDER - Minister, it seems that this individual approach to wait is almost like waiting until something gets flagged and, in fact, you are concerned that it might be flagged in different areas and we are not joining up those flags to understand the problem. It seems to me that in Tasmania we have a unique opportunity: we do not even need to wait for them to be born. We know, to a large extent, which families are going to give you the majority of your problems. Are we doing anything in that space dealing with those particular families? They are the ones, I think, who are not presenting to child care. They are the ones who do not know or who do not care about that very interesting brain scan that you produced - and I would bet London to a brick that one of those brain scans was taken from one of those families that we would know.

Ms O'BYRNE - No, because it is from another place, but you could argue yes.

Mr MULDER - Sorry, that was the answer to the question - no?

Ms O'BYRNE - This is not any particular Tasmanian child in that scan, it is from an adversity impact study.

There are two things if I can just go back: the Menzies Institute is also doing some work around social and environmental factors and how they impact on child health and development. So there is some work happening at Menzies and I would like to expand that -

Mr MULDER - I am particularly talking about the family situation and not the general population research.

Ms O'BYRNE - When I have sat down with the agencies that deal in health, education, children's services, child protection, youth justice and housing disability, there are a number of families that are the same families that we all deal with.

Ms MULDER - 'Intergenerational' is the point I think I am making.

Ms O'BYRNE - Yes, and the reality is that whilst not in a public environment but in a private environment, some families with specific needs can be identified very easily. One of the reasons for the public health approach and also for the cabinet subcommittee is that we do need to have a conversation about targeting our resources around those families because each of us deal

with them. Every agency deals with some families all the time and we need to actually put some more supports around them.

Gateway does that to a certain extent but not at a point when they have quite complex needs. Gateway is your earlier intervention for people for whom some assistance makes a difference. Families with particular challenges and difficult changes might not necessarily be managed only through Gateway. The work that we want to do is about saying, how do we then wrap our services around those particular families in a more coordinated way: Firstly, because it would release some money for other children; and secondly, because if we spend our dollar well in that space we might actually make a difference. But we won't make a difference immediately.

As you pointed out, Mr Mulder, these are intergenerational issues in some families and we have to accept and understand that if we start investing in those families in a coordinated way that it will be an intergenerational commitment to get it right. It might be a generation or two before people can break out of what can be a really difficult, complex cycle that they are involved in.

Mr MULDER - Which leads me onto the whole question of Gateway -

Ms O'BYRNE - Gateway is not my area, I am afraid. There are some questions I can answer but only in terms of my engagement with them. That is Minister O'Connor's.

Mr MULDER - I appreciate that. That is one of the difficulties we have in this committee.

Ms O'BYRNE - We can touch on it when we get to Children and Youth Services.

Mr MULDER - The government seems fairly unjoined up.

Ms O'BYRNE - It is the reason for the cabinet subcommittee, Mr Mulder, to actually join them up.

Mr MULDER - As far as your knowledge of Gateway is concerned, and the fact that you do interact and engage with them fairly strongly, it was to be evaluated last year, do you have any feedback as to how that evaluation is going?

Ms O'BYRNE - I am not aware that the document has been released. I have had some conversations with people in Gateway about where they think it goes. One of the strengths for us has been from Children and Youth Services, that there is better engagement between our child protection officers in Gateway -

CHAIR - We are ranging into the next area now.

Ms O'BYRNE – I am just explaining why I won't talk about that yet. In terms of the early years, the Gateway services are a referral point as well, so if there is an issue that is identified within the CFC we use Gateway services to provide additional support for families. That is our connection within the early years.

CHAIR - My judgment is that we are done on Early Years, so, minister, if you would like to bring the relevant people to the table for 4.1 Children's Services, please.

Ms O'BYRNE - I thank the officials from Education for being there and hope they enjoy their next hearing.

DIVISION 4
(Department of Health and Human Services)

Output group 4
Children's Services

4.1 Children's Services

Ms O'BYRNE - Welcome to the table for his first ever estimates appearance the new Secretary for Health, Matthew Daly, who is on a very speed learning area in this area given his history is predominantly in the hospital sector - it has been very useful during the change to health reform; and Associate Professor Des Graham, the Deputy Secretary for Children.

CHAIR - Thanks very much, Minister. Jim?

Mr WILKINSON - Can you provide details of the impact of saving strategies in this area, please, if there are any?

Ms O'BYRNE - We did everything that we could to protect the children's area. Members would be know that we put out a document detailing savings that we were going to find across DHHS as part of our $100.2 million. We identified at that stage $4.09 million relating to Children and Youth Services and the bulk of that was around reviewing the number of child health checks, the charges for inter-country adoptions, management of adoptions, some improved youth justice and child protection case management, the reviewing of the staff base at Ashley, given the declining numbers, and administrative and staff savings.

When we looked at many of those in detail, some of those areas, quite frankly, we could not make savings in. The issue of overseas adoption sounded like an easy way to look at the price that was charged nationally and mirror that. The reality is that it would have been the reason that people did not engage in overseas adoption and therefore would not have been an appropriate decision for us to make -

Ms Forrest - It was a significant increase in costs was it?

Ms O'BYRNE - It was significant. It was from $3 000 to $8 000. Whilst in other communities they are much higher than they are in Tasmania it was still viewed, and when we talked to Treasury there was an acceptance that that wasn't an appropriate measure for us to undertake and it would make such a difference. I met the families and talked about the impacts that it would have because of the additional costs that are outside of the intercountry adoption fees that those families already significantly invest in, so we didn't do that.

CHAIR - Before you go off that, though, while you are on that particular one. The identified savings across the year would be $150 000 as a result of that process of $2 500 up to $8 000.

Ms Forrest - Additional revenue, rather, wasn't it?

CHAIR - It was additional revenue, thanks, Ruth; it was not savings at all. That is not going to be achieved at all in that specific -

Ms O'BYRNE - No, what we did was identify some other areas of savings. There are two elements to the children's budget: we did find savings elsewhere that equated to the sort of savings that we needed, but we also had at the same time an increase of children being placed in out-of-home care. That was a $5 million increase in that part of the budget. Because it is a demand-driven area it fluctuates a lot. We managed to finds savings but the children's area will be $2.9 million over budget. We did find other savings, we found them in our youth casuals at Ashley, we did some increased vacancy control measures while we found other savings and we did some service delivery changes as well that allowed us to make savings other some of those areas that we identified that we simply could not find savings in without impacting on children. But at the same time we had an increase in out-of-home care costs.

Mr WILKINSON - In the end, are we making savings or not?

Ms O'BYRNE - We have made savings but we have made savings in an environment where there has been an increase in cost demand in out-of-home care. Once a child is in out-of-home care we have to pay for it.

Mr WILKINSON - I understand that.

Ms O'BYRNE - That is the demand driven variable that we need to work with. There are media reports suggesting that we are being asked to find another $1 million and that there is a blow out of $8 million. We cannot track where those figures have come from at all. There has been a $4 million increase in out-of-home care and we have made savings in Children Youth Services, but in many cases in different areas than those that we first identified because when we started to go through the process you could not do it without impacting on the care of children.

Mr WILKINSON - Can you give me the balance when you look at the extra expenditure that you need as a result of the services that are required as opposed to the savings you are endeavouring to find? When you take your plusses and your minuses, what are we left with?

Ms O'BYRNE - $2.9 million is what is left over. Over budget.

Mr WILKINSON - Thank you. $2.9 million excess. Have we not found any savings?

Ms O'BYRNE - Yes, we have. Remember the $2.9 million is in the context of having to find that extra $4 million. We have had to find another $4 million but it has only taken us over budget by $2.9 million because $1.1 million of that are savings that we have delivered.

Mr WILKINSON - You found some savings but they are offset in another part. The graph was higher than the extra expenditure.

Ms O'BYRNE - The way that we need to deal with that is that we do have more children coming into out-of-home care, around 1 000 in out-of-home care. The rate of which they are entering out-of-home care is not necessarily escalating, but they are not coming out the other side of this out-of-home care. We have had some conversations around that and I might invite Mike Willie to the table as well in order to explore some of that. There are around 130 children that we think could get home.

Mr WILLIE – One hundred and thirty, we have.

Ms O'BYRNE - One hundred and thirty that we have got home. There are always identified children who are there for a reunification process. Reunification is a difficult thing because you want to ensure that the child is always in a stable environment. Sometimes it takes a couple of times of going home before a child gets to stay at home, and we might still have a cost around supporting them in the home. You do not want to do it to a point that causes more pain and difficulty for the child because you are continually trying reunification that is just unsettling for them.

Mr WILKINSON - How many children in out-of-home care at the moment?

Ms O'BYRNE - At 31 March there were 1 260 children on care and protection orders. Of those, 1 023 were in out-of-home care.

Mr WILKINSON - I understand there have been 130 of those children that are now being placed back into the home environment.

Ms O'BYRNE - Into a family environment.

Mr WILKINSON - That is their own family environment?

Ms O'BYRNE - In many cases, or it can be an extended family environment.

Mr WILKINSON - Thank you.

Ms O'BYRNE - Bearing in mind some of the out-of-home care can be in kinship care, so they might actually already be with another family member, a grandmother or an aunt or another person. It might be that the person in out-of-home care is still with their family but those providing care are vetted and trained and supported by the department.

Mr WILKINSON - The number that we have is 1 023 in out-of-home care. How does that compare with this time last year and this time the year before?

Ms O'BYRNE - For out-of-home care?

Mr WILKINSON - Yes please.

Ms O'BYRNE - In 2007-08, there were 663 children in out-of-home care; in 2008-09, there were 808 children; in 2009-10, there were 896 children; and in 2010-11, there were 964 children. So we are seeing an increase in the number of children presenting into out-of-home care. This is why we need to look at the models of out-of-home care that we are providing to make sure we are necessarily supporting the needs of the child. If we support the needs of the child better, then the out-of-home care might not necessarily be needed.

I will ask Mike Willie; we have some conversations about where we might go with this. Part of it is looking at some permanency models. For those children for whom we know will never go home, but whose parents do not relinquish care, we think we should be able to provide a permanency model because that would be better for the child to know that she or he is going to be

with a family. When I met - going back to Mr Harriss's point about families supporting adoptions, many of them make the decision for overseas adoptions because they cannot get a local adoption. Local adoptions are quite low. They would be prepared to engage with a child. What they want is a child to whom they can say come into my home, you will be our child and we will take care of you forever. A permanency model is almost that. It is for parents who will not relinquish rights for adoption but whom we know will never have their children back home. You can still perhaps have an engagement with those parents but a child could then be in a family forever.

Many of the families, when I spoke to the organising group, suggested that if they knew they could have a child forever then they might look at a permanency placement rather than an overseas adoption. Their desire is to provide a safe, loving environment for a child. Foster care can be temporary. It can be an engagement that is not a life-long engagement.

We think that might be one of the models, but Mr Willie will touch on some of the other models that we have been talking about.

Mr WILLIE - The overwhelming preference, when children are brought into state care, is that we will try to place them within the extended family. In other words, a kinship care placement if possible. That would be facilitated through a family group conference, where hopefully we would find someone within that family who would take on the care of that child. If that were impossible, the overwhelming majority would then end up in foster care. As the minister has already indicated, that could be short term or longer term, depending on the nature of the order and so on. Within the department, we have family group homes. The object behind family group homes is to try to keep siblings together. Many of the children who end up in out-of-home care come from large sibling groups so we try to facilitate keeping the siblings together wherever possible. We also have therapeutic residential care for those young people, particularly adolescents, who have had a long history of traumatic events in their life which has led to the point where they need specialist assistance and interventions that we need to provide.

I guess that is the key system that we have at the moment in addition to private providers, where we enter into a contractual arrangement with a specialised provider in the NGO sector to provide that care.

Foster carers do an absolutely magnificent job in caring for many of these children, many of whom have come from very difficult circumstances. However, the system we have is the system we have. It has been in place for a very long time and, as we all know, society has changed, particularly around drug and alcohol issues, family violence issues. Sometimes finding foster care placements, which would be the ideal if we cannot find a placement within the family, is extremely difficult for those young people who are in their teenage years where they have already been involved, as the minister indicated earlier, in youth justice activities, are disengaged from school and so on.

Mr WILKINSON - What concerns me, to some degree, and what might concern others, maybe because there is a better identifying system now, is the marked increased of out-of-home care from say 2007-08 at 623 to where we are now.

Ms O'BYRNE - Can I give you those figures on notification because it does actually create a picture of the transfer?

Mr WILKINSON - Yes.

Ms O'BYRNE - Total notifications; I will give you all the figures so that you can make a comparison. In 2007-08, there were 12 860 and there were 7 524 children who often get a multiple notification. In 2010-11, there were 10 691 notifications for 7 481 children, and year-to-date so far is 808 notifications for 6 204 children. Of those 6 204 children, 1 245 are referred for investigation on the notifications that would require an investigation. That is down from 3 258 in 2007-08. We move down to the number of children who then go on to care and protection orders, which is the other number.

[10.00 a.m.]

What we are discovering is that the rates of notifications are starting to stabilise. You can get peaks in notification. If there is a high-profile case in the media you will get a peak in notifications. If we run a program in education reminding teachers of their responsibility for reporting, or if we run a program with any community or health sector, we will get a peak in notifications. What we are seeing is notifications are stabilising, and the number of children are stabilising, but the number of children in care and protection in out-of-home care is growing. I believe it is because we are making the assessments much better in terms of the supports that we are offering.

The reason we have the growth in the number of out-of-home care placements is part of a national trend. We were seeing a declining rate and it probably bottomed out a little earlier before our trend data bottomed out. If you look at us against other states this is reflected in every single state in that there was a reduction and now it is starting to build again.

Mr WILKINSON - That being the case, are we looking at having to find another $4.9 million, or something like that, as a result of an increase in out-of-home care people over the next year?

Ms O'BYRNE - This is the reason we want to look at permanency care models and reunification models, and extended family opportunities. We think the problem is that kids are coming into the out-of-home care model, but they are not getting out the other side. Some of them probably won't. There isn't necessarily a pathway out the other side for them.

Mr WILKINSON - Is there an average time limit for people in out-of-home care stays?

Mr GRAHAM - There would be, but the relevance of that is benign because every individual is different and the circumstances are very different.

Mr WILKINSON - I was looking at costing figures more than -

Mr GRAHAM - We can give you an average cost, but again I don't think that reflects an individual's requirements because we can have children who are multi - hundreds of thousands of dollars - versus right down to someone who is on permanency and costs us very little. The challenge for us is really, as the minister has mentioned earlier, around the primary health care model, so we can focus on the out-of-home care and there is a cohort there that we must provide services to, but the answer to out-of-home care is actually a primary health care model. It is about intervening early so that those children who come into the system we can reunify very early.

Ms O'BYRNE - The thing to remember with families who have their children removed from them is that, other than a few exceptions, they are not necessarily bad people. There are occasions that are quite extreme and we are aware of those. The bulk of people with whom we deal are parents who do love their children. What they lack is the capacity to support and parent their children, or the capacity to deal with the other challenges that they might have in drug, alcohol or violence, or whatever other pressure that they might be encountering.

If you work from the principle that these people want to parent, it is about in that case stepping back to, 'How do we support you, what are the things that you need in order to be able to make that step?'. For some people they might not ever be able to get there, despite loving their children and they might be the sorts of people for whom out-of-home care remains the situation for their child, but they still have a visiting engagement. For those who you can provide support for then, hopefully, the outcome is that you can reunify the child or, more importantly, you can stop the child ever having to be taken away. We do not want to take children away from home.

Mr WILKINSON - Are there any unallocated children at the moment who need to be in out-of-home care, but because you do not have enough people -

Ms O'BYRNE - There were six unallocated cases on 31 March; there were 36 on 30 June 2011 - the budget papers actually say 36, but we take them at a moment in time, so you might get a number of cases come in and on that day there might be a high number of allocated cases, but within two days you might be back down to zero. We aim to be at zero. We are regularly at zero in terms of unallocated cases, but it was six for 31 March. Do you happen to know today, the most recent number?

Mr WILLIE - The term 'unallocated' applies to various points in the continuum of child protection. The first contact with Child Protection is usually a notification that comes into the intake team. The intake team is responsible for establishing whether the case reaches the threshold to be a statutory intervention, and if that is the case it then goes to the response team which then do a more extensive investigation and may call upon reports, and other things, to determine whether we need to go to court and take an order. Finally, if an order is taken, then that transfers to Case Management which has the long-term oversight of that case. I think the term 'unallocated', when it is used in the general community, is misinterpreted.

First of all, there is the movement from the intake phase of child protection into response, and we have 28 days from the time of notification to the time it gets allocated to Case Management, if indeed it goes that far. So the first phase is the intake phase and during that they need to then transfer it across to Response. So when people use the term 'unallocated' they might be referring to that time that it transfers from Intake to Response. If it goes through to Response, they might use the term 'unallocated' to say that it has gone through to Response, investigations are being done, we have gone to court, we have an order - it might be like in the taxi cab rank, if you like, waiting to be allocated through to Case Management. When it is in Case Management, it is then given to a particular caseworker within a team who then, as an individual, has oversight of that case of the child, or the client, and with the family they are working with and the care provider.

As of today, with our 28-day time frame, there are 38 cases waiting for completion of the intake-response process. We did an audit of all caseloads last week which indicated that there is no child in Child Protection who is in the case management phase, who does not have oversight within the child protection system in Case Management and Child Protection Services.

Ms O'BYRNE - We are doing a more regular clinical assessment for case loads as well. You might be within the realm of what is okay in terms of a listed number of children you have - 15 families, 24 children is the nationally and internationally accepted benchmark of how many can be dealt with. The challenge with that though is that you might have a number of children on your list who are extremely complex. So we are doing clinical reviews regularly now to make sure that you are not the case worker who has all the really tough ones.

Mr WILKINSON - The case workers are under an extreme amount of stress. A couple of years ago they had a very high turnover rate because of the stress they were under. What is the situation surrounding them at the moment?

Ms O'BYRNE - We have been having quite a number of conversations with the union around this as we are making an assessment. One of the reasons we did the analysis of the unallocated list, and we are doing the clinical reviews, is to ensure that we are working within what is a manageable framework for our case workers. We are actively recruiting for -

Mr GRAHAM - In the system at the moment there are 24 positions across Children and Youth Services, 14 of those are child protection and two are child protection support workers.

Ms O'BYRNE - And that would get us to the establishment level, so we are actively recruiting for those. I think our recruitment may have been a bit slow but we are speeding that up now to ensure that we are getting those people online. The assessment for that then comes into a clinical assessment of demand. I take very seriously the fact that child protection workers are saying that they are feeling the pressure. These are people who work in a very difficult circumstance; they do not put their hand up saying they feel pressure unless they really are feeling pressure. Some of that can be supported through additional training. We went through a very large recruitment a couple of years ago when there was a significant shortfall, and that was a high staff turnover area.

Our entry training now is very good. We need to make sure that everyone employ over that period is also accessing that training and support. But I believe the clinical review that we will do will also manage this because some of them are probably over-represented with difficult families in their case loads and we need to make sure that that is done in a supported way. It does not necessarily mean taking away their contact with the child because it might be that they are someone the family engages well with, but that would mean additional support for that worker.

Mr WILKINSON - The last question is surrounding the situation where the court work was taken from the private solicitors' firms into the government itself. Has that been a saving and, if so, are you able to estimate the approximate savings for that?

Mr GRAHAM - It has been a saving. We probably do not have the numbers but I think it is the vicinity of $200 000.

Mr WILKINSON - In the past 12 months, six months, nine months?

Mr GRAHAM - On average, probably over the last three years.

CHAIR - On that same theme, before we go to Greg on Ashley-specific, Rob on the same theme and then to Rosemary on that theme that Jim was developing.

Mr VALENTINE - I was interested again in whether there is any disconnect between the education system and child and family services. When children are reunited, or you are looking at reuniting a child with their parents, do you ever talk to the teacher? The teacher spends a lot of time with that child and I am just wondering whether there is the opportunity there for critical information to actually be missed?

Ms O'BYRNE - One of the great strengths of being in Tasmania is that you can actually get all the people who are involved with a family in a room. That is one of the things that we should be able to do much better as well. We do case conferencing. I am more aware of the work in the north because it is just around the corner from my office, but the case conferencing there with education, with police, with children and services is quite a developed model.

Mr WILLIE - We are in the progress of developing personalised learning plans for all children who are in state care. While that is a fairly recent event we also share data with the education department on a regular basis so we know every child who is in state care, what their attendance rate is, and what their suspension rate is. The object of the exercise is that every child protection worker who is working in the case management area of child protection will act as any responsible parent would act. If a child who is under state care is not attending school they get the data, they know to go to the local school and talk to maybe the foster carers if the child is in foster care about how they can ameliorate those issues that are preventing the child from attending school.

We have made some significant progress in the last two or three years, particularly with the Department of Education about sharing of data that is pertinent to getting young people engaged with the education system and developing this personalised learning plan. They will be reviewed on a 12-monthly basis so we will be able to see the progress that those young people are making.

Ms O'BYRNE - Mr Valentine's question was particularly if you are entering a unification process, and assessing a child's capacity to go home, and the risks of that is the engagements that we might have with education at that point.

Mr WILLIE - They would be involved in all the planning and the conferencing that goes on around reunification. Reunification is an extremely complex process and needs to be done extremely carefully with the wellbeing of the child in mind because one of the risks involved in reunification is placing the child back with their biological family and then it falling apart on them again. We need to progress that steadily and carefully to ensure that we are not retraumatising young people. Where it is a school-age child, obviously school is a key player, but if it is a child in the zero to five space we would be engaging with all the providers that we needed to to ensure that stability in terms of reuniting that young person.

Mr VALENTINE - Including their teacher.

Mr WILLIE - Including their teacher if they were of school age.

Ms O'BYRNE - Sometimes it can start with them going home for weekends or going home for a couple of days a week. We have been talking about different models about how we keep kids at home, just back to this point. There are certain crisis times in a day for families: mornings are challenging; bedtime is challenging. We have actually looked at models whereby you can offer placing a worker with a family - and this is stuff that has been done in other jurisdictions and we used to do it many years ago and I believe it has a lot of merit - whether it might be for six

weeks someone lives with you, or is able to pop into the house all the time, or it might be that they are there just at those crisis points of the day, or when there might be another significant family event that might put additional pressure on a family. And we need to look at how you do that because the best outcome for these kids is not ever getting into out-of-home care.

We have kids who run away from their foster parents because their parents, no matter how difficult the home environment is, are still their parents. Kids generally want to go home and want to be with people who are their family. We are also talking about whether or not we shift the model into doing that sort of work as well. That would have to, of course, engage with not only the zero to five engagement points around CHAPS but with education and teachers because teachers do see behaviours at school. And if you talk to teachers who say, 'I can tell the kids who did not have breakfast because they are the ones who have done this' or 'Yes, that child is very angry right now and I know the reasons why they are angry because I am aware of the family circumstance and we are managing that in different ways', which can be an issue in schools when kids see other children getting different punishments or different consequences for behaviour.

Schools are really developing restorative justice work around getting kids to understand and develop and that is about keeping them home and you have to do that work with teachers.

Mrs ARMITAGE - With regard to some of the outcomes last year, you said in terms of finding some efficiencies that in the south it would be merging two into one, Disability, Child, Youth and Family Services and the estimated savings. Has that been achieved? Did they merge? What were the outcomes? Were the savings achieved that you estimate last year?

Ms O'BYRNE - I have a document here that has all the savings. We did merge those two areas. We saved $195 000. Does that equate to the number that you have in front of you, Des?

Mr GRAHAM - For the end of year, currently it is $143 000.

Ms O'BYRNE - From the merger of the two southern areas. There has been a historical divide in the south between the areas that made sense. It was originally based around police district areas.

Mr GRAHAM - That is right.

Ms O'BYRNE - That made sense at the time but the reality for many families is that they moved from side to side of the river and then they had to change their engagements because they were subject to a different office. That made no sense. This is a move that we should have made anyway. It has delivered a budget saving.

Mrs ARMITAGE - Outcomes for the actual children? Has there been anything detrimental to that?

Ms O'BYRNE - No, in fact you would get a more continual engagement with particular officers rather than being shifted.

Mr GRAHAM - That is right.

CHAIR - On that same theme, before Greg on Ashley, we went a moment ago, minister, to the unallocated cases and, as you have identified, there were 36 in a point in time and you

measure it in points of time. For what length of time did that 36 unallocated continue? Or the next day was it down to something much less than that?

Ms O'BYRNE - It could fluctuate on a day-to-day basis. From that 36 we would need to give you a date analysis for every day which we could do if that would be useful.

CHAIR - If you would not be tabling that.

Ms O'BYRNE - We might take it on notice. There are cases where there is zero.

CHAIR - The rolling number.

Mr HALL - Minister, you have mentioned the A word, Ashley, a couple of times.

Ms O'BYRNE - I knew that you would be here, Mr Hall.

Mr HALL - You have flagged in the past the possibility of closures in the future. Could you tell me what is at the forefront of your mind at the moment?

Ms O'BYRNE - The Commissioner of Children has been formally tasked with an investigation into appropriate services for children around detention. The numbers for Ashley are declining - amounts going in. That also equates to the savings that we have been able to find in Ashley. From 2007-08 it was 190 admissions for 118 children; in 2008-09, 222 for 128 children; in 2009- 10, 247 admissions for 133 children; in 2009-10, 155 admissions for 94 children; and year-to-date 122 admissions for 82 children. We are seeing a lessening in the number of children who are coming into Ashley. Many of them are on remand and only a smaller percentage of them are actually getting convicted of the matter they were found charged with. On average, only 7 per cent of young people who are on a statutory order with Youth Justice are in custody at Ashley Youth Detention Centre now which ahs declined substantially. At 31 March, 44 per cent of the young people on statutory orders in the community had been at Ashley at some time in their past which is also showing that going to Ashley is not necessarily reducing your risk of becoming known to custodial services.

Mr HALL - Back to the basic question. You may close Ashley at some stage?

Ms O'BYRNE - Given the changing behaviours with our magistrates around alternative pathways for youth justice during the different programs, the excellent work being down on the Work for Community Orders program we are finding less people are going there. The question then becomes is it that that is still the most appropriate model for them. Bearing in mind that we do have very good health and community and education supports in Ashley, the school at Ashley is fantastic -

CHAIR - That is getting close to a yes.

Ms O'BYRNE - I would like the commissioner to do the work because the other question would be: what would you put in place? We will always need a facility for some younger people. Is there another model that you can design that is more effective than what we currently have?

Mr HALL - Yes, so what would you -

Ms O'BYRNE - If the other model was as expensive and cannot give us a better outcome then you would maintain it but you would have to accept that it is a large facility, it is an expensive facility, and it takes $10 million of the youth justice budget that we could spend on keeping kids out of Ashley.

Mr HALL - So what would you do with those young offenders who do need to be in a secure facility at the moment? Are you doing some work as an annexe to Risdon, or is there any preliminary work being done there? What is happening?

Ms O'BYRNE - No, what we have talked about is we need to get a picture of exactly what capacity a facility would need to have in order to be an alternative to Ashley.

Mr HALL - Would you still use Ashley for that?

Ms O'BYRNE - Possibly, depending on what the cost measures were around it and whether or not you could create a better opportunity. At the moment there is no other model for how you would detain the small number of young people - it is a declining number of young people who do need to be in a detention facility, recognising that some of them do transfer to Risdon anyway.

Mr HALL - When is the commissioner's report due?

Ms O'BYRNE - We are writing the terms of reference at the moment.

Mr HALL - You are just doing the terms of reference at the moment?

Ms O'BYRNE - Yes.

Mr HALL - Okay.

Ms O'BYRNE - It cannot be Ashley in isolation; it has to be around the nature of the detention needs that we have but also what else we would do in the youth justice base to prevent kids from getting to Ashley.

Mr HALL - Yes. I think, as the Chair indicated to me, it sounds as though Ashley, from your point of view, will close at some stage in the near future.

Ms O'BYRNE - It is an expensive model but I have not yet seen a model that is a more cost-effective model. That is what I am asking people to look at now.

Mr HALL - The former minister talked about sending offenders interstate.

Ms O'BYRNE - Yes I saw that.

Mr HALL - Is that still on your -

Ms O'BYRNE - No. If you were doing it on a cost basis, you can see why that recommendation would exist, given the small amount of numbers but the other really important thing is that the children need to be able to have access with their known supports, families and visitations. I cannot see that it would be an appropriate mechanism. In fairness to the former

minister, I think she was trying to illustrate the point of a high cost model versus other models that she could explore.

Mr HALL - In table 5.6, and you have already alluded to this, the total number of active clients in the community of youth justice is targeted to decrease. Footnote 6 explains that this is due to diversion away from the justice system and a more speedy resolution of cases with less active cases. Do you have any figures on the number of cases that have been resolved?

Ms O'BYRNE - I don't think I have anything here at the moment. I can give you the average daily number of children who are on remand versus those who are on sentenced detention. I do not have anything in front of me that is about their referral to the youth justice system but we could get that for you.

A lot of really good work has happened, particularly through magistrates Daly, Hill and -

Mr WILKINSON - Rheinberger; the two major magistrates in the childrens or youth justice courts, Mike Daly and Cath Rheinberger are both excellent.

Ms O'BYRNE - Yes. They are in this base and are doing some excellent work around alternative pathways for young people.

Mike, I don't know if you want to talk about some of the other really successful models, being the community work program. There are some kids I met who had been involved in some behaviours for which they were charged down the Huon. They were then, under their work order, involved with rebuilding the showgrounds area and the facilities around that and actually -

Mr WILKINSON - Was the surname Harriss?

Laughter.

Ms O'BYRNE - I am not identifying anyone in this process.

Mr MULDER - Was it one of those intergenerational family things?

Ms O'BYRNE - A number of things changed. These kids took an active engagement in their community. They were doing things that mattered. They were getting a reparation. They were doing something as a result of the behaviours that they had done. Also, the community in which they were living started to be really pleased about the work they did so they started to break down some of the preconceived views that these particular kids had experienced.

Mike might want to touch on it a bit more; it might have been more clinical. I was amazed at these kids who had gone from a very destructive attitude to their community to owning the outcomes of the work they did, and we believe that it will keep them outside of the justice system in the future. That is one of the reasons Ashley is having the declining numbers: there are other things we can do that change behaviour. What we do know with Ashley is that we still get a high recidivism rate.

Mr WILLIE - I guess the most important thing about the youth justice service is that the more you go into it, the less likely you are to come out of it, so the emphasis has to be around restorative justice practice. There are two key things that we do in relation to that.

One is the community conferencing that we do where the young person may be referred to us for a community conference where, hopefully, the victim of the crime or crimes that may have been committed sit down with the young person and work their way through that. Hopefully, the young person then will understand the consequences of their actions and move on to other things. There are usually undertakings that are supervised by youth justice workers as a result of those conferences.

The second thing is the CSO program and that is where we have been investing a lot of effort over the last little while. That is forming partnerships in the community with various organisations where young people can engage with the community, do something productive and, as a result, we can start to get them onto a different pathway.

Mr HALL - On that point on the final question there, how many young people are on those community service orders?

Mr WILLIE - How many are involved will vary on a daily basis, but we would have those figures.

Ms O'BYRNE - I have discovered that I do have some performance figures, if that is useful. The average daily number of young people receiving diversionary services: for 2010-11 was 171; and year to date, 31 March, was 130.3. The number who were supervised by community youth justice in 2007-08 was 255 and in 2010-11 was 345.7 - so we are getting an increase in those supervised by community youth justice. At the same time we have that Ashley decline as well. Does that give you enough information? Or do you still want me to find other information around the supervision?

The other young people receiving diversionary services: for 2010-11 was 498; and year to date to 31 March was 396.

Mr WILKINSON - In relation to bail, one of the real issues surrounding Ashley was that if the person, let's say charged in Hobart, was not granted bail, he had to be driven back to Ashley and then be driven down the following morning to answer the court case. What has happened with that?

Ms O'BYRNE - Ashley is a place that we can safely put people. If we could safely put them somewhere else we would do so and have done so on occasion.

Mr WILKINSON - Are we doing that? That is the ideal thing to do. It is an added significant cost taking that child to Ashley and it is also a taxing thing on the child as well, getting them up early to come back down again the following morning.

Ms O'BYRNE - Ashley is the only designated youth detention facility that we have. The other option that exists normally would be to remain in remand in the prison system. Whilst on occasion I believe it may be done, it is not necessarily an appropriate position. The other opportunity we could use would be if there were beds available in therapeutic care, but that would be a very destabilising issue for the other children in therapeutic care. At this stage, given that Ashley is what we have, Ashley is where they g. I accept that that can be quite challenging.

Mr WILKINSON - This is only for a night.

Ms O'BYRNE - However, Ashley has the capacity to do videoconferencing for their court appearances and we do more of that now.

Mr WILKINSON - Yes, this is only for a night.

Mr GRAHAM - The other principle that needs to be applied is the principle of least restrictive care and the most appropriate care. Ashley, as the minister is pointing out, at this point in time meets both of those principles as compared to being held at the remand centre.

Mr WILKINSON - Even for, say, a couple of hours.

Mr GRAHAM - I think they would hold them for a couple of hours -

Ms O'BYRNE - Well, a couple of hours occurs, but overnight for a child and it would depend very much on the age of the child as well. You could not leave a very young child.

Mr WILKINSON - I hear what you say, but it is a situation where sometimes a person comes into a court after hours. After hours they could come before a court at say 8 o'clock or 9 o'clock in the evening. That person does not get bail. They are then, as I understand it, taken to Ashley to appear in court the following morning at maybe 10 o'clock.

Ms O'BYRNE - Some of those are done by videoconference.

Mr WILKINSON - Some might be, but there were experiences where they had to be brought back down to answer their charge. So they might have only been at Deloraine for four to five hours for the turnaround.

Ms O'BYRNE - I accept the point that you are making about is it worse to put a child into a gaol cell in Hobart as opposed to driving them to Ashley and back.

Mr WILKINSON - In the remand centre which is -

[10.30 a.m.]

Ms O'BYRNE - But we also don't make that decision. That decision is made by the magistrate - as to what the appropriate placement for the child should be. Our magistrates have been incredibly progressive and engaged with this issue, and if that is still a matter we need to resolve then I am happy that we take it to them. I have been incredibly impressed with the work they have done in terms of not putting children into inappropriate environments.

Mr WILKINSON - There is no doubt about that.

Ms O'BYRNE - We do not make that decision.

Mr GRAHAM - I think, with regard to youth justice, the continuum of care should be considered. As the minister has already mentioned, Ashley tends to be the focus, but it is part of the continuum of care - a magistrate's decision to bail to Ashley is part of that continuum of care. In collaboration with the magistrates, we need to find alternative options for them, and they need to be reassured that we can deliver on that. Part of the commissioner's new terms of reference, I am sure, will be about that continuum of care.

Mr WILKINSON - In relation to community service orders, I noticed you were speaking about the community becoming involved. Community service orders, as you know in the adult court, is where a community probation officer, or a worker involved in work orders, deals with the individual. Is it different in the youth justice court, where the community deals with the individual, as opposed to -

Ms O'BYRNE - No, we still have a youth justice workers assigned to all of those young people and they coordinate the program. For example, the work down the Huon, and the work that was recently done refurbishing the school on the corner - sorry, I am not from Hobart and I always forget the name of that school.

Mr WILLIE - Bowen Road Primary - it is out on the corner of Risdon Road and the Brooker Highway.

Ms O'BYRNE - Yes, Bowen Road Primary. They were coordinated and supervised by a youth justice officer, or two youth justice officers, for both of those programs and many of the kids have used that as a stepping stone into further training and opportunities for work.

Mr WILKINSON - I think it is a good thing. One of the problems, though, with community service orders was that there were not enough people to care for those individuals who were sentenced to do community service orders. Is it the same in the youth justice system where there are these community service orders imposed but there are not enough youth justice workers to be with those people whilst they are carrying out the CSOs?

Ms O'BYRNE - I am not aware of that being an issue because they are very targeted programs. We are very careful to ensure we put young people into an environment where we think they are going to get the right level of skills and support. It is different when you are dealing with children rather than adults. I am not aware that there is any restriction in place as a result of a staffing problem.

Mr WILLIE - No, in fact we have just dedicated two additional staff to the youth justice down here and the minister would have met Wayne and Wazza -

Ms O'BYRNE - Wayne and Wazza did the Huon project and the Bowen Road one.

Mr WILLIE - who are community youth justice workers and they have done, without embarrassing them, as has the whole team, a spectacular job, and we have just shored up funding in fact for those two positions to be recurrent.

Ms O'BYRNE - Much of the strength of that program has been the engagement between the individual workers and the kids, but it is a longer-term engagement - not just turn up today and so and so will supervise you. These are the people who work with these kids through their whole journey.

Mr WILKINSON - Let us say a person has been imposed 49 hours community service - seven days - what is the average time it takes to get rid of those seven days?

Ms O'BYRNE - It depends on the program that we do for any individual child. It can be quite variable.

Mr WILKINSON - The variation that concerns me is when it can take up to eight to nine months to do those seven days which -

Ms O'BYRNE - I do not think we have any that are that long. Generally they are a few times a week, or weekly.

Mr GRAHAM - We have a completion rate of orders of just under 90 per cent. It is very good.

CHAIR - Can we go to Ruth? On to areas in one of the tables?

Ms FORREST - Yes, it is about child health services.

Ms O'BYRNE - In that case, I can let Mike leave the table, thank you.

Ms FORREST - The new mums' groups that were running - could you give us an update on the decision about those?

Ms O'BYRNE - This has been a long program. The work we did on the review of the models of care looked at the number of people who present to their universal service. We get a recommendation of about 98 per cent for the See You at Home program. The hospitals are really good at telling us who we should be in the See You at Home program, so when they come out we know who they are. The 2 per cent that do not, many of them see their own paediatrician -

Mr GRAHAM - Not necessarily See You at Home, but CHAPS.

Ms O'BYRNE - Sorry, for CHAPS, my apologies. We then start to see a decline. We see 92 per cent to 98 per cent straight away, so people see their CHAPS nurse, they feel absolutely comfortable with them and they get that first engagement. There is then a significant decline by the time you get to the three-and-a-half year check. Some of them might be okay - they might be people like me who are taking their older child to a GP, and do the assessments with their GP at the same time. That is completely appropriate - we cannot say that you can only go to one level of care - but we are more concerned about those who we think are dropping completely out of the system. When we look at some of our child protection issues and backtrack the data, not attending CHAPS appointments is an absolutely consistent flag.

We wanted to work through how we better engage with families - that has been the purpose of the CHAPS program. I have to make it absolutely clear that new mums' groups are being maintained. I will talk a little bit about some of the different models they are doing. The universality of the service must be maintained. Parents should not have to self-identify in order to get this or we will simply lose them.

Ms FORREST - Some of the best supports they get are from the other mothers.

Ms O'BYRNE - Absolutely. There was a review about 10 years ago that also changed CHAPS, when we increased the capacity of people to have more appointments. The reality is some parents do three, some do five and some do way more than the entitlement. I probably went way too much with my first child, but Mary was lovely and I felt safe.

Ms FORREST - I used to go for morning tea with my best friend who was my clinic sister, and then with the third and fourth I never went at all.

Ms O'BYRNE - A six- to eight-week young mums' course with two nurses used to be considered the norm. Communities are now doing different models, whether it might be six appointments with a nurse, four with two nurses, and then two with one, and then one or two with different ones. We are trying to engage with different bodies which also do parenting groups, for instance, the Playgroup Association want to talk to us because they do parenting groups beyond six weeks, and they also call on CHAPS nurses to come to some of those at different points. So there are a number of different models at the moment that are being trialled.

Communities will do different things for their young mums' groups, but we must be providing young mums' groups because they are a crucial support. A lot of the media talk about this wonderful social engagement that people have forever and that is lovely, but really important is being able to identify when additional supports might be needed and how people get that. You can get that from other mothers, but in many cases you need to get it from the nurse or the child worker who is engaged with that program. We are running them strongly through the Child Health Centres. There was a problem in the south when we were short staffed and therefore a couple of groups did not occur, but I am right in saying that they have now occurred.

Mr GRAHAM - They are back on board, yes.

Ms O'BYRNE – I am a huge supporter of young mothers' groups and the universality of the service.

Ms FORREST - I used to run them myself as an antenatal educator and it was not for the young mums. It was for the mothers of young babies, because there were a number of older mothers who struggle.

Ms O'BYRNE - I keep saying 'young mums', sorry, it is an inappropriate phrase. It is 'parents of young babies' and dads as well, now.

Ms FORREST - You get some dads.

Ms O'BYRNE - Not as many as you probably would like, but we do get some dads.

Ms FORREST - The other statistic that continues to be a concern to me is the breastfeeding rate at eight weeks - exclusive breastfeeding - we are still only targeting 50 per cent. In your summary here you say that CHAPS promoted breastfeeding during 2010-11. This is one of the best starts a child can get in life and if we are only aiming for 50 per cent at eight weeks, what are we doing?

Ms O'BYRNE - I think 50 per cent is what we can realistically achieve. In reality, you would want every mother who can, to breastfeed.

Ms FORREST - It is 50 per cent of people who attend Child Health, so it is even less than 50 per cent of the population. I can almost guarantee that those who don't attend don't breastfeed.

Ms O'BYRNE - You have run the programs as well and the feedback we get from CHAPS nurses is that they absolutely promote breastfeeding, but they do not want parents not to come

because they are frightened of admitting that they are not breastfeeding. CHAPS nurses need to have flexibility in promoting breastfeeding. Absolutely the best start for children is breastfeeding.

Ms Forrest - You need to be intervening before eight weeks, though, surely. It has to be antenatally.

Ms O'BYRNE - And it is certainly promoted in all of our engagements through the clinics.

Mr GRAHAM - The antenatal clinics.

Ms O'BYRNE - The advice in the hospitals is very much along that line. The other thing is that is not a target.

Ms Forrest - It says target.

Ms O'BYRNE - I know, but it really is a projection of what we think we can achieve. Your target would be to have every mother who is able to, breastfeed, bearing in mind that there are some patients who cannot breastfeed. The other really important thing in this field is that some parents - and this is the other part of my portfolio, but I will touch on it because of the connectivity - think because of the advertising around children's food supplements that children's food supplements are actually better than best milk because it says on the packets that these things are really good for your children.

Ms FORREST - We need to have plain packaging for milk formulas.

Ms O'BYRNE - This is the conversation we are having with the food ministerial council regarding standards of labelling, that we should not be advertising to young parents that steamed vegetables in a jar are somehow better than the steamed vegetables you can cook yourself.

We need to do a whole lot of work around messaging because we have frightened parents into thinking that formula is better because it has all those extra additives, whereas the reality is that all the evidence shows that the best food for a young baby is breast milk.

Ms FORREST - You cannot put the live antibodies in a can.

Ms O'BYRNE - Exactly. But it is something we seriously need to do because I think some people make the decision on breastfeeding because they have seen ads that say 'extra such-and-such' within -

Ms FORREST - Better for your baby.

Ms O'BYRNE - The reality is that is not the case. But we also do not want to distress parents who have made the decision for a health reason, or whom we want to work a little gently about breastfeeding that if they do not breastfeed they cannot turn up. We do not want that to be the case either. Every bit of information should be about growing that capacity.

CHAIR - We might move to Office of the Commissioner for Children before we have a 10-minute break. Minister, I presume that you have other people to come to the table.

Output group 5

Independent Children's Review Services

5.1 Office of the Commissioner for Children -

Mr HALL - Minister, it looks like a flat-line budget going forward.

Ms O'BYRNE - There will be additional funding for the Commissioner for Children. The budget papers do not reflect it but the Commissioner for Children will have a $100 000 addition.

Ms FORREST - For what purpose?

Ms O'BYRNE - For some programs that the Commissioner for Children is running. Also, there is an issue around a salary shortfall for which we assume she was trying to find additional cost savings within her existing budget. It is a more appropriate reflection of the cost of the services. Having said that, the Commissioner for Children will then be responsible for her budget responsibilities entirely. There is not a bailout provision unless she comes to us for a particular program. In 2009-10, the budget was $637 000; in 2010-11, $632 000; in 2011-12, $706 000; and 2012-13 the proposal was $806 000 with the additional $90 000 to $100 000 for the reclassification of some of her staffing responsibilities.

There was a potential shortfall in salaries funding of approximately $100 000 in 2012-13 on the basis of costing salaries at the top of the range. The commissioner has identified further costs associated with the children's visitor program of $23 000 and her office relocation costs of $8 000 but we think that they can be absorbed into the budget if we fix the salaries issue. That has been the problem there.

Mr HALL - My question was going to be: has that office been subject to any savings measures at all? Obviously not, it has gone the other way.

Ms O'BYRNE - Yes.

Mr HALL - How many people are in the office at this stage? What are the staff levels?

Ms O'BYRNE - The staffing of the office includes six staff: the Commissioner for Children; a coordinator of promotions and projects; a senior policy consultant; two policy officers - one of them is a part-time officer; the Ashley Youth Detention Centre Residents Advocate, which is a part-time position; and the Executive Officer.

Mr HALL - Another question is: do we actually need the office?

Ms O'BYRNE - This is one of the issues that does come up. It was also something that we looked at when we received the recommendations from the select committee about extending the powers of the Commissioner for Children. That required us to have a look at what the capacity for the Commissioner for Children was, and what capacity might exist elsewhere. For instance, there was a suggestion that the commissioner should oversee outcomes from the select committee. The Ombudsman has the capacity to investigate that already. It is an historical position in terms of giving a voice for children. I think the conversations that we have had with the commissioner have been about going back and looking at what her current role is and what the role was at inception. It is to be a voice for all children. Historically it has started to narrow to children in care and whilst she has a responsibility in that area, we have had a good conversation with the

commissioner, who is very passionate as well about a public health model, about her role for children across the entire spectrum. The reason for a commissioner for children is to make sure that, when governments make decisions, we are advised about the implications for children. Her primary role is as an advisor to me as minister or to the minister of the day.

Mr HALL - I hear what you are saying, minister, but given the tight budgetary constraints that we have at the moment in this state, it is something you are exploring as to whether that position is needed in the future.

Ms O'BYRNE - I do not think we are in a position to not fund the Office of the Commissioner for Children. I think there are elements of her work that can be done by other areas appropriately that frees up her time -

Mr HALL - Yes.

Ms O'BYRNE - But I think, given community confidence around the issue of children and, given the need for external advice to government on children, the Commissioner for Children's role is important.

Mr HALL - Right, okay.

Ms O'BYRNE - Before we move on, Mr Chair, I wanted to give an additional response on the record to your question about the children in allocated cases. As at 30 September 2010, there were 11; as at 31 December 2010, there were 20; as at 31 March, there were 25; as at 30 June, there were 36; at 30 September 2011, there were 11; as at 31 December 2011, there were 3; as at 31 March 2012, there were 6; and as at 27 May 2012, there were 13. They are points in time so you do see a fluctuation through those. Does that answer it, or do you still want them day by day?

CHAIR - That is fine; that is on *Hansard*, thanks.

Ms O'BYRNE - The average cost of a child in out-of-home care: in 2011, based on an annual out-of-home care cost of $25.3 million, the average cost is $25 300 per child. The expenditure may be greater than that given the fluctuations in the number of children coming into care. They can vary considerably from one end of the spectrum to the other. A child in a relatively stable kinship of foster care placement would have an average cost that is far less than a child in a therapeutic residential care environment. Within categories of out-of-home care average costs also vary. So, the more complex the behaviour of a child, the more costly the placement and support around a foster care placement would be compared with those with lower needs.

Mr WILKINSON - What is the most expensive individual that you are caring for at the moment?

Ms O'BYRNE - I need to be careful about identification, so I will just double-check.

Mr WILKINSON - I don't want any names, I just want the figures, if you can, please.

Ms O'BYRNE - I have to get an actual figure for you for the specific most expensive one. If you have a high-needs teenager with difficult behaviours who may have a disability, who may need a targeted therapeutic program, it could be $100 000 to $200 000. It could include all the

costs that we would have around that. They can be incredibly costly. As to the most expensive at the moment, I could see if we could get that. My only rider will be that if it clearly identifies the child then I might give it in camera.

CHAIR - To wrap this session up, I want to go to Tony because he started to go down a path on children's services earlier and I indicated to him that it was in the children's services area and I did not give him the opportunity to go there.

Mr MULDER - I realise that some of this stuff is a bit complex so feel free to say -

Ms O'BYRNE - Definitely.

Mr MULDER - I will get you the data on that at some other stage but there are a couple of things.

I think, first of all, you deserve a gold medal for the number of reviews, recommendations and reports into your area of responsibility. I think many predate both you and me. I would like to run through some of them. I understand you have about 13 of them with about 600 recommendations sitting out there so I do not expect a detailed analysis of each recommendation.

Ms O'BYRNE - I can give you a nice summary though.

Mr MULDER - You have the 2005 Review of the Tasmanian Family Support Service Systems by KPMG. Last year I think you indicated it was nearly 90 per cent complete. Where are we with it now?

Ms O'BYRNE - KPMG - can I start with a little preface and then give you where we are?

Mr MULDER - Yes.

Ms O'BYRNE - One of the reasons we want to move to the public health whole-of-government model is that what has historically happened, as you are right, over the last seven years is we have had a number of inquiries, including a select committee report and over 600 recommendations have been made. What then seems to have happened is that many of them are the same recommendations, which is one of the reasons it took us a while to determine our response to the select committee. What seems to happen is that we create incredibly involved spreadsheets reporting against how we have gone, each recommendation of each report and each one of those are done separately.

Mr MULDER - Some harmonisation is due.

Ms O'BYRNE - Exactly the reason why we want to move, too. Let's pull together the work that we need to do and progress our assessments against that work need, rather than what we have historically done, with good reason because you do need accountability, which is a tick and flick, and a process report against each of those individual things rather than saying all of these 10 things here are about fixing this one problem, so what are we doing about this one problem. Not what are we doing about 10 individual recommendations.

Of the 429 recommendations that were made prior to the select committee's report, 345 were addressed. Of the 84 outstanding recommendations the majority are from the most recent, so the

2011 Auditor-General's report and the 2010 Be Heard report that the Create Foundation did and the 2010 Mason report. All of those recommendations have been implemented and they are all tracked for implementation, but they get us into a process of simply reporting against reports, rather than asking what it is that we are supposed to be doing, systemically bringing all of these things together.

Of the 176 recommendations to the select committee report: 81 affirmed things that we are currently doing; 54 were accepted and need actioning; 13 were accepted in principle, but we might need to talk to an agency about the implementation of them and it might be that the outcome is the same but the implementation is different; 25 were noted as they contained no specific action, but they were good for information and forming directions; and 3 were not accepted because they were either inconsistent with best practice in child protection or it is simply not feasible to do so.

The way that we want to move is exactly the point that you are making: how do we avoid getting to the point where in another year's time we get another report with another list, and how do we actually start reforming the way we approach children?

Mr MULDER - Perhaps I could couch it a better way. It seems to me that there is a document, I won't call it a report, that harmonises these 13-odd things and then harmonises the recommendations out of those, and it is those that you are happy to report on. We all know that just because a recommendation has been made it is not necessarily accepted, but at least it would be identified as not being accepted and with a reason. Is there a document there which: (a) identifies all the reports; (b) identifies the recommendations from all of those reports, and how they are translated into the new harmonised document; and (c) is there a progress report available against each of those harmonised recommendations?

Ms O'BYRNE - We can give you that, but the final report on the select committee and our response to that, we can give you this little short piece that says these are the numbers that fit in under every previous recommendation. I am happy to table that.

What we have done is to look at all of those recommendations and put them into what they mean. The action there has become continual system reform, which we need to do all the time; building and strengthening relationships - and that is not just with the individuals and their families. It is with the other community sector organisations, the gateways, to ensure that we are getting the strongest environment; improving the legislative framework - and we are doing a review of the legislation to see what is needed; ensuring transparency and accountability because many of our challenges come from people not understanding why decisions were made, how decisions are made, and how they got to the point they are; reforming out-of-home care, that is, the permanency model and the sort of work Mike talked about, about how we might look at different opportunities for placement; and increasing, in particular, education, training and professional development.

They are all consistent with a new national framework for protecting Australia's children. It is about saying instead of having 7, 8 or 15 lists that we are working against and being so concerned about reporting on that, it is staying these things draw together to mean this is what we should be working on and we need to report against that.

Mr MULDER - Minister, you have just identified some areas of work, but you have not listed what that work is. You do not have to give it to me now, but is it possible to produce that in a document that could be tabled with the next week or so?

Ms O'BYRNE - The committee has been provided with a copy of our response to the select committee, which does touch on most of that. Can I make sure that that is distributed?

Mr GRAHAM - Yes, we can do that.

Ms O'BYRNE - Can we table that today for the committee? That covers how you draw the pieces together, but we have done the work on every individual report as well.

Mr MULDER - There are recommendations in there, as we said 600 of them, and I am concerned that some of those don't slip through the cracks in terms of harmonisation, either deliberately or accidentally.

Ms O'BYRNE - Many of them are very similar recommendations as well, but we can table that.

Mr MULDER - Thank you.

Ms O'BYRNE - May I just answer a question on referrals to Youth Justice. There have been 959 distinct young people referred to Youth Justice in 2011-12 year-to-date as at 27 May, with a daily average number of 278 young people. The equivalent year-to-date for 2010-11 was 1 072 distinct clients and 396 of the daily average. They include referrals received from police, they can also be from community conferences and community service undertakings; the courts, including statutory orders, probation, community service, suspended detention, release and adjournment conditions, and secretarial orders such as a supervised release.

The committee suspended from 10.57 a.m. to 11.12 a.m.

DIVISION 1
(Department of Economic Development, Tourism and the Arts)

Output group 2
Sport and Recreation

2.1 Sport and Recreation

CHAIR - Please introduce your advisers.

Ms O'BYRNE - Peter Robinson is a senior adviser responsible for the area of sport and recreation, and many other areas.

Mr WILKINSON - And an elite athlete after the City to Casino run.

Laughter.

Ms O'BYRNE - Liz Jack is Deputy Secretary, Economic Development for Cultural, Recreation and Sport and beside me, sadly, is a Hawthorn fan.

Laughter.

Ms O'BYRNE - It is important to get on *Hansard* that Mr Craig Martin, Director of Sport and Recreation, is grieving today so sympathy in your approaches to him in a soft-measured tone.

Mr MARTIN - We'll be back.

CHAIR - Minister, if there is a short overview we are happy to take that, and then we will have questions.

Ms O'BYRNE - Very briefly, sport and recreation is about community building, it is building health and wellbeing in social capital, and it brings communities together. In the current financial year we will be working to grow and develop sporting opportunities, particularly around our capacity-building work with clubs and organisations. It means ensuring that we have some well planned demand for facilities and spaces, and increasing inclusiveness.

We expect a record number of Tasmanians to compete at the London Olympics, at the elite level obviously, and that can be attributed to the great work of the Tasmanian Institute of Sport and the athletes' families who have supported them for so long. We do have some quality coaching and top-level sports performance. While we are very proud of that elite level, it only comes because we drive grassroot participation and engagement in sport.

We are trying to foster those natural links that sit between my portfolio of health and the portfolio of children. We are having some really good progressive work with education around their responsibility in the area of sport and recreation and they have engaged with us extremely well, so we are very pleased with that.

We have provided for organisations and clubs a strategic planning toolkit and some planning process advice to assist them with managing their risk management framework, we are developing and implementing an Ethics in Tasmanian Sport framework, and we are implementing the Tasmanian Sport and Recreation framework for people with a disability, to ensure that everyone has the opportunity to participate.

As an aside, if the participation in sport and recreation were costed, it would actually save $60 million on the health budget, with people having good, strong, healthy and active lives.

That is my very brief introduction to the value of sport and recreation.

Mr WILKINSON - In relation to the saving strategy, are you making any savings, or has sport and recreation been asked to cut the budget as a result of the problems we are experiencing at the moment?

[11.15 a.m.]

Ms O'BYRNE - We have had an impact across all our agencies. We were required to deliver strategies and savings for 2011-12 to the value of $309 000, and that was going to increase over the years to $448 000 in 2014-15. We approved seven saving strategies around the funding of the Launceston pedestrian cycle bridge and people will remember that council were not able to do

their contribution nor did the federal contribution come through in the end, I think, so it was a saving that was reasonably easy to achieve. There were the operations budget of PPAC around Sport and Recreation Tasmania grants and sport and rec Tasmania funding for AFL Tas and facilities in environment planning, the Tasmanian sports award and in corporate services savings, so we found our 2011-12 savings of $309 00 through that.

Mr WILKINSON - And 2012-13?

Ms O'BYRNE - In 2012-13 we are required to meet those additional saving increases of $309 000 in 2012-13, and we are working through the saving strategies to meet that now.

Mr WILKINSON - How do you envisage doing that?

Ms O'BYRNE - We are looking particularly at areas such as some staffing opportunities that might occur through natural attrition but it will depend on where that natural attrition occurs. There are some roles that we could probably manage but there are some that we would not be able to, and some further savings in corporate services costs. We are hoping not to make adjustments to the grants program but that would be the only other option should we not find them in corporate savings.

Mr WILKINSON - In relation to your FTEs, how many have you in the area now? You are saying you are hoping to find some savings amongst the FTEs, so what would that be?

Ms O'BYRNE - As at 30 April 2012, we had a total of 68 staff equating to 52.93 FTEs; 26 staff or 25.08 were in the north; 3 or 2.4 in the north-west; and 39 or 25.45 in the southern region. That is in fact two more staff than we had at 31 May 2011 and slightly more in the FTEs as well.

Mr MARTIN - We had more FTEs.

Mr WILKINSON - As I understand it, you are looking at making savings as a result of your FTEs. It would seem that you would have to be asking a couple to leave or looking at ways of asking them to see the door.

Ms O'BYRNE - We will be looking at savings we can make in the corporate overhead area. At this stage we would be looking to assess any position that came up as part of natural attrition, so someone leaving of their own accord. We have the number of people we need currently to do the work. Most of them work extremely hard and I am not sure where an easy opportunity might be to identify a person but I will ask Mr Martin to address that.

Mr MARTIN - We have commenced a process to find those savings. We have engaged the managers within sport and rec. We have asked them to sit down and have a look at their budgets. There are some vacant positions within Sport and Recreation Tasmania that we will have to have a serious look at in terms of whether we keep those positions. We are going to have to exercise pretty stringent vacancy control, too. Whenever a position comes up we will need to have a good, long, hard look see whether that position is necessary into the future. My absolute preference is not to have people who are currently in substantive positions leave the organisation. It is my absolute preference to try to avoid that. As the minister says, we have outstanding staff in sport and rec and they are doing a really good job. I am very determined to hang onto those who are in substantive positions, for sure.

Mr WILKINSON - I am not questioning that they are doing a job. Do you have any KPIs to see how they are performing and, if so, can you give us those, please?

Ms O'BYRNE - We assess that the two KPIs we assessed against primarily are the number of participation opportunities which are facilitated through our grants and facilities programs. In 2009-10, there were 302 975. In 2010-11, 323 700. The 2011-12 target was $262 000, the target again for 2012-13 will be $262 000. The total investment in sport and recreation infrastructure is also assessed. It was $11.4 million in 2009-10, $13.6 million in 2010-11, $6.3 million in 2011-12, and will be $6.1 million in 2012-13.

Part of that decrease is because we had the additional $2 million that we talked about last budget or the budget before for the bikes and trailways strategy. That has been good because it has engaged strongly with councils which are partner funders in all of that and much of that work will continue outside of state government investment for a while. It is one of the things that we would want to consider should the funding opportunities arise again.

Mr WILKINSON - It seems to me that it is getting tougher and tougher to involve kids in sport. You hear time and time again of them sitting in front of computers playing games and they sit in front of the television. What initiatives have you in place to get them out and about? My view was always that it should have been in the schools. Quite some time ago it was taken away from the schools into clubs. What is the situation with that? How are you trying to overcome that?

Ms O'BYRNE - In November last year, we commenced a partnership with the Department of Education and also with PPAC - the Premier's Physical Activity Council - to develop a strategy in schools because I think that you are quite right. Historically, sport and recreation opportunities were provided in school, everyone did Wednesday afternoon sports, Saturday sports and they were run by teachers and it gave a lot of opportunities for people.

Mr WILKINSON - It changed in 1991.

Ms O'BYRNE - With the move away from those being provided in schools many clubs and organisations stepped up really well to the plate and have done some incredibly good engagements. Some of them differ from region to region in the opportunities and their partnerships with schools and that has been a problem.

The other thing is that many of the outside-of-school activities require your family to make an investment of money, time or infrastructure, in a sense. If you have to get somewhere for Saturday morning sport then you need a mum or dad who are going to take you there, or can afford to buy the boots or whatever might be the challenge that gets you there. We have been quite concerned about that and we have spoken with education.

The purpose of this strategy is to give us a coordinated, statewide approach to ensure the kids have access to sport, physical activity and recreation as part of the school experience. By that we do not just mean, what has happened on occasion where the schools say, 'Yes, we are absolutely putting it into our component; we are requiring the children walk around the oval five times every day'. That is great; it does get children walking around the oval five times a day but what we know is that what children learn from sporting activities and particularly team sporting activities are those life lessons that engage them further on. So not only are they better performers in school because they have been doing exercise and that has been great for their physical and

mental wellbeing, but they also learn about teamwork, responsibility, about having to show up, about if it does not work and you lose that you can turn up the next day and do it again. They are life lessons that are really well taught through sport and organised sport.

We do have a growth of people being involved in nonorganised sports, such as walking, individual riding and that sort of work, so we need to offer those participation opportunities as well. We had a forum last November to work through that. There are some really good programs that some schools are running that we think we should be able to mirror through other schools. Triabunna is running a program called Living and Learning on the Coast. That is a holistic approach to wellbeing of students and that includes active after-school communities, daily physical education for primary pupils in addition to their normal physical education lessons, and participation in some other activities such as, I think they signed up to Jump Rope for Heart and a number of those things.

They have engaged members of their broader school community to be part of that so that it is not just something that happens during the nine-to-three time of school. There was a collaboration with Surf Life Saving Tasmania called the Explore the Coast program which was introduced. That was particularly for secondary students to learn about and participate in a whole lot of marine and aquatic activities. Rose Bay High School has done some great stuff where they have made the decision to employ a number of PE teachers, not just one, to make sure the opportunities are there.

Mr WILKINSON - Is this all under the initiative of the Sport, Recreation and Physical Activity and Schools Strategy that you speak about, or is this devoid of that?

Ms O'BYRNE - Yes, this is part of that strategy. The thing that came out of the forum for me is that it was not that Triabunna and Rose Bay were doing the most amazing and exciting things, it was the fact that they could do them. Every school should be doing that and therefore we should be looking at what we can be offering to provide opportunities in addition to that. That was the real point about how you create that engagement in every school.

It should not just be because you have a principal and a PE teacher who are on side; it actually needs to be part of the whole culture of education and engagement. That is why we have sat down with them because, like you, school is a captive audience.

Mr MARTIN - The education department has been absolutely fantastic. There has been some great leadership on this from Colin Pettit, the secretary and Liz Banks, the deputy secretary. It is a bit of a case here of the planets aligning to a degree because the development of this strategy will also coincide with the introduction of a new national health and physical education curriculum for Australia that will be ticked off on this year. It will be trialled in 2013 and will be introduced nationally in 2014. You have that going on and you also have a national sport in education strategy being developed at the moment by the Australian Sports Commission.

Ms O'BYRNE - Which has really come out of the Crawford report, an independent review of Australian sport and I think we talked about that last time. That absolutely highlighted the need for connectivity with education to get engagement across the community.

Mr MARTIN - There was a whole chapter devoted in the Crawford report to, as you pointed out before, Mr Wilkinson, the disappearance of sport out of the school system. There is certainly a lot happening in this space at the state level and at the national level as well.

Mr WILKINSON - I take it then there is a hope that now there is going to be more of a focus on sport and physical education in the schools than there has been in the past?

Mr MARTIN - No question about that.

Ms O'BYRNE - It is certainly what we are hoping to achieve and the Department of Education has been very positive about that as well.

Mr WILKINSON - The other offshoot to that is obesity, isn't it, and what is happening -

CHAIR - Just before you go on, I think Rob was on that theme.

Mr VALENTINE - It was actually about expedition skills, so it is probably not 100 per cent on it.

Mr WILKINSON - It seems to fit in also with obesity and the problems that we are having with obesity at the moment. What is happening surrounding that?

Ms O'BYRNE – There has been a lot of work and the thing to recognise is that obesity is about whole-of-body wellbeing; it is not just a lack of exercise on its own, it is not just a lack of engagement in sport and recreation. We are very conscious when people discuss obesity to talk about wellbeing because there is an image that if you are thin you are healthy, and the reality is that there is a lot of evidence to suggest that you can be thin and quite unhealthy, and that you can be of larger frame and quite healthy.

Obesity is a very emotive term. However, we do have significant challenges with obesity overall. That is about the whole health and wellbeing engagement, and sport and recreation is part of that, and our work with PPAC is part of that. Also, the work within the Department of Health we are doing with the wellbeing advisory body is around that as well.

Mr WILKINSON - Is that part of the education process as well within the Department of Education, eating properly, eating healthily -

Ms O'BYRNE - Education has been quite focused. That is the process they are doing. It is not my portfolio but the healthy canteen work, the work that we are doing with Move Well Eat Well - all of that is non-intrusive and supportive for school environments. Many schools are running health and wellbeing and dietary issues as part of their curriculum explanations now. We particularly need to do that in primary school so that we get those behaviours right then, but all the way through the school system. When you get Mr McKim he can probably give you some data on the work they have done on the Move Well Eat Well in Schools and the canteen, healthy kids - I cannot remember the phrase that they have for canteens.

Mr WILKINSON - The National Heart Foundation has been endeavouring to get something up and running with the government, I understand, at the moment in relation to health activities; is that correct?

Ms FORREST - Health In All Policies platform?

Mr WILKINSON - That's right, yes.

Ms O'BYRNE - The wellbeing advisory body that we have set up - I am sure the Heart Foundation is on that - is about recognising the same thing. For Health In All Policies there is the South Australian model whereby you have almost a quadruple bottom line in every decision the government makes to say what the health implication of this is. What we have decided to do is formalise the wellbeing advisory body to make recommendations on where we might make our spend and where we might track the value of that spend, and that is including Menzies at the table to ensure that anything that we do puts that quantitative data around it as well, so we can see that if we make this spend here this is the outcome that you get. Health In All Policies is a positive initiative.

The challenge we have is that if you continue to make this a matter of health, you automatically preclude the other engagements, because it is not just a health issue; it is an economic issue and it is a social issue, and it is an education issue. We want to have everyone to the table, which is why we have used the word 'wellbeing' rather than 'health', because there is an assumption that if you feel healthy you do not need to do things. In reality you probably still do because you might be healthy but still need to do the levels of exercise prescribed.

Mr WILKINSON - Is there going to be any impact on planning as well to include, say, bikeways, stairs, parks, et cetera?

Ms O'BYRNE - PPAC did quite a lot of good work around Healthy by Design and that is informing a number of planning decisions around where you put pathways, making sure the pathways are wide enough for a double pram to get down, how you make sure you get connectivity from the community to a bus stop so that people are walking more often. We have also done a fair bit of engagement around where bike tracks might need to go. What was the other element of PPAC - Healthy by Design?

Mr MARTIN - Yes, Healthy by Design, that's right. That is the guide for urban planners. We have also put together an open space policy and planning framework. It is a similar type of message to Healthy by Design. Again, that is for councils and planners to ensure that there is a significant amount of open space and recreation facilities that are factored into planning schemes. We have been quite successful in having our views incorporated into the draft regional planning schemes that are being rolled out. That is another important focus area as well because people need places and spaces to be physically active and to exercise. One of the things I have learned very quickly in this role, a bit like that line out of that Kevin Costner film, Field of Dreams, build it and they will come. If you build good quality sport and recreation infrastructure, people will use it; there is no question about it.

Ms O'BYRNE - The other element, of course, is the work with partners, with Medibank, on active towns. That is about recognising that communities can make other investments as well and highlighting community programs, providing a competitive environment for them to be rewarded for those things. Some of the winners for that have not necessarily been about sport but have that wellbeing outcome. We had a doctor in Longford who was prescribing exercise; on the prescription it would say you might need to take these tablets but it would also say you must walk for 45 minutes on Monday, Wednesday, Friday and Sunday. That was actually on the prescription and they found they got a much bigger take up from community because it was not just advising you should exercise more, it was 'I am your doctor and I am telling you to do these things now'.

Much of the Medibank active towns programs have been about how you make it easier for people to engage in sport -

Mr WILKINSON - Can I ask about that? It would be ideal, and you might have it up already, but if, say, Jim Wilkinson, Tom Wise said we want to get healthy; we haven't done anything for a while; what do we do; is there a hotline you can ring up?

Ms O'BYRNE - There are a number of things. We fund through health, a healthy coaching line, which has had some criticism because it is an expensive model, but it is a model that is specifically targeted to people who are not going to turn up at the gym when their doctor tells them they need to exercise more. They are not going to do something without a lot of personalised support. We can probably talk about that when we get into health because it is under population health and I am sure you will have some questions within that.

We have some and we advertise those and particularly targeted programs around that. The Sport and Recreation website gives access for people to understand when things might be occurring, the PPAC website. There is ability for those people who want to do lots of running these days. There is the ability to get online as well, through PPAC, and find out when a lot of the fun runs are going to be held because that is an increasing level of engagement. If you look at the difference, even with the City to Casino Fun Run it started off with a couple of hundred and now, how many Peter?

Mr ROBINSON - About 3 500.

Ms O'BYRNE - The Launceston one is getting a lot and is expecting fantastic numbers. In fact, the one in Launceston next month has just been awarded the national 10 km road race challenge, the first one ever, because of the quality of the run.

Mr WILKINSON - Is that the one on 17 June?

Ms O'BYRNE - I believe it is booked in for the 17 June. The Burnie Ten is having significant input. It is not just the 10 km races; it is the 5 km races that the communities are doing. The Heart Foundation runs a 5 km race. We produce booklets as well, that we hand out to community organisations, called *What's Happening* and that might include everything from barefoot bowls at the West Launceston Bowls Club to a significant hike or walk that people can participate in.

Mr MARTIN - They are targeted for older Tasmanians.

Mr WILKINSON [laughing] - We are not there yet.

Can I target, if I can, I know it is time for a bit of restraint, Hawthorn footy club. There has been often -

Ms O'BYRNE - Are you just having another go at Craig?

Mr WILKINSON - No. Some people argue that the government funds it to a certain amount and the comment is, 'It's getting us a lot of money not only through people through the gates but also through tourism and getting people from interstate and then to have your holidays after that'.

Have you some figures on that, please, so people can understand what is involved and how much return the state is getting?

Ms O'BYRNE - We have just entered our second of another five-year agreement with them from 2012 to 2016. It is very much based on the economic impacts for the community, but also the social and community aspects that we get as a result of it. Independent advice on the economic impact of the games from PricewaterhouseCoopers and Rubicon International, which cover the benchmarking of sponsorship awareness, media value and other branding indexes provided information to better understand the 2007 to 2011 agreement. The outcome of this analysis says that on average a total direct net value of $15 million is provided to the state's economy and that over the five-year period has created in excess of 400 full-time equivalent jobs - 401 if you count Mr Murphy from Southern Cross who commentates at some of the functions for the Hawks.

Under the 2016 contracts we get a number of things around significant signage and opportunities for marketing, promotional opportunities at the home games, seven at the MCG and four at Aurora. Direct communication to the Hawthorn Football Club's 50 000-plus members - and can I point out that is not as many as Collingwood, but that is just for noting.

Laughter.

Ms O'BYRNE - They have been to the Tasmanian game of the year, which is an event that we use to build a marketing opportunity. It is the most subscribed game of the year that they have at the MCG. In fact, when it was against Collingwood, Jeff Kennett made the comment that they had beaten the previous record of people in the room by one and they had in fact done that by beating Collingwood's previous record at which point Mr Maguire and his wife got up to leave.

Laughter.

Ms O'BYRNE - We get a lot of player appearances for promotional purposes and national media exposure, which is the economic side of it that people clearly see. The other side that we get that is of incredible value for Tasmania is the promotion of the Get Moving program. They support a number of charitable groups. The Hawks in Schools program distributes sporting equipment to primary schools and supports the high schools and netball and football competitions. We get a lot of capacity-building work with presentations to sporting organisations on clubs organisation and management and two Sports Ability days, which are targeted for over 80 people with a disability. They work with Sport and Rec for forums in Hobart, Launceston and Burnie on advice around business management for sporting organisations and how they provide more sustainable services, so you are not just running a club program this year and not the next, which is often the reason you cannot get people to front up again.

The AFL Community Camp that goes around the state. The Hawks Express Us, which goes to schools, community groups and various events and the High Marks program, which gives opportunities for local kids to go to Waverley Park and participate in their programs.

Mr WILKINSON - They also help with children at risk, don't they?

Ms O'BYRNE - We do. The other engagements include having the players out at Ashley. We have looked at some specific award programs and one of the things that we are interested in is an AFL model whereby kids who are identified as at-risk kids, if they behave in a certain way -

this is actually an indigenous program that the AFL Indigenous Program runs - are rewarded with a Skype opportunity with their favourite player. We have talked about how we might use that not just at Ashley but for kids who are identifying that we might need that additional engagement with.

One of the really good services that they run is that they often talk, when they go to clubs, to young kids about life balance because kids are trying to manage school and school is becoming a far more demanding environment for many kids. Often they have a part-time job and they are playing sport and we get to an age around about 16 or 17 where kids drop out because there is just too much to do, so they do talk about life balance. I would love to find that point of balance myself. I think it is possibly mythical but it is about getting kids to understand how they make things work and move through. It has been a really positive environment and engagement.

Mr WILKINSON - Is the same thing going to apply with the Kangaroos?

Ms O'BYRNE - That is a slightly different deal in that their sponsorship is with the TT-Line. When we spoke to North Melbourne in our conversations with them, they have been impressed with the model of community engagement that the Hawks have built, primarily because if you engage at that level what you clearly get is a growth in membership and engagement and connectivity with community.

We would be expecting to see, as they role out their engagements, similar sorts of community engagements because that is the model that works. When we had teams that flew in and flew out it did not make a lot of difference to our broader community.

Mr WILKINSON - The other success story is elite athletes, which is a different side of the fence.

Ms O'BYRNE - Do you want an update of where we are?

Mr WILKINSON - Yes, thanks. How many Olympians are there at present? And is there still a position for a couple?

Ms O'BYRNE – Yes, they are waiting to call you!

There are three who have currently been endorsed by the Australian Olympic Committee. They are absolutes and are going to the Games as members of the Australian Olympic team - Luke Jackson and Jackson Woods in boxing, and Amy Cure in track cycling. We have nine TIS athletes in the sport of rowing who have been nominated for Olympic team selection - Sam Beltz, Anthony Edwards, Scott Brennan. I do not like Scott Brennan: he is perfect; he is a charmingly lovely human being who wins gold medals, and has a degree, and makes it all works. I am so jealous of him.

Mr WILKINSON - Are you going to send him the *Hansard* of this?

Ms O'BYRNE - Do that. I told him I would like it if he was not such a nice person because at least you could say, 'Shocking bloke', but you cannot because he is genuinely lovely.

Ms FORREST - I am sure that applies to most of the athletes.

Ms O'BYRNE - Kate Hornsey, Kerry Hore, Dana Faletic, Tom Gibson, and we also have two joint TIS people with WA - they have been doing a lot of training down here and we talked with them when they were down here recently - Todd Skipworth and Ben Cureton.

Mr WILKINSON - There are a couple who have gone to Western Australia over the weekend for some more trials - Mike Egan is one of them.

Ms O'BYRNE - We also have Blair Tunevitsch and Alister Foot, who are expected to be named as reserves. There are two athletes in road cycling - Matt Goss and Richie Porte - who are in the final stage of the selection process. Matt Goss has already achieved his automatic qualification standard but I think he has to be formally notified that he is in the team. The other athletes who are still in the last phase of their respective selections are Eddie Ockenden, Tim Deavin and Luke Doerner in hockey; Adam Gibson and Hugh Greewood in basketball; Jenna Myers in weight lifting; Tristan Thomas in athletics - I think he performed pretty well at the titles last week. Rowena Fry - there is a lot of media saying Rowena has missed her opportunity, but she still has a chance to be there. It is a slimmer chance than it was, which is a shame because she has worked incredibly hard these last few years. Two athletes have been named by the Australian Paralympics team to compete in London - Mathew Bugg in sailing and Todd Hodgetts in athletics. We also have a number of officials who have been engaged - nine Tasmanian officials who will be travelling with the team as well.

Mr WILKINSON - Expected participants in the games themselves are how many?

Ms O'BYRNE - If all the stars line up and they all did everything they needed to do on the right day - 20.

Mr WILKINSON - Compared to the record up until this games.

Ms O'BYRNE - 14 Olympians and one paralympian in Beijing. It was about 12 the time before that. It is a growth.

Mr WILKINSON - When you look at rowing, Tassie has done rowing extremely well for many years now. That is a result of the programs that are in place, and the coaches we have had. Cycling has been extremely good as well. They are the two sports over the years that have done extremely well. Are we able to apply their programs to other sports?

Ms O'BYRNE - Not every state runs a program for every single sport. They will do the initial work, but there are states that are particularly good in some areas and they tend to focus on those. Cycling, hockey and rowing have been some of our big areas. They are all areas that have been quite good. But would you necessarily run a complete program in every jurisdiction? Possibly not. We do not have the numbers to necessarily run a gymnastics program. That is run in Canberra and WA. Specialisations tend to develop. It was an issue for the Australian Institute for Sport because they decided to build a competitive swimming training program in Canberra, but most of our swimmers come from Queensland, and not many of them wanted to go to Canberra. They preferred to train in their local pool than go to Canberra. You do tend to find that places start to specialise in certain areas, although we offer opportunities across the whole range.

Mr WILKINSON - These people can go to Canberra if they want to swim, or Western Australia if they want to play hockey, or to NSW or Victoria for athletics - like Tristan Thomas.

Why is it that Tasmanians are doing that? We are doing extremely well at the elite level in rowing. Rowing especially - let's take rowing, because of the numbers you have just described.

Ms O'BYRNE - In terms of our scholarship programs we offer a much broader range than just those that have got to that elite development.

Mr WILKINSON - I understand that. But when you look at the elite and you are looking at KPIs and saying, 'Look, this lot as a result of the input that we've put in, together with their own talent, has led them to the Olympics', are we able to do it with another sport?

Mr MARTIN - We are seeing the results of an extremely well run Institute of Sport with Liz Jack before, and Paul Austen now. They have a very strong pursuit of excellence and they have created very good daily training environments for the athletes. They have excellent coaches, as well as good strength and conditioning training, and sport science facilities. They also have athlete career and education programs. They are able to do a lot of their development here in Tasmania - in their home state. It is very important for athletes to be close to family and friends, and people they are familiar with. Liz may want to comment on this. If you can undertake this high level of training and development in a daily training environment, it invariably leads to success.

Ms O'BYRNE - Also, the national body funds particular programs in some areas. For instance, we had the cycling program funded here and then they decided to fund it in South Australia - Cycling Australia. The funding that comes through national sporting bodies, that is targeted to particular communities, but as the only Olympian at the table -

Ms JACK - That I am aware of.

Ms FORREST - And likely to be, I would suggest.

Ms O'BYRNE - Although Robbo did a great job.

Ms FORREST - He could be in the next marathon. He could be the next de Castella.

Ms JACK - That is quite all right. When we look at rowing, you have to remember that the rowing team is quite large. The fact that we do have a lot of rowers from here is because we have, not just great coaching and great support through the institute, but a fantastic environment. If you look at other sports, we don't always have the infrastructure and environment to support those athletes here. If you look at boxing - with the two boxers we have on the Olympic program this time - and some of our previous results in boxing, it is another sport that, regardless of whether you like it or not, we tend to have reasonable results because we have the facilities they need and we have decent coaching.

The TIS made the decision a long time ago, as one board member said, not to spread the jam on the bread too thin. If the institute were to try to run other programs to the extent that we do with hockey, cycling and rowing - which are our big three - we would not have the resources and ability to impact as much as we do now. Part of it is about being focused and understanding where you get the biggest bang for your buck. We have athletes who run through a fantastic school program here in rowing, particularly through the private school system, so we have a ready crop to take on board.

Athletics is a sport where, as much as we have tried over the years, it is not somewhere we are going to spend a lot of money when we know there are other programs interstate, for example in New South Wales, where people like Tristan can go to train. They still maintain their links with their home state, but if they can get the infrastructure, coaching and support somewhere else as part of the national program, then we encourage it.

Ms O'BYRNE - We still have an athletics coach at the TIS, who does a great job, and in fact we have five of our juniors heading off to Barcelona this year in athletics, which is quite a high number. The other thing is you might see natural variances in that too. I wanted to put in a plug for our five juniors.

Ms JACK - Tasmania has always produced fantastic athletes at a junior level, but aside from the odd athlete, like the Susan Andrews and the Gail Lukes, most of them had to leave the state to progress.

Mr MARTIN - Current head of the Australian Sports Commission, Simon Hollingsworth.

Ms O'BYRNE - Yes, and the Chair of the Australian Sports Commission is Warwick Smith, so we have the numbers at the sports commission at the moment.

Mr WILKINSON - Just finally, because I know time is not on our side, but you were saying the facilities you have out at the Techno Park are as good as any around. Is that right? In relation to the testing for elite athletes?

Ms O'BYRNE - Also in Launceston.

Ms JACK - For testing and strength training, the facilities are fantastic. There will always be something more that can be done because sport, like any other industry, does not stand still and elite sport in particular, so there will be coaches and scientists looking for ways to improve the support that they give to athletes, such as the goggles that you wear for training in rowing so that you can see yourself rowing while you are competing. You have real time results going from an athlete in Hobart to a coach in Spain if you want it where it is all being done, and with the NBN coming in who knows what will occur.

Mr MARTIN - It is interesting you talk about that facility at the Technopark. We received feedback from crews that won gold medals at the World Rowing Championships that that facility had played a big part in helping them win those medals. It has been a pretty exciting initiative.

Ms O'BYRNE - I think a lot of our sports are focused on that. Tasmania 10 or 15 years ago had more competition-standard hockey fields than England. Sports lottery has changed that but that was at that point where we had more competition in Tasmania than a nation did, and that obviously makes a difference when people get that quality.

Mr VALENTINE - Minister, many years ago there used to be a competency-based program for training bush and mountain walking leadership people. I wonder whether anything like that happens today, or whether it is more in the education portfolio in schools?

Ms O'BYRNE - You can do courses through the polytech for outdoor guiding and outdoor recreational programs.

Mr MARTIN - We have outdoor recreation adventure activities -

Ms O'BYRNE - Craig mentioned there is actually a framework.

Mr MARTIN - Yes, it was a number of years ago. Sport and rec developed some outdoor recreation adventure activity standards. They list the standards that people need to have in order to carry out those sorts of activities and you are probably aware, too, Mr Valentine, we also run the Wilderness Program as well. The Wilderness Program was formerly known as Project Hahn.

Mr VALENTINE - Is that still going?

Mr MARTIN - That is still going, yes.

Mr VALENTINE - I was just interested because we have a heck of a lot of wilderness and many people going out there. It is pretty important to ensure that those who do, do it competently.

Ms O'BYRNE - Tourism has been about good training for their guides and they were working quite closely with the Polytech when I was back there to ensure that they were getting the quality graduates out of those courses that they needed because our guiding is of such a high standard now. Individuals also need to have a little bit of awareness and knowledge and schools do still do a lot of outdoor education work in that space.

Mr VALENTINE - I am aware that there is a heck of a lot of money spent rescuing people out in our wilderness, and the more we can get the knowledge levels up the better off we are as a state.

Ms O'BYRNE - Bear in mind, though, that some we rescue are incredibly competent walkers who have got into circumstances beyond their control. I recall a media piece a few years back, though, and a young journalist was talking about how they had gone to Cradle Mountain. The Parks and Wildlife officer had said, 'Don't go up there today. You do not have the right shoes on, you do not have the right protective clothing. Don't do it', and the story was told of how they did it anyway and what a lovely time they had. We encourage everyone to always listen to the advice of Parks and Wildlife officers about when it is safe to walk. That was certainly a concern that I had at the time. They then talked about the terrible weather that they encountered but that they were still okay.

Mr VALENTINE - It is a course I did many years ago and it was very worthwhile.

Ms O'BYRNE - Who did you do the course through, just out of interest?

Mr VALENTINE - It was through sport and rec. It was back in the early 1980s and it was really good. It was an opportunity for people who are leading groups of children through the wilderness and those sorts of things. I just wondered whether that was still running. It is probably covered by the education department.

CHAIR - Minister, I want to inquire as to any proposed changes to the grants process operating under this line item for the coming year as compared to maybe the last couple of years.

Ms O'BYRNE - We have some grants that are absolutely fixed that are based on the community support levy - so there is no flexibility around those. There is a grants program that

we offer to clubs and organisations. We are hoping not to make any changes to that other than the normal assessments that people would go through ensuring that they are meeting the requirements for numbers. For instance, there were changes in the numbers of grants we gave last year but they were to do with participation rates and organisation capacity.

Mr MARTIN - The minister has referred to the state grants program which is money that comes out of the consolidated fund for the state sporting organisations to help them build their capacity - that is, to make sure that their officials and their coaches are trained, that their clubs and affiliate clubs have good governance structures and good strategic planning processes.

There was an increase in the state's grants program three years ago. We received a $300 000 increase. As the minister said, we will make every endeavour not to make any changes to that but it is a bit early to be saying whether savings will be made with that program.

CHAIR - Capital works projects under the grants process; are there any major changes there?

Ms O'BYRNE - No, because they are the minor and major grants which are under the community support levy so there is a fixed funding that we get. I think there was about $800 000 -

Mr MARTIN - About $820 000.

Ms O'BYRNE - Yes.

CHAIR - You mentioned earlier, minister, in your introduction, some of your funding streams and one in particular is your funding to AFL Tasmania. Has there been a change in the last 12 months? Is there a projected change for this coming year and the out years?

Ms O'BYRNE - Over the next five years, AFL Tas will get $2.5 million to grow AFL in Tasmania. That is for their participation rates' growth; for support to clubs and associations; for safe sporting environments including actively promoting Play By The Rules; for umpire coaching and development; for development of officials, including the state league general managers; for further growing and developing women's football in the state; for improved quality of club environments through the Quality Club Program and supporting TFL league clubs to provide leadership to clubs within their communities; a review of the governance of football in Tasmania including a review or action if necessary, to constitution by laws policies and procedures; initiation development programs to improve leadership; and development of education courses.

They have implemented a number of those. The funding is administered by AFL Tas through a grant deed with Sport and Rec.

CHAIR - So the $2.5 million over the next five years - is that a flat $0.5 million per year?

Ms O'BYRNE - Yes.

CHAIR - What measures do you have in place to gauge the success of your outlays? You have mentioned a number of programs.

Ms O'BYRNE - They are required to report against all of those. In the grant deed there is an assessment to ensure that they are meeting a number of KPIs including the coaching accreditation,

how many level 1 courses they provide, the level 2 courses they provide, the coaching requirement and the specific coaching programs. We have put in the grant deed that in each of the areas they have to meet certain KPIs in order to meet their funding and we are assessing that with them all the time, because it is a significant investment.

CHAIR - Do I take it, then, that there is no direct funding to any regional lead organisation such as the NTFA, the NTFL -

Ms O'BYRNE - No, that all goes through AFL Tas.

CHAIR - It all goes through AFL Tas and then they decide who gets what?

Ms O'BYRNE - Yes and no.

Mr MARTIN - The money is provided to AFL Tasmania for the programs that they run and they are responsible for delivering on a set of quite detailed KPIs, as the minister has just indicated. There will be a requirement for AFL Tasmania to submit an account of how they are going with their KPIs at the end of July. The first major one will be at the end of July 2012.

CHAIR - Further to that, are you aware of whether AFL Tasmania actually streams specific funding to the major regional bodies and, if so, how is that measured and how do they make their decisions?

[12.00 p.m.]

Mr MARTIN - AFL Tasmania does not direct funding to the regional bodies. The funding is used to employ people to run their programs, to run their coach development programs, their umpire development programs and that is across all the regional leagues in the state. The money goes to AFL Tasmania to deliver on those outcomes that the minister has just outlined, it encompasses the whole. They need to be providing those coaching courses, umpiring courses all across the state. Each region does not get a specific share of the pie, no.

Mr HALL - Is it not so that AFL Tasmania has just cut some of their services and part of their entities?

Mr MARTIN - I understand that to be the case. There was a media announcement not long ago that the CEO of AFL Tasmania, Mr Scott Wade, announced that the gentleman who was looking after the sponsorship at AFL Tasmania, Mr Trent Bartlett, had left the organisation. I understand that another, less senior position at the organisation has gone as well.

Ms O'BYRNE - We still expect them to deliver on the KPIs and everything that is in our grant deed. They can make other changes; we are not their only funding source. But they still need to deliver on the grant deed that we signed with them.

Mr MARTIN - That is exactly right.

CHAIR - Is the grant deed a document which you are in a position to table?

Ms O'BYRNE - Sure, I can just take some advice on that and I am happy to table it if there is no problem with doing so. I would need to talk to AFL Tasmania beforehand as a courtesy. We

will seek some advice and, unless there is a reason not to, I am very happy to table it, or at least table the elements of KPIs.

Ms JACK - Minister, I was going to suggest that might be easier to provide the KPIs but we can take advice either way. If the entire grant deed cannot be provided certainly the KPIs can.

CHAIR - Any further questions sport and rec?

Ms O'BYRNE - Come on.

Mr MULDER - We could think of some.

Ms O'BYRNE - I was excited when I saw that you had set aside such a long time for Sport and Recreation, yes, finally it is getting the pre-eminence that it needs.

CHAIR - Of course it is deemed as pre-eminent but we have decided that there are other areas that deserve more.

Ms O'BYRNE - Indeed, if members do at any stage have any issues then we are very keen to conduct tours of the institutes and briefings on the grants programs and they would be able to use that in their own communities as well.

The committee suspended from 12.03 p.m. to 12.09 p.m.

DIVISION 4
(Department of Health and Human Services)

CHAIR - The hearing is reconvened. We have a quorum now.

Ms O'BYRNE - I seek, in response to a question from Mr Mulder, to table the Sharing Responsibility for Our Children, Young People and Their Families: Government Embracing Change in Response to the Select Committee on Child Protection Final Report 2011.

CHAIR - Yes, thanks. As usual, a short overview then we will make an explanation of where we think all of this process goes for today.

Ms O'BYRNE - I will try not to spend too long on the overview. We are going through major organisational change in DHHS. They are partly in response to the budget saving strategies that we have had to deliver on, which have been very difficult for everyone, but also in response to national reforms. We need to ensure sustainability and we need to make sure we are funding and measuring the performance of our health system in a standardised way so that patients and clients know what services they are receiving and how efficiently and effectively those services are being delivered.

Challenges we have in health are known to everyone at the table. It is an ageing population and increasing chronic disease; increasing health inflation currently running at over 6 per cent per annum, although it has run at 9 per cent per annum in the past; an ageing health workforce; and difficulties in recruitment and retention of staff particularly in the regional areas and increasing

demand. We still provide an excellent healthcare system in Tasmania despite the challenges that we have and it is because we have good people who do good things. We are coping with increasing demand although it is a challenge that every jurisdiction is attempting to manage. Weighted separations at our hospitals have increased steadily over the last three years and there has been an increase in the number of attendance to EDs between 2007-08 and 2009-10. Since then the numbers tend to have remained reasonably stable in ED presentations.

At the same time over a four-year period, we have seen an increase in the numbers of staff. We have 111 more doctors, 88 more allied health professionals, and 93 more nursing positions. In elective surgery, admissions have increased when they remained high in our public hospitals. We have put a lot of effort into treating more patients who have significantly complex needs. All areas of the department are undergoing major reform. We have been improving the delivery of health services since 2008 and preparing Tasmania's health service for local management well in advance of the national health reform. Our three area health services predate the work that the national government has done in local decision-making and control.

We have been focusing on health and wellbeing and not just on illness because we do need to spend time in the preventative space. We have driven the nation's most far-reaching tobacco reforms. We have backed national approaches to food labelling and safety and, in fact, led many of the debates around food labelling. Our children services reform is picking up on the public health approach in order to minimise acute presentations later on.

Tasmanians are being given greater control over their own health in trying to get them to make more decisions in their health decision-making. We have elevated the role of clinical advice with prioritised training because we know we need a skilled clinical work force. We have built some cooperative relationships with our federal colleagues through health reform. There have been some challenging moments but we have some very positive opportunities opening up at the moment.

In 2011-12, we had the target of $100.2 million to find. It gave no-one in the hospitals, in the department or me in my office any pleasure in having to make those savings particularly because they affected services in key areas. We have attempted to minimise the effect on clients and patients, but it has been impossible to shield everyone from those savings. We have reduced costs that are not related to patient care - mobile phones, non-essential travel, training for employees, and use of consultants. We have decreased the cost and bookings of domestic and international travel. We have set a target of 150 fewer roles within the department per se and that has been exceeded. We have a reduced bureaucracy but we still have more doctors, nurses and more allied health professionals than we did four years ago. A number of saving strategies were put in place in consultation with the area health services and they have been progressively delivered over the year and at the same time we have reduced our use of overtime and locums.

The elective surgery is only a part of what we do and we know that the 2011-12 financial year for elective surgery has been a very difficult one and has put pressure on our patients, on our staff, and all our clients. The saving strategies we put in place will have a flow-through effect and we expect this to be seen in the data, especially in elective surgery trends. The savings we planned for elective surgery were one-fifth of the total budget task in 2011-12.

When I first had discussions around how we would be able to deliver on $100 million worth of savings, what was very clear from my discussions with those who run hospitals was that in many of the areas you cannot make savings quickly in health, you actually need time to change

the practises or change the models of care in order to effect a change. The reason for progressing into the elective surgery slowdown was to give time for those savings to be effected, many of which we do not see until the second year.

We were expecting this year to not only have $100.2 million but to actually have increased our savings target to $127 million and for a while we were expecting there would be $25 million savings relief that we were given in order to effectively cashflow the last iteration of savings that we would need to find that as well. All of us across health have been looking at saving measures anticipating that that would be the ask upon us. The ask now, of course, is the $100.2 million again. Much of that we have found in recurrent saving and some that we have identified, but are still to realise the savings from. There is also the additional $4 million that we will be giving, particularly around endoscopy, but also purchasing additional elective surgeries where we have some key responsibilities.

We are in a time of transition for the THOs. THOs changed the way that we have done health in the past and there is still much work to be done so that the community understands the difference. Previously, we have given the hospitals a budget and said, 'Off you go, deliver health services now.' Ultimately those determinations have been with us. Historically, hospitals have always said, 'If you let us make the decisions locally we can create efficiencies and we can create opportunities because there is duplication in administrative process as a result of the department effectively running health.'

What now happens from 1 July is that we will move to a purchaser-provider model. We, as the Tasmanian government, will purchase services. We will sign a service agreement with our three THOs that outlines the services they are to provide and the amount of money they will get for provision of those services. It is not a matter of giving them a bucket of money and then they say, 'Well, I can only afford to do x, y and z.' They will have a service agreement that says you must do a, b, c, d, x, y and z and here is the amount of money that comes across for that.

This will be done under an activity-based funding model, which will allow us to track where the money goes. For those who do have concerns around patients who travel around Tasmania, it is a very normal thing for patients to travel around Tasmania and receive episodes of care in appropriate environments. Under the funding model, the dollar will follow the patient. That is very clear: if a patient moves to receive treatment within Tasmania somewhere else, or even interstate, the dollar will follow the patient.

One of the challenges we have is that we are still above national efficient price. There are potentially a number of reasons for that. Clearly, an island state with a highly dispersed ageing population, with high levels of chronic disease, is by its very nature going to have additional costs. However, we need to make sure that that is the only reason that our costs are indeed greater and that there is not other costs within the system that we can find to make savings on.

We have had some conversations with the Australian government about how we might do an assessment of episodes of care because we need to establish not only for them but also for ourselves that we are costing appropriately the work that we do. We can then say to the commonwealth that of this additional cost in Tasmania *x* per cent is the nature of being in a region and the cost of doing business on an island, and *y* per cent is things we can change and we can now identify where they are. Some of those things will also be the cost of doing business. We may have some more expensive models of care, simply because of the numbers we are doing or the places that we are doing it, or where we have to purchase the service from.

A number of entities and services that we provide will be block funded because there is no way with the numbers that we do that we can be at the national efficient price for providing those services. Neurosurgery, for instance, is not an area where we do so much that we can have a cost effective model. The statewide major burns unit, the medical retrieval service, cardiothoracic surgery, surgical neonates and otologists, and bone marrow transplantation. Cardiothoracic surgery, if you were going to do it on a cost basis you probably would not do it in Tassie; you would send everyone to the mainland where it is done in such numbers that it is very efficient. The reality is that that is not appropriate to do. People need to be close to their families and the travel alone can be a significant stress upon the patient. There are things that we do here because we have to do them here and the Australian government recognises that and our funding arrangement will block fund those areas.

Regional facilities will be block funded as well because our regional hospitals also will not do enough work under an activity-based funding model in order to be efficient and get that kind of return. So we will block fund those and the Australian government will support that.

I am sure we are going to have some conversations around the nature of regionality and the Health Pricing Authority work. There is a good conversation that we should have around that and some of the negotiations we have been having with the Australian government. They are continuing, but we do need to assess a Tasmanian price for activity and continue the negotiation with our health services.

That is the environment in which the world is changing for us. It is a significant shift. Our CEOs and their THO boards will have accountability and transparency. That is a shift because it has always been very difficult to track where the dollar has gone. Under this new model every state dollar and every commonwealth dollar will be tracked and logged against an activity. It is the most open and most transparent that we can get. It does not mean that this is the be all and end all of health reform that we could possibly have had but it certainly sets us on a pathway for a more efficient service to be able to provide more services for Tasmanians.

CHAIR - My observation would be that because of the changes, the THOs, a lot of what we will cover in 1.1, 1.2 and emergency departments will go to the THOs. It will be productive for the committee to range across all of that and when we get specifically to the THOs later in the day we may not need to go into too much detail. I think that we will have covered all of that here because of that connectiveness.

Ms O'BYRNE - On that basis I might ask Mr Graeme Houghton, the chair of the THOs to join us at the table. He is also a first time appearer at an estimates committee. Where necessary we can ask the CEOs to come up to answer any particular question. We will be as flexible as you need us to be to progress through there

Output group 1
Acute Health Services

1.1 Admitted services

Ms FORREST - I want to ask some overarching questions first and then we have to go to the THOs.

Ms O'BYRNE - I am comfortable with that.

Ms FORREST - As the chairman said, we cannot separate these out.

Ms O'BYRNE - I am very comfortable to address the questions as they flow if you will give us a moment on occasion to get the right person to the table.

Ms FORREST - Minister, I note as a result of the national health reforms almost every line item has changed, making it impossible to track what health funding and budgets each area of health service delivery in the previous year received. It was pleasing to see the change in policy regarding the overly harsh cuts to health but I am interested to know in real terms if we can compare last year's budget with this year's overall budget and what the figures would be. Has the overall health budget seen a CPI increase and has it gone backwards? The comparative expenses on page 5.39 of the budget papers only relate to the THO expense so it I hard to judge all up.

Ms O'BYRNE - We are conscious that the set-up of the budget papers has made it difficult for us to make that transition so we have asked Penny Egan, Chief Financial Officer, to join us at the table now and make it a little easier for us.

Ms EGAN - In terms of the overall funding for DHHS, if you put everything back together and then I will break it up a little bit for you, in 2011-12 it was $1.844 156 million. In 2012-13, $1.891 923 million **[TBC]**. When you exclude the children's portfolio area of that and the Minister for Human Services the totals for the health bits that I think are the subject of this conversation were in 2011-12, 1.379 379 and in 2012-13, 1.382 232 . Which is a variance of $2.853 million. There is an increase in funding -

Ms FORREST - So you are saying there is an increase of $2.8 million. What percentage is that without me having to work it out?

Ms O'BYRNE - We will work it out for you now. For the THOs, for the south in 2011-12 it was $491 927 and that goes to $493 162. For the north it was $321 480 and it will be $328 913. Sorry, the difference to the south was $1 235 and the north is $7 433. For the north-west, $212 256 to $216 911, which is a difference of $4 655. That includes CPI and some other additional moneys that will flow but does not include the $4 million electives and endoscopy amount of money that we set aside. That is not part of that.

Ms FORREST - The $4 million will not be spread evenly across the state for endoscopies?

Ms O'BYRNE - That will be clinically assessed against what the needs are because the big focus is to get the endoscopy lists down. It will be clinically assessed on the need. I would imagine though that it will also reflect some waiting list challenges in the north-west - for instance, it will have to buy some hips and knee joints. That is being negotiated in the service agreement currently.

Ms FORREST - We will get to that later.

Ms O'BYRNE - We will get to the service agreement.

Ms FORREST - Thanks for that because I spent a fair bit of my time trying to figure it out.

Ms O'BYRNE - It isn't easily set out and as of the budget next year we will be able to track against the new establishment of THOs, but they are a new entity, so we also wanted to pull that together for you because we realised it was not easy to track.

Ms FORREST - My financial advisers to my right tell me that it is a 0.2 per cent increase in the budget.

Ms O'BYRNE - I am going to turn to my financial adviser and see if she is nodding or still calculating.

Ms EGAN - That sounds about right if that is what the calculation is doing.

Ms O'BYRNE - We will confirm that before the end of the day.

CHAIR - I can make it look worse if you like.

Ms EGAN - What we have tried to do is just work out from the THO chapters in the budget papers and work back to compare that to what they would have received as an area health service under the same.

Ms FORREST - I have tried as well. I have had smarter people than me trying to do it too.

Ms EGAN - It is not easy.

Ms O'BYRNE - I made Penny do it because I was struggling with getting it all to make sense. Next year we will be able to see it reported against this year so we will be able to see that trend data. We have tried as much as possible to create a mechanism so you can track the flow.

Ms FORREST - The point is that a 0.2 per cent increase in the overall budget is not much.

Ms O'BYRNE - No, but it is certainly better than an additional $27 million plus the $25 million that we thought we were going to find.

Ms FORREST - Yes, I accept that.

Ms O'BYRNE - I agree, given health inflation and increasing demand it is still challenging.

Ms FORREST - That is well below CPI and well below health inflation, as you would be well aware.

Ms O'BYRNE - We have never been funded at the rate of health inflation. As much as we have always argued that we should be, health has never been funded at health inflation rate, probably because for a while it was around 9 per cent. That would certainly be one of the reasons treasury were not keen on doing that.

Ms FORREST - And it would consume the whole state budget, we heard the story.

Minister, in your opening comments you talked about the relief of the $27 million additional savings -

Ms O'BYRNE - And the $25 million we were worried we would have to pay back too.

Ms FORREST - So the $25 million has been forgiven as well, has it?

Ms O'BYRNE - Yes. The $25 million effectively cash flowed the last bit for savings that were coming on line. We managed to get that on the basis that we argued that it wasn't that we were not working towards changes, we just did not have enough time to realise the changes in the time that we had. Yes, we had a $100 million set upon us from the budget, but in reality by the time the hospitals had their budgets and they were in a position to make their decisions we were limiting it to nine months, as the absolute outside amount of time that they had. One of the good things about the budget process that we are involved in now coming forward is that it does mean that we can get the health budgets lined up by 1 July, which we have not been able to do in the past, which has certainly made it very difficult for CEOs.

I want to point out that last year's budget not being done for a few months was not the worst. In fact, the worst was another political party that did not hand out hospital budgets one year until either February or March the next year, so I am not the worst.

Ms FORREST - This was changed under the new funding arrangements?

Ms O'BYRNE - It is slightly different this year. The legislation requires that we need to take our service agreements to the commonwealth in May so that they can agree to them.

Ms FORREST - So your budget will need to be done by that time?

Ms O'BYRNE - In terms of negotiating the service agreements, and there will be some flexibilities obviously, this year it is slightly delayed because we have been waiting for many of the commonwealth processes taking place as well. We have only just debated in the lower House the mechanism that allows us to use a joint funding point which will come to the upper House in the next available session.

Ms FORREST - We will go to that in a minute, too. Health is still required to make the $100 million?

Ms O'BYRNE - It is still a significant challenge for us, yes.

Ms FORREST - Can you tell us for each of the area health services, what their unmet savings targets are at this point?

Ms O'BYRNE - We are still negotiating service agreements, so I cannot give you an awful lot of information around that, but as at -

Ms FORREST - I am talking about last year's savings that have not been made as yet.

Ms O'BYRNE - A number of that we can't do another opportunity came forward and I am happy to talk about some of those savings initiatives.

For the Northern Area Health Service they identified savings of $16.770 million. Year to date on 31 March they had achieved $15.389 million.

The North West Area Health Service had identified a savings target of $7.828 million and they achieved by 31 March $7.065 million. The statewide mental health service had a target of 8 657 ($8 657 00?) and by 31 March had achieved 8 018 ($8 018 000?). The southern area health service had identified a target of 24 790 ($24 790 000?) and at 31 March had achieved 16 095 ($16 095 000?). The Tasmanian Ambulance Service had identified a target of 1 974 ($1 974 000?) and achieved 1 514 ($1 514 000?). That gives us identified savings of 60 019 ($60 019 000?) with savings achieved of 48 080 ($48 080 000?).

The next figures I will give you are full year realisations, bearing in mind that hospitals always find savings in excess of their savings targets, because demand changes; so they are always looking for additional savings. The northern area health service - full year expected savings are $28 283 ($28 283 000?); the north-west area health service, $9 616 ($9 616 000?); statewide mental health services $12 352 ($12 352 000?); southern area health service, $21 949 ($21 949 000?); Tasmanian Ambulance Services, $2 511 ($2 511 000?). So from the savings identified as $60 019 ($60 019 000?), at full year savings we should have $74 711 ($74 711 000?). I am just checking -

Ms FORREST - So, there is still a bit of a shortfall, if we are going to make up the $100 million.

Ms O'BYRNE - But remember the $100 million is whole of agency, not just the DHHS component. Our components are -

Ms FORREST - I thought the $100 million was for health.

Ms O'BYRNE – It is housing as well.

Ms FORREST - Oh, okay.

Ms O'BYRNE – It is housing facility services.

Ms FORREST - That's right.

Ms O'BYRNE - Of $100.2 million, $75.3 million related to health, and, as at 30 April, 74 per cent of that had been achieved and we expect we will have around 85 per cent achieved by the end of the financial year.

Ms FORREST - So, will that be calculated again? How many dollars are we talking about?

Ms O'BYRNE - We have about a $17 million impact of non-recurrent strategies. Is that what you are trying to find?

Ms FORREST - I want to know how much more we have to try to cut out of the health budget. When I have pinned down a number, how is it going to be done?

Ms EGAN - With the work we did back in late January and February, the indications are that, across the agency, there is around $17 million between what we had to find this year and what we still need to find next year. That is a net gap of what might have been one-off strategies this year, offset by strategies this year for which we will get a 12-month impact next year. That was back in January, and so we just have to keep doing that piece of work. It is just based on the

savings strategies against the $100 million. Indications are that there is at least $17 million that we may have to find, on top of other issues that are going to arise.

Ms FORREST - Correct me if I am wrong, minister, but it seems there is there is about $17 million worth of savings that you still have to identify -

Ms O'BYRNE - They are the non-recurrent savings that we made this year, which we would need to find another place for. I am trying to give you the most up-to-date figures. The forecast we have is that overall, over the whole savings target that we had to find across DHHS, there is a $32 123 000 overspend.

Ms EGAN - That is the budget.

Ms O'BYRNE - Yes, the whole budget. That is offset by the $25 million we got from Treasury, and there is around $7 million in the loan we have with Treasury in case we are paying out redundancies. So that is the difference in the total. I think you are interested in, from what we have saved this year, what do we need to find next year.

Ms FORREST - Yes and, more importantly, how are you going to find it? Last year, when we sat around this table, it was trust us, we are going to save this $100 million out of health - and we don't really know how or where. If a number of us had have realised the deep cuts that were going to be made to elective surgery and other things, we might have had other questions and perhaps more concern.

Ms O'BYRNE - Absolutely, it was never our intention to have to go into elective surgery. I fully believed we could identify savings across health, so that we would not need to make that change. Had we had an earlier start date, we may also have been able to do that. Elective surgery is the only flexible thing in health that you can reduce spending on in a short period of time.

Ms FORREST - You can save a lot of money quickly.

Ms O'BYRNE - But it is not a sustainable model for the future.

Ms FORREST - No.

Ms O'BYRNE - Because it puts pressure on the health system into the future. It is absolutely not what we want to do but it was the only flexible thing that would get us to a point of meeting our budget target. But no-one wanted to do it.

Ms FORREST - Obviously, we need to wind some of that back.

Ms O'BYRNE - After that, in October/November, we released a document that identified a number of savings and we did it a couple of times as we were identifying them. The full intent was to realise those savings in overtime and locums and administrative costs. We are also aware that our cost per episode of care, our cost per weighted separation, is much higher not just than the national average but other regional areas on a statewide basis. There were clearly other costs within our system that we needed to look at. We would not have made the decision on elective surgery had we been able to realise those savings any quicker. You did get a copy of that document at the time it was released - that talked about the range of savings opportunities. Some of those we have not been able to realise savings on. And in some areas, similar to the way we

deal with the children's budget - we talked about Ashley for instance - the savings we made in Ashley were not anticipated, but with the change in the numbers coming through we were able to make changes. There are flexibilities.

Ms FORREST - So, what measures are going to be taken, or have been identified as strategies that will save whatever is needed to make up the $100 million?

Ms O'BYRNE - Previously I have been the one responsible for making the decisions about what hospitals would do and I take responsibility for it. The CEOs were heavily involved and they did an awful lot of work, and I acknowledge the difficulties they have been operating under. But, ultimately, it was my decision as to where the savings would be made. That is not the case from 1 July. From 1 July, we purchase services. The service agreement negotiations that are taking place now will determine the work that is done in hospitals. At this point I will hand over to Mathew or Graeme to discuss the service agreement model.

Ms FORREST - Is that how you are going to make up the rest, through the service agreements?

Ms O'BYRNE - Not entirely. I will still control departmental areas such as population health, and statewide mental health services - although we are looking at how we engage with the THOs in this area. We will still be looking to make those savings and I can talk to those, but from a hospital base, which I think is the question you are asking. Can I also point that Mike Pervan, who is undertaking the work in this area, is unable to be here, and you are aware of the reasons for that. However, he is available to talk to committee members once he returns, to go through the modelling. The service agreements are currently being negotiated. They will be tabled in parliament - they are public documents. They will be sent to the commonwealth for approval. It will be the most open document, ever. Parliament does not resume for a while after the service agreements are done, so we think we are within our capacity - I do not think that there is a problem with us doing this - to put them up on the website so there is access to them immediately.

Mr DALY - There are two aspects to that question. One is about the target for next year and it is a movable feast from one month to another for a variety of reasons. There is a set of savings that were one-off this financial year, and the quantum is peculiar to each area health service that took those decisions. You mentioned $17 million - around $17 million of savings were one-off benefits that will not have a carry forward effect into the new financial year. That figure has to be locked into each financial plan.

The other component is that part of the $100 million that has not been realised this financial year, and that figure is changing month-by-month based on the projections by the area health services. That figure will be tied down later next month. The service agreement will detail a whole host of things, not least of which is the success the minister has had with the commonwealth in negotiating block funding for all those subspecialty services that she talked to earlier, but also for the -

Ms O'BYRNE - Which I point out that not every state has got. I give credit to Mike Pervan rather than me for that one.

Mr DALY - The rural hospitals are also block funded. But in addition to that there is a large component of acute hospital-based activity that will also be block funded. A host of non-inpatient activity, teaching, and research - all those components will be block funded. The commonwealth

will eventually assess whether we are block-funding all those services at an efficient level, which is just a national average, but until such time as that figure comes into use in 2014, they will accept our advice as to what is being block funded at what quantum and that advice is largely coming from the chief executives. The nature of the purchasing arrangement will be one of purchasing activity. 'At what price do we purchase activity?' is the obvious question. The recent iteration of the national funding model is suggesting that the national average price is about $4 800. At the moment, according to our cost data, we are between $500, $600 to $700 above that national efficient, read 'national average' price, but that is really before the work that the chief executives have done in lowering cost their costs this financial year. We do not believe that as we sit and talk today that we are $600 or $700 above the national average because of the work in cost reduction that has been achieved this financial year alone.

What we will be negotiating through the service agreement with the chief executives and ultimately to be approved by the governing council will be a price. It will not be the national average price because that is too big an ask and the advice that we are giving the minister is that it would be too big an ask for us to drop down to the national average price in this first year. Clearly, that is an objective we need to work towards.

Ms O'BYRNE - We do have a two-year transition by the time the feds get into growth funding that is when we need to be as close to the efficient price as we can justify.

Ms FORREST - Otherwise you will not get the growth funding?

Ms O'BYRNE - Growth funding comes from a growth in services but it does become more challenging if we are more expensive. That is one of the reasons we are talking to the commonwealth about an analysis of our episodes of care because I think we can probably determine quite a bit more is the result of simply doing business in Tasmania, and we want to be talking about the same amounts with them. There are some really good people around that who understand hospitals and are able to make that focus.

I do not know whether it is of any use but we did have a target of $21 million of elective surgery savings. The actual savings that we have made to the end of April are just over $10 million. We anticipate a $12 million saving by the end of the year and what that means for the waiting list - because I think that is probably the formation of this and then we can talk about the service agreements and what they will mean - is that we have had a reduction in this elective surgery provision, and that is obviously not a surprise, from 2010-11 levels by 473 surgical admissions, or 7.3 per cent, from the time that we made the announcement. From that announcement as well, we have had an increase in our elective surgery waiting list by 404 cases. They are small numbers at the moment but they are all individuals and there are all complications that come along with that but also as May and June come in line there will be additions to the list from there. That is the position from March. That is the impact that we had.

We have not been able to make the sort of savings at that point that we had anticipated in elective surgery. Part of that the reason the list is changing is that there have been greater efficiencies in hospitals about the way they manage their lists and the way they work people through the system. There has been some excellent work done in hospitals around procedures but it is still, as we expected, an impact on the waiting list, being put on the list and coming off the list.

The service agreements from now on, there will be particular level of services that will need to be maintained. Into the future there will be completely new negotiations around what we do but we think in this transition time it is appropriate to accept what hospitals have been doing and managing that through a transition time. The sorts of things that will be included in it will be a target around weighted separations, elective surgery admissions in each of the quarters, safety and quality, emergency department aspects, access. There will be issues around reporting against financial management. In primary and community care it will say these are the services that need to be maintained and they will all be listed and spelt out.

Mental health we are still working with because there are elements of statewide mental health services that can go into the THOs, and there are elements that might not appropriately fit there because of the primary care. So we will use the next 12 months to look at what things might be appropriately linked with THOs. One of the reasons we called them THOs is that they are not just about hospitals; they are about healthcare and the journey that people have in the healthcare system.

We will also have issues around oral health that are worked out. We will be saying: this is the service level that you have had and, in this year, this is the service level that we expect, and this is the amount of money that is coming for it. There will always be pressures on THOs to find savings because that is the pressure that any organisation has. They should look at their cost structures all the time. At the same time we need to do this work around the costs of episodes of care in Tasmania with the commonwealth because we need them to understand what is a peculiarity of Tasmania because we are Tasmania, things we might not do as well and things maybe we should not be doing at all.

Ms FORREST - Just on a few of those points, I want to look at how the funding will play out but I will do that after lunch because I want to keep going on that track.

The budget papers provide the information that the cost per weighted separation for the three areas is quite different. The north-west is $6.25 million and then $5.4 million for the north and $5.5 million for the south; why the difference?

Ms O'BYRNE - That is one of the reasons we want to look at the cost of episodes of care. It has to do with the throughput that they might have and the cost of providing a service in that; it can do with the different things that they provide in different communities -

Ms FORREST - The complexity in the cost of what you provide where would have an impact.

Ms O'BYRNE - It can do, but also the way that it is purchased as well. For instance, one of the challenges for the north-west is that we have a contract for obstetrics and those sorts of things and that would have an impact -

Ms FORREST - Are we paying too much for it up there, are we?

Mr DALY - In some cases we are paying more than the national average price, yes.

Ms O'BYRNE - That does not necessarily mean that that is not the nature of a regional cost as well, which is why we want to do the work on the episodes of care to find out if it is regional or

whether there is no other option and therefore we need to accept it is a regional cost. I believe in some areas, for some services across Tasmania, we are probably paying too much.

Ms FORREST - Just on that point of obstetrics at the moment: one of the issues here for the north-west is the fact that the contract we are under to provide public maternity services is above the national efficient price.

Ms O'BYRNE - Yes, it is.

Ms FORREST - What has been done about that?

Ms O'BYRNE - That is part of the discussions around the cost of the episodes of care.

Ms FORREST - Is this a contract we cannot get out of? Is there no end date to it?

Ms O'BYRNE - With all of our contracts, if we were to identify any contract in any area that is costing us more as a result of the contract, then we should look at what the cost is of exiting. In some cases that will be appropriate to do, and in some cases it will not. For instance, we bought back the North West Regional Private Hospital because it was cheaper to do that than to continue paying the cost that we were paying. Each of the contracts needs to be assessed on that basis and in good faith.

Ms FORREST - I look forward to the outcome of that; it has been ongoing for many years.

Ms O'BYRNE - That is not the only area that we purchase services.

Ms FORREST - No, but it is one that stands out and has done so for many years in the north-west. When you look at the predictions here for the non-admitted services, the outpatient attendances across the three areas, when you calculate a cost per attendance it is significantly different again: 72.1 at north-west, north, 190, and south, 155. This is for outpatient attendances. There are huge variations there. If you looked at that at face value you would say the north-west know exactly how to do that, but the north really need to work on it.

Ms O'BYRNE - It is difficult to draw all of those extrapolations just from the numbers because there are different presentations and different complexities that engage and I would not want to draw a blanket assessment that anyone has a particular flaw or success in an area. What I do know is that -

Ms FORREST - How are these determined? This is what you are expecting -

Mr DALY - Can I just support what the minister said because this is data that is being used in a very serious sense for the first time. It is data that has been collected to contribute to national collection of data for the purposes of costs across the nation, and Tasmania's percentage to the nation was not great. It was not being used for many other really meaningful purposes. As a result, sensibly, we did not put a lot of effort into it. Now it is going to be our currency and we are going to be evolving that data very seriously and very accurately.

This is the first year where we have opened all this data up. To draw conclusions from it you would need to be very cautious. I am sure all of the chiefs would reflect on some of those figures there in a similar vein, which they will anyway, because it is year 1 in a true activity-based

funding model. Will we be better in two years? You bet we will, because we are on a national stage and we are going to show them how to do it nationally because we are small enough and intimate enough with our data to be able to do it.

Ms FORREST - In view of what you have said in regard to that, how then were these figures actually arrived at? What was taken into account?

Mr DALY - I'm sorry?

Ms FORREST - If you look at the outpatient attendances and emergency department services. If you look at the number of attendances and the cost of each, you can work out the cost per attendance or per presentation effectively. Is that based on historical data?

Mr DALY - It would have been pulled from cost-modelling data, so there would have been an estimate - truly an estimate - on what each hospital spends to provide outpatient services and then it would just be a simple division by number of people who turned up.

Ms FORREST - Yes, that is what I have done.

Mr DALY - So you have extrapolated it?

Ms FORREST - Yes.

Mr DALY - The accuracy of the data that goes into outpatients - the doctor who works one or two sessions a week in outpatients as opposed to being in theatres or in the community, is his or her cost fully apportioned, or accurately apportioned? Probably not.

You asked a question about waitings. The waiting of activity, the presentation of it, varies enormously. It is an area that we know we have an enormous amount of work to do if we are going to be competitive, which we will be.

CHAIR - Ruth has been on overview, are there any questions in those areas? There are a whole heap of things that we can go to.

Ms O'BYRNE - When we come back we will go into the whole pricing work.

Ms FORREST - Yes, how the grants supply the money, and all that.

Ms O'BYRNE - Yes, we will deal with those first. It is reasonably detailed.

Mrs ARMITAGE - One question on the funding - we were talking about last financial year - am I to understand that you are not able to give us a breakdown yet of what each area will be requiring this financial year? Are you able to give us a breakdown of what each area will be requiring - north, south and north-west?

Ms O'BYRNE - I have already given -

Mrs ARMITAGE - You said last year, I am talking about the next financial year.

Ms O'BYRNE - I gave 2012-13.

Mrs ARMITAGE - Of each area?

Ms O'BYRNE - Yes. I gave the comparison between 2011-12 and 2012-13. We then had that discussion about the .2 per cent.

Mrs ARMITAGE - I thought you were saying with the THOs that there were some differences coming up and you were not sure what they would be.

Ms O'BYRNE - We have not apportioned the additional $4 million yet and we are still negotiating service agreements but the dollar figure is the dollar figure at this point.

Mr MULDER - The establishment of the Medicare Locals, how much state money is now going into that?

Ms O'BYRNE - Medical Locals are a national government entity. I can understand some of the confusion around it because for a long time the Australian government said that it would take care of all things that are in primary community health. National health reform on the national stage has mutated significantly since those initial days and for us everything in primary health meant regional hospitals, allied health and a whole host of things. The reality is that they are now a different type of body but they are an Australian government entity.

For Tasmania, which is slightly different from other states - everyone has approached their Medicare Locals differently - ours reflect the old divisions of general practice but they have broadened and extended their engagement in the allied health space. Their role is to coordinate health care in local community and primary health by identifying gaps and bridging the funding between those gaps. We will work with them, because we are part of identifying what those gaps are, but the Australian government will be the mechanism by which funding flows to achieve those opportunities. There is a really good strong opportunity with the Australian government doing that which we hope will be realised in that if you actually fund the primary health care area and look at those things that create hospital avoidance programs, you can reduce the acute presentations into our hospitals. You then see the benefit that way, particularly in areas of chronic disease management and chronic disease prevention.

In the longer run, and this is looking at how other models of activity-based funding have worked in other states, you could, for instance, purchase as one of your service agreements from the THO - not yet, because I think we have a lot of work to do to get there - a reduction in rates of hypertension presentations at emergency. That would then require an engagement with Medicare Local because that could only occur in the primary health space, which would then have to be funded by the Commonwealth.

Mr MULDER - Which services are now being funded by the state because they have fallen outside -

Ms O'BYRNE - There is no difference in the service arrangements. It is the opportunity for the feds to broaden their primary health space.

Mr MULDER - There is no state money going in or there is state money?

Mr DALY - Money going into the TML?

Ms O'BYRNE - No, not into the Medicare Locals. There are projects that we work on collaboratively where we would both fund something, but the Medicare Locals are not a cost impost for us. We are hoping that in the longer term they become a cost reduction.

Mr MULDER - One of the things that they were supposed to do was a comprehensive whole-of-region needs assessment for gaps in services. How is that progressing?

Ms O'BYRNE - That is an issue for the Australian government which runs Medicare Locals, but what we will be doing is the next iteration of the Tasmanian health plan which will be leading in the community a conversation about what we provide, where we provide, and when we provide it.

Ms FORREST - Thank goodness.

Ms O'BYRNE - I know, isn't it exciting. It will have clinical and community and Medicare Local engagement on it so that we can have that conversation ranging from why do we provide x, y, and z surgery in Tasmania, and is that the right thing to do? Second, some work around end-of-life stage. One of the issues that we repeatedly get is that we often treat the issue before the doctor at a given time rather than the whole person. The ANF raises continually instances where we will do a knee replacement operation on a 98-year-old woman with dementia in an aged care facility who is not going to get out of bed. If that is about pain management for that person then absolutely it is the right thing. If it is because we feel we should do it because we can do it, then maybe it is not. That is the conversation the community needs to have around their expectations.

Ms FORREST - And the other end as well, the micro prems?

Ms O'BYRNE - Absolutely, but that is something that has to be led by clinicians and community. It cannot be driven from a political perspective. We will be getting some key clinicians and Medicare Local and community members from around the state to lead that discussion. If there is any good out of the difficulties that we have gone through in health in the last budget year it is that there is now an understanding in the Tasmanian community that health is not a bucket of money that does not have any end, that we actually need to look at what we provide and how we provide it, and not only providing it efficiently but whether it is appropriate to do. That is a debate I cannot lead as the minister who has had the budget challenges. Clinicians and community need to lead that and that will inform the Tasmanian health plan, that will inform the work that the Medicare Locals do because that will identify the service gaps that we want the Australian government to fund, and that will also in the future inform the purchasing around the service agreements.

Ms FORREST - You may be interested to know that in the health committee that question was put to the clinicians and they agreed it was their job to lead it.

Ms O'BYRNE - It has to be.

Mr MULDER - Thanks for that. I will try to avoid a lengthy discussion about whether pain is the reason that a knee needs replacement or whether we should go for amputation.

Ms O'BYRNE - I am going to let clinicians lead that one as well.

Mr MULDER - I thought you might. My question is revolving around the GP super clinics. I think $650 million federal funding. The first issue relates to the one in Clarence and I recall when I was on council we had a pretty comprehensive briefing in relation to it. I was of the understanding that super clinics were actually designed to fit into areas where there was a shortage of medical services and facilities. But I think you will find that the Clarence local government area is actually not an area of shortage of services. I would like to know why we managed to pick that one? Was that just excellent lobbying on your part or was there some other reason why we plonked a super clinic into an area where there was no shortage of GPs or health services?

Ms O'BYRNE - The focus around the GP super clinics are twofold: it is about maintaining services in communities that struggle to hold GPs and GPs who do not want to be responsible for small stand-alone businesses because of the impact on that.

Mr MULDER - I think that was my point. I do not think that pertains to Clarence.

Ms O'BYRNE - No, but the second is about integrating with community care as well so you get a better interface between your GP and the allied health services around them. That is the strength probably that comes out of Clarence. As to who determined it, my understanding was that it was a commonwealth determination, but I can ask Jane to come and speak on that one - Jane Holden, CEO of the Southern Tasmania Area Health Service.

Ms HOLDEN - In Clarence it is actually an integrated care centre and not a super clinic. The reason that it is a joint practice of a number of general practitioners is because that was what existed prior being run under the Department of Health and Human Services. The commonwealth requested that that be transitioned to match the normal national model, which was a transition to commonwealth funding. We facilitated a transition from a DHHS group general practice to a commonwealth group general practice. Taking that opportunity in the building that was funded, the integrated care centre, we are building up a number of other services to support patients and consumers who live out in that area. Some of those are respiratory services, others are diabetes services. Where we are involved is in trying to provide that general practice with additional specialist support for local populations.

[1.00 p.m.]

Mr MULDER - Is it not a fact that, as a result of the integrated care centre model inside Rosny Park, the Clarence one, a number of doctors were offered redundancies so in fact the doctor availability went down? Why would that be if the whole purpose of setting it up was to conglomerate and increase services?

Ms HOLDEN - A number of GPs and some were offered redundancies because they were ceasing employment with their employer, the Department of Health and Human Services, which was a requirement of the funding from commonwealth that we cease providing primary care at Clarence and transitioned it across. So, industrially, we had an obligation to each doctor that remained and we just discharged that obligation.

Mr MULDER - Is it also a fact, though, that in some of those redundancies, the scheduled fee that the doctor was getting was changed from the old model with the old building - which I might say is another issue but it seemed to me like a perfectly fine building but it was demolished and removed - and in the transition into the integrated care centre we had some doctors being offered less of the Medicare rebate than they were getting under the old system?

Ms O'BYRNE - That is an issue for their employer.

Ms HOLDEN - These doctors were employees of the Department of Health and Human Services prior to the transition to a federally funded ICC. Therefore they got paid, not on a medical benefits schedule, but on an employment contract via the DHHS. In transition, like every other general practitioner in the country that works with the commonwealth, they transition and bill through that schedule in the future. I do not know whether they earn more or less as a result of that.

Mr MULDER - Okay, we can talk about that some other day. The other area, though, of course, is that we have built this integrated care centre inside the City of Clarence. Yet, inside the centre of my electorate, which is Sorell, we had a super clinic that was planned and I think it was $2.5 million for a super clinic in Sorell, that has now finally been canned for all time rather than being on the perhaps-we-will-wait-and-see model. Why was that canned when there was an area of need there? What has become of the $2.5 million set aside for it?

Ms O'BYRNE - I am sorry, Mr Mulder, I would have to suggest that you ask the Australian government that question because that is actually their funding initiative, not ours.

Mr MULDER - No recommendations from you?

Ms O'BYRNE - We are always happy to talk about getting commonwealth dollars on any possible occasion but the Australian government made that decision.

Mr MULDER - Was there no explanation given to you as to why this did not go ahead?

Ms O'BYRNE - We have spoken to them about some of their challenges but you would need to direct the question to the Australian government as to why they made the ultimate decision.

Mr MULDER - They have not given you an indication about how they intend to spend the $2.5 million that had been allocated for it?

Ms O'BYRNE – No, it is not our money.

Mr MULDER - Not much of it is, minister.

Ms O'BYRNE - Actually, despite suggestions, if you take recurrent funding out, the Tasmanian government is the bulk funder of health services in Tasmania, just not GPs and primary health.

CHAIR - It might be an opportune time to adjourn for lunch and reconvene at 2 p.m.

The committee suspended from 1.13 p.m. to 2.03 p.m.