

Australian Hearing

[09:04]

CHAIR: I welcome Senator Payne, the Minister for Human Services, and officers of the Department of Human Services and Australian Hearing. Minister, do you wish to make an opening statement?

Senator Payne: Good morning, Chair. No, thank you very much.

CHAIR: We will move straight to questions.

Senator CAMERON: Mr Davidson, welcome. Is Australian Hearing still meeting all of its KPIs?

Mr Davidson: Yes.

Senator CAMERON: You are still operating at no cost to government?

Mr Davidson: Absolutely.

Senator CAMERON: I see competition seems to be heating up in the hearing area. I came across some ads for companies setting up and trying to entice people to go to the private sector. How are you dealing with that?

Mr Davidson: It is a constant issue for any sort of competitive market. The main issue for us at present tends not to be new entrants; it tends to be people who are already in the wellness or the health sector who are deciding to add hearing services onto their suite of customer services. We offset that by continuing to give absolutely the highest standards of service at the best rates, we believe.

Senator CAMERON: In terms of your service, you still have a very widespread service. Have you closed any of your service centres around the country?

Mr Davidson: We have closed no permanent centres. We have increased the number of visiting centres but have closed a couple of small ones where the requirement was minimal and we had another centre close enough so that access for the clients was still pretty reasonable.

Senator CAMERON: As part of the health committee I visited Elcho Island. How do you deal with a remote community like Elcho Island?

Mr Davidson: I will ask my colleague to respond to that.

Ms Scanlan: We organise visits to the community a number of times a year, usually between three and four. The audiologists go there and deliver clinical services after consultation with the community to determine what the needs of the community are.

Senator CAMERON: I suppose there are still particular problems in Indigenous communities in terms of hearing?

Ms Scanlan: There are issues with hearing, and that is why we go into those communities and try to target our services and discuss with communities their needs before we go, so that we can address the hearing concerns around Australia.

Senator CAMERON: Mr Davidson, in terms of the scoping study, have you had further discussions about the scoping study and the proposed privatisation?

Mr Davidson: No, Senator. We have only been informed as to the deferral of the decision, subject to further consultation with some stakeholders.

Senator CAMERON: Have you been consulted as part of that consultation?

Mr Davidson: We have not as yet been consulted. We have been informed of the process.

Senator CAMERON: Who informed you about the process and when was that?

Mr Davidson: The Office of Hearing Services. It was last week, during a regular quarterly meeting. It became part of an agenda item.

Senator CAMERON: So it was last week sometime?

Mr Davidson: Yes, on Wednesday or Thursday.

Senator CAMERON: What was the advice you received?

Mr Davidson: The advice was that during July a series of information sessions would be run in three centres, and for the next two or three months they would then be having consultation sessions with all of the stakeholders that had been previously identified during the scoping study. As yet we do not know who those stakeholders are.

Senator CAMERON: The Office of Hearing Services will be doing this?

Mr Davidson: I think in conjunction with Finance.

Senator CAMERON: Have you had any discussion with DHS in relation to any of the issues?

Mr Davidson: No, none at all.

Senator CAMERON: Minister, are you aware of the fears and concerns that some of the clients and customers of Australian Hearing are indicating about the uncertainty?

Senator Payne: I am aware that members of the community who are customers of Australian Hearing have, along the way of the discussion through the scoping study period, certainly raised concerns. Some of their representative organisations have had an opportunity to participate in that. What the government has indicated by Minister Cormann's announcement just before the budget is that we intend to carry out further consultations with the hearing community, most particularly in relation to the engagement with and implications of the NDIS for government funded hearing services.

As you would be aware, under the previous government, when the NDIS was mooted and established, it was to be completely contestable. So hearing services fall into a slightly mixed environment in that regard because of the way Australian Hearing operates and the operation of the private sector. It has become apparent to us through the scoping study and through other feedback from stakeholders that the NDIS establishment and rollout is something that we will have to consider in this process. So I think it is a constructive initiative from the Minister for Finance and one that I welcomed.

Senator CAMERON: In relation to this further consultation, what role will DHS play?

Senator Payne: Further consultation is directed by the Department of Finance, and we will cooperate completely with them in that regard through me and the secretary, and officers of the department as required.

Senator CAMERON: I think Minister Cormann's announcement was on 8 May?

Senator Payne: Yes.

Senator CAMERON: There were no discussions with DHS or you, Minister?

Senator Payne: Not at this stage. In the post-budget environment, obviously, we are preparing for this process of estimates and we will move from there.

Senator CAMERON: When was the scoping study completed?

Mr Hutson: The scoping study has not really been completed because we are now in the process of having further consultations prior to having it completed. That is being run by the Department of Finance, in conjunction with the Department of Social Services.

Senator CAMERON: That is not consistent with what Minister Cormann said. He opens by saying: The Government will carry out further consultations with the hearing community about the findings of the scoping study ... Are you telling me that the minister has got it wrong?

Mr Hutson: No, of course not, Senator. They are having further consultations about the scoping study prior to making any decisions. The minister's press release says that in the first sentence.

Senator CAMERON: 'About the findings of the scoping study'.

Ms Deininger: The Department of Finance has been leading the work in relation to the scoping study and has been working to develop the findings. In terms of where those are up to, I think that is really a matter for the Department of Finance. Certainly, as the press release says, there will be future discussions and consultations before the government makes a decision.

Senator CAMERON: Minister or secretary, have you seen the findings of the scoping study?

Senator Payne: The way in which we are looking at this at the moment is that, having had the work of the scoping study done, by Freehills and PwC, having had that examined within Finance and to some degree looked at by Human Services and by me—I have certainly seen it—the issue is around the process of implementation of the NDIS, its complete rollout across Australia, and the role of hearing services in that—not just in relation to Australian Hearing but generally speaking. Not everybody who is a participant in the NDIS is going to be a client of Australian Hearing, obviously. I think this is a very sensible decision. This is something that it is smart to do, to engage further so that we get a better appreciation of what engagement the clients are going to have in the NDIS process and what the needs will be on this side of the table.

Senator CAMERON: Nobody is arguing that point. It is just that Mr Hutson said the scoping study had not been completed, yet Minister Cormann is talking about the findings.

Mr Hutson: In providing that answer I was talking about the totality of the process rather than the explicit scoping study.

Senator CAMERON: No, I did not ask you about the totality of the process; I asked you about the scoping study.

Mr Hutson: My mistake, Senator.

Senator SIEWERT: How can you talk about 'further consultation on the findings', which is what the release says, if the people you are consulting have not seen the findings?

Senator Payne: The process is an iterative one. It is not one that is put in a small box, left there and finished. This is an ongoing process for government at the moment.

Senator SIEWERT: Yes, I understand that. But it explicitly says that there will be 'consultation on the findings'. I understand you want that so that you can then get more information on which to make a decision, but how can people give you adequate feedback on where the scoping study has got to on the findings if you are not giving them the findings?

Senator Payne: Probably those sorts of questions, frankly, should go to Finance. We did not run the scoping study. We participated in the scoping study but we did not run the scoping study. So the process itself is a matter for Finance.

Senator CAMERON: But we are entitled to ask questions about the scoping study.

Senator Payne: Absolutely. I am not saying that you are not.

Senator CAMERON: What were the findings of the scoping study?

Senator Payne: Senator, I am not going to go into the findings of the scoping study here. It is not my scoping study and it has not been released.

Senator SIEWERT: But you have seen it.

Senator Payne: I have seen it, yes.

Senator CAMERON: How then can DHS make a proper assessment of what is happening with this, certainly in the context of DHS and its involvement with Human Services, if you will not talk about it?

Senator Payne: Because it is a continuing process; it is not a secret. There are stakeholder policy implications.

Senator CAMERON: But it is a secret—the findings. You will not talk about the findings.

Senator Payne: If you would like to be part of the stakeholder consultation, I am sure that I can persuade Minister Cormann, if you are very nice on that particular day, to include you. That might narrow the field, of course.

Senator CAMERON: I am always nice, so you do not have to put that qualification; that is just a given.

Senator Payne: That is an interesting observation.

Senator SIEWERT: Let us not debate that.

Senator Payne: How long do we have, Rachel?

Senator CAMERON: Rachel, don't you buy in.

CHAIR: You are being nice so far, Senator Cameron.

Senator CAMERON: So it is not a secret, but you will not tell us about it. What does that make it?

Senator Payne: As I have said, it is part of a process—

Senator CAMERON: It does not matter if it is a part of a process.

Senator Payne: and the release or otherwise of any of that detail is a matter for the Minister for Finance. Did you ask any questions in Finance about it?

Senator CAMERON: I am here to ask you the questions.

Senator Payne: No, you did not.

Senator SIEWERT: Are you aware of whether there will be an overview or a summary document provided to enable or to facilitate the consultation process?

Senator Payne: I am not as yet, but I can certainly put that to the minister as a suggestion.

Senator SIEWERT: All right.

Senator CAMERON: I agree with Senator Siewert: how can you consult if people do not have an opportunity—

Senator Payne: I have just agreed with Senator Siewert's suggestion; I will put it to the minister.

Senator CAMERON: So you will put it to the minister or you will recommend to the minister? How about a recommendation that it be released?

Senator Payne: How about I put it to the minister?

Senator CAMERON: How about you recommend it?

Senator Payne: I have said that I will put it to the minister.

Senator CAMERON: What does that mean?

Senator Payne: It means that I will put it to Senator Cormann—

Senator CAMERON: Put what?

Senator Payne: the Minister for Finance.

Senator CAMERON: What will you put?

Senator Payne: The suggestion that Senator Siewert made about the provision of an overview to facilitate further consultation.

Senator CAMERON: How about you go a step further? How about you recommend to the minister that the scoping study does not become secret, as you have indicated—you have said that it is not secret—and how about your recommending that it gets released?

Senator Payne: I will have my own discussions with the Minister for Finance.

Senator CAMERON: So you have been briefed on the study, have you?

Senator Payne: Yes.

Senator CAMERON: Who briefed you?

Senator Payne: Representatives of the Department of Finance and representatives of the scoping study parties.

Senator CAMERON: That was, what, Freehills and PwC?

Senator Payne: Just PwC, from memory.

Senator CAMERON: When was that?

Senator Payne: I do not recall the exact date, but I will check.

Senator CAMERON: Was it weeks ago?

Senator Payne: No. It was more than weeks ago, but I will check.

Senator CAMERON: So some time.

Senator Payne: Yes. I will check.

Senator CAMERON: So the findings have been available for some time, have they?

Senator Payne: I have said that I will check. I am not sure of the date of that consultation.

Senator CAMERON: But I am asking you: you were briefed on—

Senator Payne: For a period of time, yes.

Senator CAMERON: For a period of time; thank you. Who is carrying out the further consultations?

Senator Payne: Finance and the scoping study operators.

Senator CAMERON: PwC?

Senator Payne: Yes, to the best of my knowledge.

Senator CAMERON: So you do not have any details about how that is going to be conducted?

Senator Payne: Not available here, no.

Senator CAMERON: Is there a terms of reference?

Senator Payne: No.

Senator CAMERON: So it is just further consultation—

Senator Payne: I think I would take it as an extension of consultation from the previous scoping study, but any of the detail of this goes to Finance.

Senator CAMERON: It can go to Finance but, as it relates to DHS, it can be questioned here.

Senator Payne: Certainly. I am just telling you that I do not have the detail that you are looking for and that is a matter for the Department of Finance.

Senator CAMERON: You have said that it is not a secret. Can you just explain how it is not a secret if nobody can talk about it?

Senator Payne: I know that you would like to build another grand conspiracy, but unfortunately I am not going to be able to assist you with that today.

Senator CAMERON: I am not looking for a conspiracy; I am just looking for information.

Senator Payne: And I have said that, with regard to the detail of the study itself, which is in the purview of the Department of Finance, that is where you need to ask for that detail.

Senator CAMERON: What will DHS's role be in the consultations? Will you be one of the groups consulted, or will you be participating as part of the scoping study group?

Senator Payne: I am happy for Mr Hutson or Ms Deininger to answer that.

Mr Hutson: The consultation is not the responsibility of the Department of Human Services. I expect that we will be kept informed as they progress, but they are not something that we are actively a part of.

Senator CAMERON: Will there be any role for Australian Hearing services in that?

Ms Deininger: We expect that Australian Hearing might be consulted in that process. The consultations are being led by the Department of Social Services and the Department of Health and, as has been canvassed, they will establish the consultation arrangements in consultation with Finance.

Senator CAMERON: So you were consulted; DHS were consulted by the scoping study group?

Mr Hutson: Yes.

Senator CAMERON: What issues did you raise with the scoping study group in terms of the proposed privatisation?

Mr Hutson: The issues which we would have discussed with the Department of Finance's consultants would have been fairly wide-ranging in terms of considering all of the issues accommodated by the terms of reference, in broad terms. In particular, there are responsibilities that we have in terms of the legislation and responsibilities in terms of our advice to the minister concerning Australian Hearing.

Senator CAMERON: What were those wide-ranging issues that you—

Mr Hutson: I am afraid that I do not have that detail with me to be able to give you a breakdown.

Senator CAMERON: Who from the department sat down with the scoping study group?

Mr Hutson: That would have been Ms Deininger and her staff.

Senator CAMERON: Ms Deininger, you were there. What wide-ranging issues did you discuss, in broad terms?

Ms Deininger: I do not have the information to hand. We had the opportunity to have some discussions in relation to the scoping study.

Senator CAMERON: So you cannot remember, or you are not going to tell us what is happening?

Ms Deininger: There was some information in the scoping study that there was potentially some factual information about Australian Hearing and the services it offers and how the Community Service Obligation and the Australian Government Hearing Services programs operate. As I recall, we provided some comments to ensure that that information was factually correct and accurate.

Senator CAMERON: When did you meet with the scoping study?

Ms Deininger: The scoping study has been ongoing for some time. There have been some committee meetings. I would have to take it on notice to alert you to the specific committee meeting times.

Senator CAMERON: When you say that there were committee meetings, what do you mean by a 'committee meeting'? Do you mean that this was a committee of people from DHS or that the whole meeting was called a committee meeting? What is the committee?

Ms Deininger: There was a committee that Finance chaired and that involved us and others who have an interest in the scoping study. They met on a few occasions. As I say, I would have to take on notice the exact dates of that.

Senator CAMERON: Sure.

Ms Deininger: But, as has previously been indicated, PwC and the legal advisers were those who took the lead, with Finance, on the drafting of the scoping study.

Senator CAMERON: So PwC and the legal advisers. Weren't PwC the lead adviser?

Ms Deininger: There were also some legal advisers. I just cannot recall.

Senator CAMERON: So they took the lead; is that what you are saying?

Ms Deininger: With Finance. It is a Finance responsibility.

Senator CAMERON: What was this committee called? It was just 'the committee', was it?

Ms Deininger: I am happy to take that on notice. It might have been called a steering committee or something like that.

Senator CAMERON: So there was the establishment of a committee that you were part of and you represented DHS on that committee.

Ms Deininger: That is right.

Senator CAMERON: You only ever gave factual information. Your total input to that committee was providing factual information?

Ms Deininger: As I have said, we had the opportunity to provide that factual information and make sure that the information that was in the scoping study about the various programs was accurate. I would have to take on notice what other information we might have provided.

Senator CAMERON: Why would you need to take on notice what your input was?

Ms Deininger: In terms of the specifics.

Senator CAMERON: How many meetings did you attend?

Ms Deininger: I am relatively new to the role. I believe that I attended one meeting, but there were meetings previously.

Senator CAMERON: Who was responsible for it previous to your involvement?

Mr Hutson: Prior to Ms Deininger's commencement at the Department of Human Services, other people in that role or who were in her position would have been responsible for it.

Senator CAMERON: How about saving me the problem of asking who that was?

Mr Hutson: I am just trying to recall. I think that was Ms Bird.

Senator CAMERON: Is she here?

Ms Campbell: No, I do not think Ms Bird is here today. She is in another role and we did not bring her to the estimates.

Senator CAMERON: That is understandable. Ms Deininger, before Ms Bird moved on, did you receive a briefing from her on the issues?

Ms Deininger: As part of my induction, I received a background briefing on the range of issues that are covered in my division.

Senator CAMERON: From Ms Bird?

Ms Deininger: From the relevant staff in the area as well; some of it was written and some of it was oral.

Senator CAMERON: You have said 'as well', so that is an affirmative that you did meet with Ms Bird.

Ms Deininger: Yes, I have spoken to her. I cannot remember exactly the conversation with Ms Bird. My division covers a range of issues.

Senator CAMERON: The question I have asked—and I am still not clear—is that you did speak to her about the issues raised through her involvement and the department's involvement in the scoping study? Did you get a briefing on that?

Ms Deininger: I was briefed in relation to our role in the scoping study. I cannot recall whether it was Ms Bird or a more junior staff member, but I was given information about the scoping study and the fact that it was ongoing.

Senator CAMERON: So you cannot remember if the officer that you took over the responsibility from briefed you. Seriously?

Mr Hutson: I do not think that was Ms Deininger's evidence. Her evidence was with respect to the specifics. She actually said that she did receive a briefing from Ms Bird and she also received a briefing from junior officers, as would normally be the case when you take over a new role.

Senator CAMERON: I do not think it was as clear as that. But, if that is your evidence on behalf of Ms Deininger, you should indicate that you are now speaking for her on this.

Mr Hutson: No. I am just giving you a general proposition as I understand it.

Senator CAMERON: No. What you are doing is giving me your opinion as to what she said.

Ms Deininger: I can confirm that I received a briefing from Ms Bird and from other staff in the area.

Senator CAMERON: That was easy, wasn't it?

Ms Deininger: Yes. I apologise if I—

Senator CAMERON: No, you do not need to apologise. I am not looking for an apology. Were there any written briefs from Ms Bird?

Ms Deininger: I received written information about the role of the division and the responsibilities. I could not tell you that it was drafted by Ms Bird or other particular—

Senator CAMERON: Yes, I am making it difficult. This was a simple question: did you get a written briefing from Ms Bird about the scoping study?

Ms Deininger: As you might appreciate, when you take on a new role, you receive a range of information, both verbal and written, and it is not always clear to say that this particular piece of information was drafted by this particular person or that particular person.

Senator CAMERON: Let us try again. Did you receive a written brief on the scoping study?

Ms Deininger: I think I would have received some written briefing in relation to the scoping study and where it was up to; I believe so, yes.

Senator CAMERON: You believe so; you are not sure?

Ms Deininger: Yes.

Senator CAMERON: Do you want to take it on notice?

Ms Deininger: I will take it on notice and confirm.

Senator CAMERON: You took the role over with this written brief—you are not sure who it came from. When did you take the role over?

Ms Deininger: In early December.

Senator CAMERON: How many meetings had DHS had with the scoping study people prior to your taking over? Would that be in your brief?

Mr Hutson: We will have to take that on notice.

Senator CAMERON: So you have had one meeting with the scoping study?

Ms Deininger: I believe so.

Senator CAMERON: That is since December. So in six months there has been one meeting.

Ms Deininger: That is a meeting of the steering committee, yes.

Senator CAMERON: Was there informal engagement with the steering committee other than through the committee process?

Mr Hutson: In addition to the formal meetings of the steering committee, there would have been a wide range of continuing consultations between officers of the Department of Human Services and officers of the Department of Finance. Some of those meetings would have, indeed, been informal.

Senator CAMERON: When you say, 'there would have been'—

Mr Hutson: There would have been, yes.

Senator CAMERON: What does 'would have been' mean? Were there meetings?

Mr Hutson: Yes.

Senator CAMERON: That is an easier form of words than 'there would have been'. So there were meetings.

Mr Hutson: There would have been conversations and meetings, yes.

Senator CAMERON: Are there file notes in relation to those conversations and meetings?

Mr Hutson: I expect that there would be some notes on those meetings, yes.

Senator CAMERON: Can you provide the file notes and the details of the meetings—that is, these informal meetings—that took place?

Mr Hutson: We will search the file and see what we have. We will take it on notice.

Senator CAMERON: Thanks. Have you, Ms Deininger, come to a view about what DHS's and Australian Hearing's position should be in relation to the engagement with the NDIS?

Ms Campbell: With respect to the NDIA, that is a matter for the Department of Social Services. It has been clear that further consultation will be carried out with those entities. The Department of Human Services does not have a policy role in this respect and so it is a matter for social services and the health department from the hearing perspective, and they are the policy owners.

Senator CAMERON: But you have delivery responsibilities, haven't you?

Ms Campbell: Australian Hearing has delivery responsibilities, but these are policy issues that the government is considering. So we are providing input into these matters, but the policy rests with those two departments.

Senator CAMERON: Mr Davidson, have you had any—

CHAIR: Senator Cameron, I am sorry to interrupt. I am conscious of the time, and Senator Siewert is waiting. So I might get you to wrap up this line of questioning and I will give Senator Siewert a go.

Senator CAMERON: I may have to come back to this line of questioning, but I am happy to wrap up and come back to it, if I need to—if that is okay with you.

CHAIR: All right.

Senator CAMERON: Mr Davidson, have you had any informal discussions and meetings with the scoping study group?

Mr Davidson: Not since last year.

Senator CAMERON: So they were in December or November last year?

Mr Davidson: I think November, but I can certainly take that on notice.

Senator CAMERON: So no discussions for six months?

Mr Davidson: No.

Senator CAMERON: Thank you, Chair.

CHAIR: Senator Siewert.

Senator SIEWERT: Mr Davidson, I want to go back to how much of the scoping study you have actually seen and clarify that.

Mr Davidson: We have only seen what is in the public arena; nothing else.

Senator SIEWERT: So you have not seen a copy of the scoping study that affects your future?

Mr Davidson: In terms of the findings?

Senator SIEWERT: Yes.

Mr Davidson: We saw the terms of reference, but the outcomes?—no, nothing at all.

Senator SIEWERT: Have you asked to see them?

Mr Davidson: No, not really. I think that is a matter for government at the right time to share whatever information they wish with us.

Senator SIEWERT: In terms of the ongoing consultation process that we have been talking about, has it been made clear to you how you will be involved in the ongoing consultation process?

Mr Davidson: Not as yet. Having been party to the original consultation, we do expect that we will be part of the subsequent consultation, but we have had no detail on that.

Senator SIEWERT: In regard to the briefing process you have already been engaged with in terms of the most recent meeting, can you give us a bit of detail on what was expected of the outcomes from that process?

Mr Davidson: It was purely information and an outline to us of the next steps in the process. So it was factual information about the timing and the fact that it was covering previous stakeholders, with a view to understanding the possible impact of the implementation of the NDIS on hearing services.

Senator SIEWERT: Has your understanding of that possible impact changed since we talked about this at the last estimates hearings?

Mr Davidson: No, because we do not have any clarity on the processes that NDIS will impose when the whole industry becomes contestable.

Senator SIEWERT: So you have not spoken to the Department of Social Services further or to NDIA?

Mr Davidson: We have had one meeting with NDIA to indicate that we are more than happy to be part of any discovery process they have in terms of getting the best outcomes for our clients.

Senator SIEWERT: What is your understanding about where they are up to with such a discovery process?

Mr Davidson: They have established an expert committee regarding early intervention. I may throw to Emma Scanlan again because Emma is on that committee.

Ms Scanlan: The two principal audiologists from Australian Hearing are on the early intervention committee. We have so far had one meeting, which was on 31 March, to discuss the terms of reference; there were no actual findings from that meeting. I expect that we will continue to meet as a group to talk through the different aspects of the early intervention and how we can bring any expertise from Australian Hearing to that discussion.

Senator SIEWERT: So that was two months ago?

Ms Scanlan: Yes.

Senator SIEWERT: Is another meeting scheduled?

Ms Scanlan: Not as far as I am aware.

Senator SIEWERT: So it is not such early intervention. I presume that I should ask the NDIA for the terms of reference for that committee.

Ms Scanlan: Yes.

Senator SIEWERT: What is your understanding of the role that committee is to play in terms of discussing the ongoing findings of the scoping study, given that is the issue around NDIS that is explicitly referred to?

Mr Davidson: We do not really know, but I would think this expert advisory committee is purely there to make sure that any hearing issues that currently exist can be captured in any future service delivery model, and I do not think that committee will be part of the scoping study discussions. But I am not aware.

Senator SIEWERT: So you are saying that there is a committee that NDIA has that is looking at early intervention for hearing—obviously, looking at that is a good thing—but you do not think that will have any role in the discussion about ongoing consultation with the scoping study, even though it is said that part of the explicit work that will be involved in that ongoing consultation is around interaction with the NDIS.

Mr Davidson: I really cannot answer because I do not know what the NDIA, NDIS or DSS decision will be about that committee. Just giving you my personal opinion, I think it is an advisory committee with regard to service delivery and possibly not anything else.

Senator SIEWERT: Mind you, I would have thought that was still pretty important.

Mr Davidson: Yes.

Senator SIEWERT: I want to go back to the issue around the meeting that you had. Was that to update the information on what the next steps are and will you just be included as another stakeholder?

Mr Davidson: Again we are not sure how they are going to run the stakeholder engagement; we have not been advised of that. All we have been advised of is the process and we have no detail on that process. But I would hope that we would be part of that subsequent consultation.

Senator SIEWERT: How long did the meeting go for?

Mr Davidson: It was just one session on a quarterly meeting regarding a large amount of other stuff; it was just an agenda item at the end. It was for our information; we had no real discussion on it.

Senator SIEWERT: So it was just a normal meeting where they updated you on the process and you have not seen the scoping study and no-one has briefed you on the actual findings?

Mr Davidson: Correct.

Senator SIEWERT: Thank you.

CHAIR: Senator Cameron, I remind you that we are due to finish this area at 10 to 10, so we will try to stick to time.

Senator CAMERON: Yes. Let me formally make the request for the scoping study to be tabled.

Senator Payne: We will take it on notice. I would suggest that you make the request to Finance, frankly.

Senator CAMERON: Yes; but I am asking you. You have a copy, so I am asking you. How many recommendations were in the scoping study?

Senator Payne: I do not have that amount of detail with me.

Senator CAMERON: How many of the recommendations affected DHS?

Senator Payne: Clearly I do not have the detail with me. If you want to put some questions on notice about this, I will take them up with Finance as to what is possible to respond to.

Senator CAMERON: So it is not a secret?

Senator Payne: What is not a secret?

Senator CAMERON: Do you stand by the statement that you made that the scoping study is not a secret?

Senator Payne: Yes.

Senator CAMERON: Then why won't you talk about it?

Senator Payne: Because I do not actually 'own' the document about which you are speaking. I do not own the scoping study, I do not own the process. The process is managed by the Department of Finance, the Minister for Finance, and the extended consultation is being managed by the Department of Finance and the Department of Social Services.

Senator CAMERON: We are here till four o'clock, I think. Could I ask that the department contact the Finance department and seek their agreement to the tabling of the document here so that we can have a sensible discussion about it?

Senator Payne: We can put the question to the department, yes.

Senator CAMERON: Can that be done today—this morning?

Senator Payne: I will take advice from the Secretary. I suspect it can, yes.

Senator CAMERON: Secretary?

Ms Campbell: Senator, we will ask the Department of Finance.

Senator CAMERON: So that would not be a big ask. They will say either 'yes' or 'no'.

Ms Campbell: Senator, we will ask the Department of Finance.

Senator CAMERON: This morning?

Ms Campbell: I am assuming that someone behind me is ringing them now.

Senator CAMERON: That is fantastic.

Senator SIEWERT: No-one is reaching for their phone, though.

Senator Payne: Senator, they are all on silent or turned off.

Senator CAMERON: Secretary, I cannot ask for more than that. Well, I could ask for the document. Just table it—that would be a good thing.

Senator Payne: Sorry, Senator.

Senator CAMERON: Mr Davidson, the speech processor upgrades—remember we had the discussion about that at the last estimates hearings? Where are we up to with the funding for the upgrades and what are the implications of the funding issues?

Mr Davidson: If you do not mind me doing a tic-tac with my colleague; Emma can come in when I flounder a wee bit. There was a significant increase in demand that was not part of our forecast as a result of two elements. One was that the uptake of bilateral implant was greater than at any time in the past and, in fact, was 30 per cent higher than the previous year. If you are looking for two to three to four per cent growth each year, we were woefully short in our forecast at that stage. Secondly, I think Cochlear themselves were very comfortable in spruiking the new upgrade and causing possibly greater demand than was expected, as well. Given that the funding is capped, we had to go and revisit the clinical criteria for the upgrade so that any person who had a genuine need to be on air would be on air. The previous processor of the Nucleus 5 and the Nucleus 6, the new processor, have only one fundamental difference. The reduction of noise in noisy situations is currently available in Nucleus 5, but you have to actually physically go in and adjust it yourself. The new Nucleus 6 does an automatic activation of that process. Emma, the process for deciding the clinical need?

Ms Scanlan: We reviewed the candidacy criteria specifically for upgrades from the Nucleus 5 to the Nucleus 6. The focus is always on making sure that every child is on air at all times. So we looked at which groups of clients would benefit the most from that upgrade. We based that on reviewing the scientific literature and also information on the features and benefits of the processors. We also consulted with the implant clinics to see who would actually benefit from this automatic access to the features that are available in the Nucleus 6 processor.

Senator SIEWERT: Who did you decide would be the main beneficiaries of that?

Ms Scanlan: Children under the age of five—

Senator SIEWERT: Who could not—

Ms Scanlan: who were unable to, yes, physically; and also older people who had an additional disability that would make it more difficult for them to access that feature themselves.

Senator SIEWERT: Have you turned down people who have sought an upgrade because it is capped? I understand what you have done with the criteria. How many people have you had to then say no to?

Ms Scanlan: As of 31 March, we had had six people who had asked for a review or made a complaint about the change in the candidacy criteria, people who had come in. But we do have a process for anyone to come in—the information is on our website—and actually have an individual review of the decision and we also have outlined the candidacy quite clearly on the website.

Senator SIEWERT: But you have only 'turned away'—sorry, they are not quite the right words—there are only six people that have missed out. The others may well have self-selected when they looked at the criteria. Would that be right?

Ms Scanlan: They were the people who had actually contacted us to make a complaint. There may be other people who had asked for a review and who were not successful in obtaining the upgrade, but I would have to take that question on notice to get the actual figure.

Senator SIEWERT: If you could, that would be appreciated. Thank you.

Senator CAMERON: Mr Davidson, how is the uncertainty for staff being handled?

Mr Davidson: We have been in this uncertain state for some time now.

Senator CAMERON: For how long?

Mr Davidson: Since the scoping study was announced and taken on board. I have to say that our staff engagement numbers are at the highest ever. Our vacancy for employees is at the lowest rate ever; in fact, in clinical services, it is less than one per cent at the present moment. In addition, lost time through unwarranted sickness levels is at the lowest ever. So, taking those three criteria, you would have to assume that the staff are comfortable with the current situation. That is not to say that that will continue forever. But at the present moment, I would say that there will be pockets of uncertainty but, in the main, it appears to be tracking fairly well.

Senator CAMERON: So they are pretty resilient at the moment?

Mr Davidson: People are.

Senator CAMERON: This will not be resolved, as I read it from the minister's letter, until the second half of this year, until some time late this year. Is that your understanding of the time frame?

Mr Davidson: It is. I have been reading the same publications that you have.

Senator CAMERON: So you do not have any copies of the secret document?

Mr Davidson: No, absolutely not.

Senator CAMERON: The government's secrecy has held firm. Thank you for that.