

## Health and Aged Care

### *Food safety protection*

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Australia New Zealand Food Authority:	6.5	6.5	6.5	6.6

#### *Explanation*

Additional funding is being provided to the Australia New Zealand Food Authority (ANZFA) to enable it to continue to effectively manage current and emerging food regulatory issues. These issues include:

- foods produced using biotechnology. Rapid growth in the range and scientific complexity of genetically modified foods requires individual safety assessment and approvals; and
- a range of 'novel foods' are emerging (containing materials not traditionally found in the diet) that require individual, pre-market scientific assessment and approval to assure consumers of their safety.

ANZFA (on behalf of State and Territory Governments) has been developing uniform national food safety standards. Work is continuing to ensure that the standards do not impose unwarranted costs on business, particularly small business and primary industry.

### *A Better Medication Management System*

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	21.6	15.7	-9.7	-16.0
Department of Veterans' Affairs:	0.5	1.0	0.1	0.2
Total:	22.1	16.6	-9.6	-15.8

#### *Explanation*

The Government will implement a new electronic system from 1 July 2001 to provide improved safety and quality for consumers in prescribing. Funding over the first two years will be provided as incentive payments to doctors and pharmacists to encourage adoption of the system, and to the Health Insurance Commission for infrastructure

costs related to implementing the electronic system. Under the new system, consumers will be able to opt to have a medication record created electronically which they can then access and which doctors and pharmacists, to whom the consumer goes, can use to avoid possible overdoses and potentially dangerous drug interactions. The new system provides a facility to enable consumers to have their safety net entitlements calculated automatically.

Savings will accrue from improvements in monitoring the Pharmaceutical Benefits Scheme (PBS). In addition to promoting improved health outcomes, the measure will generate savings by ensuring greater compliance by doctors with PBS prescribing requirements, reducing the number of payments made in error and reducing the number of prescriptions supplied to individuals in breach of PBS conditions.

This is a cross portfolio measure between the Department of Health and Aged Care and the Department of Veterans' Affairs (DVA). As DVA provides health care services to veterans, a small expense in DVA results from the implementation of this measure.

***Consumer and community involvement in influencing health decisions***

*Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	2.3	2.3	2.3	2.3

*Explanation*

This measure will enable the Government to more readily tap into consumer and local community views on health and aged care programmes and health issues in general. A market research programme will be implemented to track public attitudes and concerns and to provide community input to, and feedback on, health issues at a local level. In addition, the ABS National Health Survey will be expanded to become a regular, targeted triennial survey with an enhanced sample of Indigenous Australians.

Implementation of this measure will enable the community's expectations and concerns about the health system generally as well as particular issues to be identified and tracked over time. It will allow Government to collect information which will influence health policy decisions.

### **Delete nasal sprays from the Pharmaceutical Benefits Scheme**

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	-7.0	-17.6	-18.4	-19.2
Department of Veterans' Affairs:	0.1	0.2	0.2	0.2
Total:	-6.9	-17.4	-18.2	-19.0

#### *Explanation*

On the advice of the Pharmaceutical Benefits Advisory Committee (PBAC), nasal sprays for the treatment of rhinitis and rhinorrhea conditions (such as, sneezing, itchy nose, and runny nose) will be deleted from the Pharmaceutical Benefits Scheme (PBS). The Repatriation Pharmaceutical Benefits Scheme (RPBS) will not be altered by this measure.

The PBAC has indicated that for many patients the benefits of these products are relatively small and PBS outlays may be better directed towards management of more severe diseases.

This is a cross-portfolio measure and will result in a small expense for the Department of Veterans' Affairs due to a substitution in demand from the PBS to the RPBS for nasal sprays.

### **Early detection of bowel cancer**

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.6	2.0	1.9	1.7

#### *Explanation*

The Government will provide funding for a pilot to test the feasibility of implementing a general screening programme for bowel cancer. Bowel cancer screening will be offered to 50,000 people aged between 50 and 75 years.

The pilot programme will focus on the efficacy of the screening protocols to:

- validate reductions in mortality;
- demonstrate cost effectiveness of screening; and
- explore issues around practical implementation.

Around one in twenty Australians may develop bowel cancer and death is preventable if the disease is detected early. The pilot will examine practical issues around recruitment for screening, delivery of the tests, payment and funding, community acceptance of the tests, supporting infrastructure for a national effort and data collection and monitoring.

***Enhancing the evaluation expertise provided to the Pharmaceutical Benefits Advisory Committee***

*Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	0.8	0.8	0.8	0.8

*Explanation*

This measure will ensure that all accepted major submissions to the Pharmaceutical Benefits Advisory Committee (PBAC) for listing of medicines on the Pharmaceutical Benefits Scheme (PBS), including submissions for new drugs, are fully evaluated within the existing 7-week time frame. This timeframe is essential if the community is not to experience delays in access to valuable new medicines. It is also important that industry receive a timely service through government processes.

Submissions to the PBAC for listing of medicines on the PBS are growing in both number and complexity and evaluation capacity needs to be augmented to ensure it can cope with this and maintain the above timeframe.

***Ensuring quality care***

*Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	2.9	2.8	2.8	3.0

*Explanation*

This measure will ensure that residential aged care service providers deliver a minimum acceptable standard of care to aged care residents. It will also ensure that current concerns about the standard of care are promptly investigated and resolved.

Accreditation of aged care facilities will be supported by a strengthened Government capacity to investigate emerging evidence and serious complaints of failures to provide minimum standards of acceptable care. This measure will establish a national network of specialised investigators, comprising a registered nurse and investigation officer in each State and Territory office, to provide a rapid response to emerging problems.

### ***Establishment of an Australian Cord Blood Banking Network***

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	2.2	2.2	2.3	2.3

#### *Explanation*

This proposal will increase significantly the opportunity for life saving treatment for those Australians, especially children, with life threatening diseases such as leukemia. A national network of collection centres and umbilical cord blood banks will collect and store 20,000 units of cord blood (over four years) to be used as an alternative source of haemopoetic stem cells for transplantation. The above costs represent fifty percent of the total costs, as the costs will be shared with the States and Territories.

Given the difficulties in finding compatible bone marrow for Indigenous people, an additional 2,000 units of cord blood (over four years) will be collected from Aboriginal and Torres Strait Islander people and stored.

#### *Further Information*

A cord blood bank network of 20,000 units will provide a match for 80 per cent of searches. It is estimated that using unrelated cord blood will double the number of transplants performed.

### ***Fringe Benefits Tax transitional grants for public and not-for-profit hospitals***

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	88.0	80.5	72.0	-

#### *Explanation*

The Government will provide substantial funding to support public and not-for-profit hospital services in the transition to the new fringe benefits tax (FBT) arrangements.

In its tax reform package *A New Tax System*, the Government announced a measure designed to stop overuse of the current open-ended concessional FBT treatment available to public benevolent institutions and certain other not-for-profit organisations. *A New Tax System* noted that a cap would be imposed on the value of concessionally treated fringe benefits that could be provided to employees of those organisations.

The cap to apply to public and not-for-profit hospitals will be \$17,000 of grossed up taxable value per employee, effective from 1 April 2000. To assist with the transition to the \$17,000 cap, the Government will provide grants for public and not-for-profit hospitals over the 2000-01 to 2002-03 period, reducing to zero in 2003-04.

See also the related revenue measure, *Change to the fringe benefits tax capping measure applying to public benevolent institutions and non-profit employers*, in the Treasury portfolio.

### ***Further reforms to the Hearing Services Programme***

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	-10.9	-4.2	-4.4	-4.5

#### *Explanation*

The Government will introduce the following measures from 1 October 2000:

- a hearing rehabilitation only item will be included in the schedule of hearing services to provide a reasonable alternative to hearing aids for people with low levels of hearing loss;
- the period between hearing services voucher reissue will be extended from one to two years (unless clinical need to have a reassessment earlier can be demonstrated); and
- the period between hearing aid refitting will be extended from four to five years (unless clinical need to have a refit earlier can be demonstrated).

Providers will be required to seek approval from the Office of Hearing Services prior to refitting clients with hearing aids within the five-year period outlined above.

These measures will improve the targeting of the programme to those with a clinical need for assistance. The savings are greatest in the first year due to the largely one-off effect from extending the periods between voucher reissue and hearing aid refitting.

### ***Health technology quality enhancement***

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	7.8	7.9	-2.2	-60.0
Department of Veterans' Affairs:	-0.8	-1.0	-0.8	-0.8
Total:	7.0	6.9	-3.0	-60.8

#### *Explanation*

The Government will introduce a number of initiatives to improve access to high technology and innovative medical services, consolidating and extending measures from previous budgets.

In pathology, the current three-year agreement with the profession will be extended to five years and a number of urban public pathology services currently funded under Health Programme Grants will be mainstreamed into the Medicare Benefits Schedule under the Pathology Agreement. In diagnostic imaging, the current three-year agreement with the profession will be extended to five years.

A small programme of support for new activities under the General Practice Memorandum of Understanding will also be provided. This includes development work in the diagnostic imaging area.

This is a cross portfolio measure between the Department of Health and Aged Care and the Department of Veterans' Affairs (DVA). As DVA provides health care services to veterans, a small change in expenses in DVA results from the implementation of this measure.

### ***Improved pharmaceutical benefits entitlement monitoring***

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	-5.7	-18.0	-20.7	-22.2
Department of Veterans' Affairs:	..	-0.4	-0.6	-0.7
Total:	-5.7	-18.4	-21.3	-22.9

#### *Explanation*

This measure, to apply from 1 January 2001, is based on the use of the Medicare number on pharmaceutical benefit prescription information provided to the Health

Insurance Commission. It will facilitate the monitoring of entitlement to pharmaceutical benefits, for example, the status of visitors from overseas, excessive use of particular medicines and improvements in the administration of the authority prescription system.

This measure will assist in ensuring that pharmaceutical benefits are not provided inappropriately, and will result in a reduction in the number of payments made in error for prescriptions for persons not currently eligible for Pharmaceutical Benefits Scheme subsidy. It will also improve the ability of the Health Insurance Commission to identify individuals using excessive quantities of medicines.

This is a cross portfolio measure between the Department of Health and Aged Care and the Department of Veterans' Affairs (DVA). As DVA provides health care services to veterans, a small change in expenses results in DVA from the implementation of this measure.

***National Alcohol Harm Reduction Strategy***

*Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.0	1.0	1.0	1.0

*Explanation*

This measure is directed at reducing alcohol related harm in the Australian community. Particular attention will be given to those populations, including the young and Indigenous Australians where the risk of alcohol related harm is greatest.

Funding will support:

- implementation of the National Alcohol Action Plan;
- the development of Commonwealth actions to complement the National Alcohol Action Plan;
- promotion of the updated National Health and Medical Research Council Responsible Drinking Guidelines; and
- the development of partnerships aimed at reducing alcohol-related harm, and evaluation of the National Alcohol Strategy.



### ***National Childhood Nutrition Programme***

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	6.5	6.5	-	-

#### *Explanation*

The Government's taxation reform package included a commitment to provide \$15 million over three years commencing in 1999-2000 for a national programme to improve nutrition in young children. Some \$2 million has already been committed in 1999-2000 for this initiative.

This measure will provide Commonwealth funding directly to community based projects for services and activities to improve the diet and longer term eating habits of young children. It will target all children aged 0-12 years and their parents, including those in rural and remote communities, Aboriginal and Torres Strait Islander communities and other lower socio-economic groups.

#### *Further Information*

Projects will be funded to utilise existing infrastructure such as baby health clinics, education services, child care centres, regional health services and community organisations, to fill gaps in services, to extend existing programmes and/or to develop new and innovative approaches to identified local problems.

### ***National Depression Initiative***

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	-	-	-	-

#### *Explanation*

The Government will provide \$3.5 million per annum over the next five years as part of a National Depression Initiative. This funding is to be absorbed by the Department of Health and Aged Care. Depression is one of the major causes of illness and disability in Australia, as it is internationally. Its impact on the Australian community has been recognised as considerable by the Government not only in personal, but also in social and economic terms.

The National Depression Initiative seeks to foster greater awareness through community education, promote professional training and development primarily in primary care, and research better prevention, treatment and management approaches

to deal with the burden of depression. This work will be managed by a national body with a board reflective of the broad community with funding made available from all Australian governments matched by the Australian corporate sector.

### ***National radiotherapy single machine unit trial***

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.0	2.9	2.9	2.9
Department of Veterans' Affairs:	..	..	..	..
Total:	1.0	2.9	2.9	3.0

#### *Explanation*

An innovative system of radiotherapy service delivery for rural people is to be trialed using Single Machine Units. This is based on a hub and spoke service delivery model whereby rural Single Machine Unit radiotherapy services are linked to major metropolitan services thus aiming to ensure standards of professional and service quality.

The five-year trial will test the extent to which Single Machine Units will improve access to and utilisation of radiotherapy services, without compromising quality of care. The trial will be subject to rigorous evaluation, which will include investigation of the cost effectiveness and long term financial viability of Single Machine services.

#### *Further Information*

In 1996, the Australian Health Technology Advisory Committee recommended that radiotherapy centres have at least two mega voltage machines. The five-year Single Machine Unit Trial offers an opportunity to examine alternative models of radiotherapy treatment for rural and remote patients.

This is a cross portfolio measure between the Department of Health and Aged Care and the Department of Veterans' Affairs (DVA). As DVA provides health care services to veterans, a small expense in DVA results from the implementation of this measure.

## ***National Strategy for an Ageing Australia***

### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.5	1.5	1.5	1.5

### *Explanation*

Building on the achievements of the 1999 International Year of the Older Persons, this measure will enable implementation of a range of partnership initiatives to be developed with other areas of Government as well as non-government organisations and the private sector.

The Strategy will focus on a whole-of-government approach to the ageing of the Australian population; promoting positive images of older Australians; healthy ageing; mature age employment; and international research and the sharing of expertise in delivering aged care services.

Initiatives will be developed to improve the profile of mature age workers and highlight the valuable contribution they will be required to make as the growth in the labourforce slows as a result of population ageing. Work will also be undertaken to build on international links through research and export initiatives, and to respond to the increasing interest in Australia's aged care services being shown by other countries.

## ***Nucleic acid testing and other measures to improve the safety of fresh blood products***

### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	8.3	7.4	7.9	8.5

### *Explanation*

This measure will enable nucleic acid testing by the Australian Red Cross Blood Service of all blood donations. The introduction of nucleic acid testing and regulatory arrangements for fresh blood products will reduce significantly the risk of transmission of blood-borne diseases through blood and blood products. In accordance with current Red Cross funding arrangements, the Commonwealth will contribute 40 per cent of the operating costs and 50 per cent of the capital costs of this measure while the States and Territories will contribute the balance.

### *Further Information*

Nucleic acid testing is a new technology that can detect the presence of a virus in a blood donation before the donor has developed the antibodies that are detected by current testing procedures.

The new regulatory arrangements involve extending the Therapeutic Goods Administration's activities to include the collection, processing and storage of fresh blood products produced by the Red Cross. This replaces the current split of functions between the Commonwealth and the States.

### ***Reduction in amounts payable to the Health Insurance Commission for processing Medicare and related benefits***

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	-2.0	-2.0	-2.0	-2.0

#### *Explanation*

Services provided by the Health Insurance Commission (HIC) to the Department of Health and Aged Care, such as the delivery of Medicare benefits and related programmes, will cost less under a new Output Pricing Agreement to take effect from 1 July 2000.

The savings will not result in a diminution of service standards for the public and other HIC clients, as they will be achieved from efficiencies within the Commission's operations.

### ***Reform of Public Health and Safety Regulatory Arrangements***

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.5	-	-	-

#### *Explanation*

The Government will fund a study over twelve months into opportunities to coordinate public health and safety regulatory arrangements in order to achieve a more efficient, accountable and transparent regulatory framework for food, medicines, medical devices, gene technology and chemicals. The study will be conducted in close cooperation with the States, Territories, New Zealand, industry and consumers.

Future arrangements should provide more effective decision making processes and streamlined interactions between industry, consumers and health regulators, whilst maintaining confidence in public health and safety regulation in both Australia and New Zealand.

*Further Information*

Health and safety regulation involves a multiplicity of Commonwealth Government authorities with different funding and governance regimes across the regulators. There are overlaps and fragmentation of responsibility for food, medicines and medical devices, agricultural and veterinary chemicals, household chemicals and gene technology.

## ***Regional Health Package – More Doctors, Better Services***

### *Expenses (\$m)*

	2000-01	2001-02	2002-03	2003-04
New general practitioner registrars	10.1	20.6	31.6	39.7
Enhanced RAMUS	2.0	2.0	2.0	2.0
HECS reimbursement (DETYA)	0.3	0.6	1.3	2.0
Bonded scholarships for medical students to practice in rural areas				
Health component	1.8	3.3	5.2	7.3
DETYA component	1.4	2.9	4.5	6.0
Medical training – additional University departments of rural health and clinical schools	8.7	25.3	38.1	45.6
Medical specialist outreach assistance	5.0	14.3	14.5	14.7
More allied health services	10.5	11.4	12.6	14.9
Workforce support for rural general practitioners	2.1	2.6	2.7	2.7
Regional health services expansion	4.9	14.1	21.6	28.3
Chronic Disease Rural Strategy	2.5	2.1	3.7	5.9
Enhanced Rural and Remote Pharmacy Package	8.0	11.5	11.1	11.0
Bush nursing, small community and regional hospitals	4.1	7.6	8.2	10.4
Aged Care – adjustment grants for small rural aged care facilities	4.6	7.2	9.4	9.6
Communications Strategy	2.0	1.0	0.5	0.5
<b>TOTAL – Department of Education, Training and Youth Affairs</b>	<b>1.8</b>	<b>3.6</b>	<b>5.8</b>	<b>8.1</b>
<b>TOTAL – Department of Health and Aged Care</b>	<b>66.2</b>	<b>123.0</b>	<b>161.3</b>	<b>192.5</b>
<b>TOTAL – More Doctors, Better Services</b>	<b>67.9</b>	<b>126.6</b>	<b>167.1</b>	<b>200.6</b>

Note: All expenses shown are for the Department of Health and Aged Care, except for amounts indicated as being for the Department of Education, Training and Youth Affairs, (DETYA).

The Government is committed to improving access to health and aged care services for regional and rural communities, right across Australia.

The Budget introduces an extensive and integrated package of measures designed to provide more doctors and better health services in rural areas, at a cost of \$562 million over four years.

This package will increase the number of general practitioners and specialists working in rural Australia in the short term, and provides for this increase to continue into the future. Incentives will be provided for medical graduates to undertake their vocational training in rural Australia, immediately increasing the supply of qualified medical practitioners working in these areas.

Better services will be available in rural areas, through a new focus on allied health professionals and chronic disease. Communities will be able to access allied health services not previously available in some areas, including practice nurses, psychologists, physiotherapists and podiatrists, reducing the load on general practitioners and complementing the services they provide. Funding will also be available to assist communities to combat the burden of chronic disease amongst their local population.

Underpinning these initiatives is funding to support and increase the health and aged care infrastructure in the country with more regional health services and support to ensure the ongoing viability of small rural community hospitals and aged care facilities. New rural medical educational facilities in the form of nine new clinical schools and three new University Departments of Rural Health will be established to enable medical students to be exposed to rural practice, and to support existing rural practitioners with ongoing training. The Government will establish an Office of Rural Health in the Department of Health and Aged Care to oversee the implementation of this programme.

All of the elements of this package are mutually reinforcing, ensuring that rural and regional Australians will have more doctors and better services now, and into the future. The package has been carefully designed around a partnership approach that recognises that needs will vary between communities. It will focus on local solutions to local problems—recognising that communities are often best placed to know what will work best for them.

#### *New general practitioner registrars*

The Government will provide \$102.1 million over four years to immediately increase access to general practice services in regional Australia. There will be an increase of 50 places per year during the next three years for general practice vocational training in rural and regional areas, taking the total number of registrar places to 450 per year. The distribution of existing training places will also be changed to favour rural areas. This rural emphasis in the allocation of places will be complemented by financial incentives to encourage medical practitioners to undertake their vocational training in rural and remote locations.

This proposal will immediately increase access to general practice services. It also aims to increase the number of registrars who gain confidence-building experience in rural areas, which can assist their choice to take up practice in rural areas following

completion of their training. There will also be improved retention of practitioners in these areas as registrars who go to rural areas will be better prepared for handling the professional and personal demands of rural work. This initiative will be reviewed after four years to assess its effectiveness.

#### *Enhanced Rural Australian Medical Undergraduate Scholarships (RAMUS)*

To enable more students with rural backgrounds to undertake medical training, the Government will provide an additional \$8.0 million over four years through the Rural Australian Medical Undergraduate Scholarships (RAMUS) scheme. This will double the number of scholarships available under the scheme, bringing the total number of students receiving payments to almost 400 in each year.

These scholarships support undergraduate medical students who have completed their secondary education in a rural area. The scholarships provide financial assistance towards the cost of accommodation, living and travel expenses.

Evidence suggests that medical graduates originally from rural areas are more likely to return to rural areas to practice once they have completed their training and this initiative is designed to increase the number of doctors practising in rural areas in the longer term.

#### *HECS reimbursement*

To further promote careers in rural medicine, the Government will provide financial incentives of \$4.3 million over four years to attract graduating medical students by offering them the opportunity to 'acquit' their HECS debt in a designated rural area.

Under this scheme, graduating medical students who are willing to commit to rural practice will be better off financially. One fifth of the HECS debt will be foregone for each year worked in a designated rural area.

#### *Bonded scholarships for medical students to practice in rural areas*

The Government will provide \$32.4 million over 4 years to create 100 scholarships of \$20,000 per annum, and an associated increase in medical student places. These scholarships will be offered to new medical students each year in return for a commitment to practice in rural areas for a period of at least six years at the completion of their training. Students accepting these scholarships would be issued with a restricted provider number for the period of the bond, and only become eligible to provide Medicare rebateable services in urban areas after their obligations have been discharged.

#### *Medical Training — Additional University Departments of Rural Health and Clinical Schools*

The Government will provide significant funds for regionally based medical education infrastructure over the next four years, at a cost of \$117.6 million.

To enable all medical students to be exposed to rural practice as a part of their medical training, and to facilitate a greater focus on rural issues in the medical training



curriculum, nine new clinical schools will be established over the next three years. This initiative will mean that every Australian medical faculty has a clinical school in regional Australia, thereby increasing the opportunities for medical students to complete training in rural service delivery and encourage country students to pursue a career in medicine (and in particular rural medicine).

In addition, the Government will establish three new University Departments of Rural Health over the next three years, bringing the total number of Departments of Rural Health to ten. This will enhance support for rural health practitioners, training opportunities and facilitating greater collaboration and integration of service delivery.

#### *Medical Specialist Outreach Assistance*

The Government will provide \$48.4 million over four years in incentives and/or travel costs to specialists to provide outreach specialist services. It will also provide for the establishment of an administering body to identify regions and potential visiting specialists.

Specialists who participate in the programme will also act as mentors for the up-skilling of local health professionals. This will ensure that when specialist services are not directly available, regional communities will have access to the skills and services required to meet their health needs.

#### *More Allied Health Services*

This measure will provide \$49.4 million over four years to improve access to allied health services. Communities will be able to employ allied health practitioners, such as practice nurses, psychologists, physiotherapists and podiatrists, in line with locally identified needs, to ensure that they are able to access a wide range of services and to complement the skills of local general practitioners.

#### *Workforce Support for Rural General Practitioners*

This initiative will provide \$10.2 million over four years to ensure that rural and remote Divisions of General Practice can provide effective support to practitioners in their areas, especially newly arrived doctors.

Under this initiative, rural Divisions will be resourced to expand their role in attracting and retaining general practitioners through, for example: professional and family support, integration with other health care providers, mentoring of medical students, early immersion of registrars into rural general practice, and continuing medical education for local general practitioners (particularly Other Medical Practitioners).

#### *Regional Health Services Expansion*

The Government will provide \$68.9 million over four years to build on the successful Regional Health Services programme, making provision for 85 additional services over the next four years. Regional Health Services have proven to be a flexible way to deliver a range of health and aged care services to communities that are often too small to support stand-alone services.

The aim of the programme is to work with rural communities to identify local priorities and develop and support integrated health and aged care services to address those priorities. A very wide range of services can be supported under the programme, including medical services, community health care, child health services, substance misuse and abuse counselling, mental health services and aged care.

#### *Chronic Disease Rural Strategy*

The Government will provide \$14.2 million over four years to assist rural communities prevent and better manage chronic diseases such as asthma, heart disease, stroke, renal failure, Type 2 diabetes, osteoporosis, cancers, depression, vaccine preventable diseases and disabilities caused by preventable injuries.

Funding will be available to develop health delivery models specifically for small communities where people do not have the easy access to the full range of health care services available in urban areas. These models will be evidence based suitable for implementation through Regional Health Services as well as other community based structures. A system to monitor the incidence of chronic disease and behavioural risk factors will also be established.

#### *Enhanced Rural and Remote Pharmacy Package*

The Government will provide an additional \$41.6 million over four years in order to maintain and improve access to quality pharmacy services in rural and remote areas, recognising that pharmacists are an important part of the rural health infrastructure. These funds will be combined with existing funding from the Isolated Pharmacy Allowance and the Remote Pharmacy Allowance, with funding for the package totalling \$60.4 million over 4 years.

This initiative establishes a new Rural Pharmacy Maintenance Allowance to support existing pharmacies in rural and remote locations, and provide start-up assistance to encourage establishment of pharmacies in particular rural and remote areas. Start-up funding will target areas where there is a need for a community pharmacy and where it has proven difficult to attract a pharmacy to date.

This initiative will utilise regional placements of undergraduates to encourage increased numbers of pharmacy graduates to take up rural practice, and introduce an Aboriginal pharmacist scholarship scheme. It will also introduce a proprietor succession programme and a locum relief scheme to support existing pharmacists and ensure that pharmacy services are maintained in regional areas despite a significant proportion of regional pharmacists nearing retirement age.

#### *Bush Nursing, Small Community and Regional Private Hospitals*

The Government will provide \$30.3 million over four years to assist community hospitals in rural areas to identify the need for, and implement, refurbishment, reorganisation, business re-engineering or restructuring. Many of these small country community hospitals are run by religious and charitable organisations. The initiative will protect the ongoing viability of small rural private health services and ensure

continuity of health service delivery and choice in health service provision for people living in rural communities.

*Aged Care — Adjustment Grants for Small Rural Aged Care Facilities*

The Government will provide increased funding of \$30.8 million over four years to ensure that older Australians and their families, living in rural areas, have access to good quality, appropriate residential aged care facilities.

Funding will support aged care facilities in rural areas where the costs of overheads and other costs are higher than comparable facilities in non-rural areas.

*Communications Strategy*

Funding of \$4.0 million over four years has been provided for a communications strategy to ensure that rural and regional communities are fully informed of the range of initiatives that are available.

***Residential Aged Care Funding Equalisation and Assistance Package***

*Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	8.9	27.0	41.4	29.4
Department of Veterans' Affairs:	1.1	3.3	5.1	3.6
Total:	10.0	30.4	46.5	33.1

*Explanation*

The new *Funding Equalisation and Assistance Package* provides an additional \$148 million over six years to 2005-06. For those States and Territories with nursing home subsidy rates currently below the national average the package means that they will reach the standard national rates two years earlier. Those States above the national average will reach the standard national rates two years later. This will soften the transition to standard national rates in those States.

There will be no nominal decreases in subsidy rates over the period of the package in any State or Territory.

*Further Information*

The additional funds allow funding rates in Queensland, South Australia, Western Australia and the Australian Capital Territory to be accelerated so they reach national standard subsidy rates by 1 July 2002, two years earlier than under the original proposal.

The additional funds also smooth the transition of the funding rates in Victoria and Tasmania so that they reach national standard subsidy rates by 1 July 2006, two years later than under the original proposal.

The combined effect of these transition paths is that additional funding peaks in 2002-03 and then tapers off.

This is a cross portfolio measure between the Department of Health and Aged Care and the Department of Veterans' Affairs (DVA). As DVA funds residential aged care services to veterans, a small expense in DVA results from the implementation of this measure.

### ***Simpler income testing arrangements for residential aged care fees***

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.8	2.2	2.6	3.1
Department of Veterans' Affairs:	0.3	0.3	0.3	0.4
Total:	2.0	2.5	2.9	3.4

#### *Explanation*

The Government will simplify the income testing process for residential aged care fees by moving from a daily to quarterly assessment of fees. It will reduce by two-thirds letters to residents notifying fee changes, and eliminate retrospective fee increases and administratively inefficient small fees.

Aged care residents, families and providers will benefit from fewer fee variations and retrospective increases to fees. This initiative will also reduce the administrative effort for aged care providers.

This is a cross portfolio measure between the Department of Health and Aged Care and the Department of Veterans' Affairs.

### ***Simplified billing for no or known gaps***

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	4.0	4.1	4.1	4.2

#### *Explanation*

This measure promotes the widespread take-up of the Government initiative of simplified billing throughout the private health industry. This will be achieved through the promotion of electronic commerce for the simplified billing and processing of Medicare claims, and through further promotion and implementation of simplified billing as a means of making private health insurance more attractive and therefore encouraging greater private health care usage. Elements of the measure are:

- promotion of the establishment of new billing agencies;
- provision of incentives for billing agencies to lodge Medicare claims processed under simplified billing electronically via private health funds to the Health Insurance Commission (HIC); and
- provision of funding to the HIC for Medicare systems development to track the electronic lodgment of Medicare claims from billing agencies.

#### *Further Information*

This measure particularly supports the Government's introduction of new legislation on 17 February 2000 to allow the private health industry to develop 'no gap' or 'known gap' schemes which will operate without the need for contracts. These schemes will include simplified billing arrangements for episodes of in-hospital care, which promote informed financial consent for patients. The establishment of new billing agencies will facilitate the introduction of these schemes.

***Subsidisation of the accreditation fee for small residential aged care facilities***

*Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.8	1.3	1.3	1.9

*Explanation*

The accreditation of residential aged care facilities ensures continuous improvement to enhance the level of care provided to residents and to improve the business practices of services.

To ensure that the accreditation process does not cause undue financial hardship to aged care facilities, a tapered fee subsidy will be paid to facilities with between 20 and 25 residents, and the Government will pay the accreditation fee for facilities with 19 places or less.

This measure largely benefits smaller rural and remote service providers, and will assure residents of these facilities and their families that quality care will be provided.

## Immigration and Multicultural Affairs

### *Enhanced integrity of the family migration stream*

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	-0.2	-0.2	-0.2	-0.2
Department of Immigration and Multicultural Affairs:	-	-	-	-
Total:	-0.2	-0.2	-0.2	-0.2

#### *Explanation*

The Government will implement two measures to enhance the integrity of the family migration arrangements. These are:

- the implementation of the Social Security Appeals Tribunal (SSAT) as the independent review mechanism for health assessments of sponsors in the carer category; and
- tightening the operation of the domestic violence provisions, which allow spouse visa holders to remain in Australia following separation from their Australian spouse if they are victims of domestic violence. Following a review, the Government has decided to introduce an independent assessment of the claims of domestic violence to replace the current requirements for applicants to seek out and present a full court order or statutory declarations from 'competent persons' (that is, certain health/welfare professionals).

The Department of Immigration and Multicultural Affairs will absorb within current resourcing the costs of \$1.5 million over four years for these measures. Reduced expenses shown under the Family and Community Services portfolio reflect the saving in income support payments to people who are not able to gain access to domestic violence provisions under the new assessment regime.

## ***Future directions for the Overseas Student Visa Programme***

### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Immigration and Multicultural Affairs:	0.6	1.6	2.4	2.6

### *Explanation*

The Government will implement revised arrangements for the Overseas Student Visa Programme (OSVP) to provide for the continued expansion of the education export sector under arrangements that ensure the integrity of the programme and continuing economic benefits to Australia. These enhancements, to be implemented from 1 July 2000 include:

- the current system of gazetted/non-gazetted countries and special arrangements for students of the Peoples Republic of China will be replaced with sector specific visa subclasses, which allow for minimum qualifying standards to be set for each sector;
- the enactment of regulations for establishing entry standards for the nationals of any given country in accordance with the assessed risk of non-compliance with visa conditions; and
- stronger integrity arrangements to provide for the automatic cancellation of a student visa where the course requirements are not satisfied.

In addition, the Government has decided to extend the existing Pre-Qualified Institutions (PQI) pilot. The PQI pilot provides priority visa processing for high quality and high integrity educational institutions, in exchange for the acceptance of greater responsibility in assessing the bona fides of student applicants and ensuring that students comply with visa conditions.

The expenses provided under this measure reflect the additional workload funding that would be provided to the Department under its Purchasing Agreement as a result of the increase in student visa applications. The Department will absorb the implementation and administration costs of the new arrangement, worth \$2.3 million over four years, within current allocations.

This measure will also increase revenue as a result of higher student visa applications, as shown in the related revenue measure titled *Future directions for the overseas student visa programme*, in the Immigration and Multicultural Affairs portfolio.



## ***Increased permanent migrant intake***

### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Education, Training and Youth Affairs:	1.2	3.6	5.0	6.4
Department of Family and Community Services:	2.9	4.7	5.5	8.9
Department of Health and Aged Care:	0.7	3.7	7.2	10.7
Department of Immigration and Multicultural Affairs:	3.8	7.0	7.8	8.0
Total:	8.6	19.0	25.5	34.0

### *Explanation*

The Government announced on 3 April 2000 that it would increase the planning level for the permanent Migration (Non-Humanitarian) Programme from 70,000 to 76,000 places in 2000-01. The increase in expenses shown under this measure reflects the expected impact of increased migration on a range of demand driven programmes.

Expenses within Immigration and Multicultural Affairs portfolio primarily reflect the costs of providing English language training to adult migrants who have been assessed as not having functional English language skills. Under the migrant two-year waiting period, new migrants are excluded from most welfare benefits. Therefore, the costs under the Family and Community Services portfolio primarily reflect the expected usage of the Special Benefit payment that is available in cases of extreme hardship. Expenses in the Health and Aged Care and Education, Training and Youth Affairs portfolios reflect the expected usage of health and schools services, respectively, by the additional migrants.

### *Further Information*

The increase in permanent migration includes 5,000 places in the Skill Stream, which will deliver additional economic benefits, by addressing skill shortages that have emerged in the Australian economy. The planning levels for 2000-01 also include the provision of an additional 2,400 places under the Family Stream and a reduction of 1,400 places in the Special Eligibility category, in line with the expected demand under that category.

The increase in the permanent migrant intake also provides additional revenue from user charging under the Adult Migrant English Programme as set out in the related revenue measure titled *Increased permanent migrant intake*, in the Immigration and Multicultural Affairs portfolio.

This is a cross portfolio measure between the Department of Immigration and Multicultural Affairs, the Department of Family and Community Services, the Department of Health and Aged Care and the Department of Education, Training and Youth Affairs.

## *Initiatives relating to unauthorised arrivals*

### *Expense and capital (\$m)*

	2000-01	2001-02	2002-03	2003-04
<b>Unauthorised Arrivals in Australia Package</b>				
Immigration and Multicultural Affairs Portfolio				
Unauthorised Arrivals in Australia — combating people smuggling in transit countries	1.0	1.0	1.0	1.0
Unauthorised Arrivals in Australia — establish a new detention facility at Darwin and close the Curtin facility (expense)	-1.5	-5.4	-5.5	-5.6
Unauthorised Arrivals in Australia — establish a new detention facility at Darwin and close the Curtin facility (capital)	2.8	-0.2	-0.2	-0.2
Unauthorised Arrivals in Australia — initiatives to address the situation of displaced Afghan and Iraqi refugees	5.0	5.1	5.3	5.4
Unauthorised Arrivals in Australia — offshore resources to support the integrity of migration entry processes	4.6	3.6	3.7	3.7
Unauthorised Arrivals in Australia — pilot programme for targeted reintegration assistance and to support character checking	2.0	-	-	-
Unauthorised Arrivals in Australia — resources to expedite offshore processing, information flows and cooperation in relation to the humanitarian programme	1.7	1.2	1.2	1.2
<b>Sub-total</b>	<b>14.8</b>	<b>5.3</b>	<b>5.5</b>	<b>5.5</b>
Attorney-General's Portfolio				
Unauthorised Arrivals in Australia — legislative changes to support law enforcement	-	-	-	-
Unauthorised Arrivals in Australia — lease a charter vessel to transport unauthorised arrivals intercepted at sea or at islands off the mainland	nfp	nfp	nfp	nfp
Unauthorised Arrivals in Australia — additional resourcing to investigate and detect organised people smuggling	3.9	4.0	4.1	4.1
<b>Sub-total</b>	<b>3.9</b>	<b>4.0</b>	<b>4.1</b>	<b>4.1</b>
Family and Community Services Portfolio				
Unauthorised Arrivals in Australia — apply the activity test to recipients of Special Benefits	4.0	0.9	-1.9	-2.0
<b>Total Unauthorised Arrivals in Australia Package</b>	<b>23.5</b>	<b>10.3</b>	<b>7.7</b>	<b>7.6</b>
<b>Other measures</b>				
Immigration and Multicultural Affairs Portfolio				
Long term strategy for immigration detention facilities	1.0	1.0	8.7	10.7
Revised resourcing arrangements for detention costs	-2.7	-24.5	-25.1	-25.6
<b>Total all measures</b>	<b>21.8</b>	<b>-13.3</b>	<b>-8.7</b>	<b>-7.3</b>

The Government has adopted a range of measures to address the increasing costs associated with unauthorised arrivals. These costs primarily relate to detention and processing arrangements. The individual expense initiatives in the Immigration and Multicultural Affairs portfolio are outlined below. Measures within the Attorney-General's and Family and Community Services portfolios are outlined in the respective portfolios under measures titled *Unauthorised Arrivals in Australia*.

### ***Unauthorised Arrivals in Australia Package***

Following consideration of a report on Unauthorised Arrivals in Australia commissioned in late 1999, the Government is implementing a package of measures to address the rapid growth of unauthorised arrivals by boat.

On current trends, expenses associated with the interception, detention and processing of unauthorised arrivals by boat are expected to approach \$1 billion over the forward estimates period. Under this package, the Government has developed a coordinated strategy involving the commitment of more than \$49 million over four years (including the capital measure referred to below) to address this pressure. While the impact of this strategy is not immediately quantifiable, the successful implementation of initiatives in the package is expected to substantially reduce the costs to Australia from unauthorised arrivals.

The initiatives in this package focus on four key priorities:

- countering the impact of organised people smuggling, which has been identified as a central influence in the recent growth of unauthorised arrivals;
- reducing the incentives for unauthorised arrivals to undertake the journey to Australia;
- improving coordination amongst government agencies involved in addressing the problem of unauthorised arrivals and increasing the efficiency of arrangements to manage them; and
- bolstering the international protection framework to improve the prospects of displaced people through repatriation to home countries, integration in first-asylum countries or resettlement in third countries.

### ***Combating people smuggling in transit countries***

The Government will commit \$4 million over four years to the development of programmes designed to assist key transit countries to combat people smuggling and illegal immigration. The Department of Immigration and Multicultural Affairs, in cooperation with the Australia Agency for International Development and the Australian Customs Service, will develop a package of technical and physical assistance aimed at institutional strengthening and capacity building for border control agencies in those countries.

### *Establish a new detention facility at Darwin and close the Curtin facility*

The Government will establish a new permanent Immigration Reception and Processing Centre (IRPC) in the Darwin region when the current temporary detention facility at the Curtin Air Force Base in Western Australia is returned to defence use. Locating a new IRPC near a major regional centre will reduce costs in a number of areas, such as transport for unauthorised arrivals from the point of interception, travel and accommodation for relevant departmental and legal staff, and the general costs of running the facility.

A new Darwin facility would incorporate a core facility for 500 people with significant additional places to be provided through flexible demountable accommodation, allowing for expected surges in capacity requirements.

The Government has provided a \$3 million capital injection for the establishment of the new facility in Darwin. See the related capital measure *Unauthorised Arrivals in Australia - Establish a new detention facility at Darwin and close the Curtin facility* in the Immigration and Multicultural Affairs portfolio.

### *Initiatives to address the situation of displaced Afghan and Iraqi refugees*

The Government will increase its diplomatic efforts, working with countries who share an interest in the problem of unauthorised arrivals, to build a coordinated international approach to the development of a long-term solution for Afghan and Iraqi refugees.

Key aims in this strategy include:

- seeking the agreement of first-asylum and key transit countries to provide protection to displaced people who require it until repatriation or other solutions become feasible;
- assisting the United Nations High Commissioner for Refugees (UNHCR) in processing claims of asylum in first-asylum and transit countries;
- seeking cooperation from other donors to provide financial support to the UNHCR for Afghan and Iraqi asylum seekers; and
- developing a process for managing people whose claims to protection have been unsuccessful.

The Government will provide the Department of Immigration and Multicultural Affairs with some \$5 million per annum to provide targeted aid contributions and resettlement support, in cooperation with the Australian Agency for International Development, where this will support the achievement of the above aims.

The Government will also provide a \$1.5 million contribution to the UNHCR's appeal for Afghanistan, Pakistan and Iran from within the 1999-2000 aid programme. A further \$4.5 million from within the 2000-01 aid programme may be allocated to support relevant aid activities.

### *Offshore resources to support the integrity of the migration programme*

The Government has committed additional resources to the Department of Immigration and Multicultural Affairs (DIMA) to ensure the integrity of Australia's migration and temporary entry arrangements by addressing people smuggling and immigration fraud at the source:

- Some \$12.4 million over four years to expand DIMA's network of compliance officers to help Australia's overseas posts combat document and identity fraud, and irregular people movements, particularly where people smuggling is involved; and
- DIMA's network of airline liaison officer (ALOs) will be expanded through the commitment of around \$3.1 million over four years to focus on key transit airports for unauthorised arrivals in Australia. ALOs advise airlines on the acceptability of passengers and their documentation for entry to Australia and provide training to airline staff in identifying false documents.

### *Pilot programme for targeted reintegration assistance and to support character checking*

The Government will provide \$2 million in 2000-01 to the Department of Immigration and Multicultural Affairs to develop a pilot programme for the provision of targeted reintegration assistance for unauthorised arrivals returned to their home country or previous country of residence. This pilot will provide small amounts of assistance to countries that accept the return of unauthorised arrivals intercepted at the border or en route to Australia. This assistance will help to ensure that return arrangements for unauthorised arrivals are sustainable.

The pilot programme will also investigate means of reducing the time taken to undertake character checking associated with protection visa assessments. This would deliver benefits to Government by reducing the time spent in detention for unauthorised arrivals seeking asylum in Australia.

### *Resources to expedite offshore processing, information flows and cooperation in relation to humanitarian migration*

The Government will allocate more offshore resources to work with host governments and the United Nations High Commissioner for Refugees to shorten the time taken for checks associated with protection visa assessments. Further, the Government will provide an additional \$5.3 million over four years to speed-up offshore humanitarian migration processing to avoid the false perception amongst some that unauthorised arrival is the only realistic mechanism for migration to engage Australia's protection regime.

### ***Other measures***

#### *Long term strategy for immigration detention facilities*

The Government will implement a long-term strategy for the provision of immigration detention facilities to address the expected detention needs arising from unauthorised arrivals and the detection of over-stayers or those who breach visa conditions.

Under the strategy, capacity will be increased and facilities will be refurbished at the existing Immigration Detention Centres (IDCs) in Sydney and Melbourne to ensure that these facilities remain viable in the long term. The current facility at Perth will be replaced and a new IDC will be established in Brisbane. The strategy also includes the retention of Woomera as an emergency Immigration and Reception Processing Centre (IRPC).

The strategy will be reviewed within five years and incorporates an ongoing confirmation process to ensure that the timing of each project is in line with the detention needs as they emerge.

*Revised resourcing arrangements for detention costs*

The Government has revised resourcing arrangements for the detention of unauthorised arrivals by boat in order to provide enhanced managerial flexibility to the Department of Immigration and Multicultural Affairs (DIMA). The single most significant cost associated with unauthorised arrivals is the duration of stay in detention, which is largely determined by the time taken to assess their claims for protection under Australia's international obligations.

Under DIMA's interim Purchasing Agreement, detention costs have been supplemented on the basis of a daily rate per detainee. From 1 July 2000, the revised funding arrangements will provide a fixed level of supplementation per arrival. This measure, which will be subject to ongoing monitoring and review, is aimed at providing the Department with the ability to make strategic investments to reduce the average time taken to assess the claims of unauthorised arrivals, while maintaining the integrity of the assessment process.

## ***Introduction of new entry requirements for aged parent migrants***

### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.5	2.7	3.1	1.8
Department of Health and Aged Care:	-2.8	-1.7	5.1	7.6
Department of Immigration and Multicultural Affairs:	1.0	4.1	4.2	2.8
Total:	-1.3	5.1	12.4	12.3

### *Explanation*

The Government has decided to introduce a new permanent visa class for aged parents in 2000-01 aimed at ensuring that the positive benefits of migration for the budget and the economy are maintained.

The increase in expenses arises primarily from increased demand on a number of demand driven programmes. Within the Immigration and Multicultural Affairs portfolio, expenses will increase in the *Adult Migrant English Programme (AMEP)*, which provides English language training for migrants without functional English. Expenses in the Family and Community Services portfolio reflect benefits paid to migrants that cannot be recovered through the Assurance of Support Bond.

The increase in expenses in the Health and Aged Care portfolio, as a result of additional aged parent migrants, is partly offset by the Government's decision to remove access to Medicare from parents temporarily in Australia with ongoing migration applications.

### *Further Information*

The Government has provided for a contingency reserve of 4,000 places under the migration programme, subject to the enactment of suitable legislative arrangements. It is anticipated that places in this reserve will be utilised primarily in 2001-02, with an ongoing allocation to accommodate an expanded parent migration programme in future years. The new arrangements provide for a social security bond of \$10,000 for the principal applicant and \$4,000 for each adult dependent, with a ten year assurance of support period. Aged parent migrants will also be required to either take out private health insurance to cover the first ten years after arrival (if such a product is made available by the health insurance industry), or to pay a health services charge of \$25,000 per person.

This measure responds to the recent community consultations undertaken by the Minister for Immigration and Multicultural Affairs, which indicated that many people were prepared to guarantee to provide support to parents if they were allowed to migrate to Australia. These guarantees are essential if the Government is to ensure that



the migration programme arrangements do not impose unreasonable costs on the broader community.

The estimated revenue effect of the health services charge is shown under the related revenue measure titled *Introduction of new entry requirements for aged parent migrants*, in the Immigration and Multicultural Affairs portfolio.

This is a cross portfolio measure between the Department of Immigration and Multicultural Affairs, the Department of Family and Community Services and the Department of Health and Aged Care.

### ***Response to the Review of Illegal Workers in Australia***

#### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Department of Immigration and Multicultural Affairs:	13.1	12.2	11.9	11.8

#### *Explanation*

The Government has responded to the recommendations of the recently released Review of Illegal Workers in Australia by implementing a range of initiatives that will make it easier for employers to identify people without work rights. These initiatives include:

- the implementation of improved visa labelling to make work rights more evident;
- the provision of information and support through a toll-free telephone service; and
- an Employer Awareness campaign to ensure that employers and labour suppliers are fully informed in relation to their obligations.

To facilitate access by employers to legal workers the Government will pursue measures to expand the Working Holiday Maker programme and expand the number of countries with access to the free electronic Business Visitor visa.

The Government will also provide a new sponsored visitor visa class, which will allow families and organisations to sponsor visitors from high risk countries that may not otherwise be granted a visa. A condition of the visa is the requirement to give an explicit undertaking that the person they sponsor would return. A security bond may be required in some cases.

To support these enhanced arrangements, the Government will also strengthen the penalties for recruiting illegal workers by introducing a revised system of penalties.

The increased expenses under this measure will provide for the costs of the employer awareness arrangements, the introduction of the sponsored visitor visa and the improvements to visa labelling.

#### *Further Information*

The Review of Illegal Workers in Australia was compiled by an External Reference Group and released by the Minister for Immigration and Multicultural Affairs on 17 December 1999. The review found that additional measures were required to make Australia less attractive to people seeking to work illegally to ensure that Australia's labour markets operate efficiently and fairly.

See also the related capital and revenue measures, titled *Response to the Review of Illegal Workers in Australia*, in the Immigration and Multicultural Affairs portfolio.

#### ***Pricing review of departmental resourcing – Migration Review Tribunal***

##### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Migration Review Tribunal:	-	-	-	-

##### *Explanation*

Following a pricing review of the Migration Review Tribunal (MRT), the Government has endorsed the development of a Purchasing Agreement for the Tribunal. Under the Purchasing Agreement, the MRT will reduce its output price per finalised case by around 25 per cent between 1999-2000 and 2002-03.

The efficiency savings identified through the review will be retained by the MRT and redirected towards the reduction of waiting lists for migration review cases. Under the Purchasing Agreement, the Government will ensure that the quality of the MRT's outputs is maintained.

#### *Further Information*

The development of the purchasing agreement will recognise the Government's decision to amalgamate the MRT into the Administrative Review Tribunal to be established in February 2001.

## ***Pricing review of departmental resourcing — Refugee Review Tribunal***

### *Expense (\$m)*

	2000-01	2001-02	2002-03	2003-04
Refugee Review Tribunal:	-0.8	-0.7	-1.2	-1.2

### *Explanation*

Following a pricing review of the Refugee Review Tribunal (RRT), the Government has endorsed the development of a Purchasing Agreement for the Tribunal. Under the Agreement, the RRT will reduce its output price by 5 per cent from 1999-2000, delivering total savings of \$5.1 million, including \$1.2 million in savings realised in 1999-2000.

The savings identified follow a fundamental review of the RRT's cost structure, which identified the ability to reduce the costs of merits review processes for refugee applicants. Under the Purchasing Agreement, the Government will ensure that the quality of the RRT's outputs is maintained.

### *Further Information*

The development of the purchasing agreement will recognise the Government's decision to amalgamate the RRT into the Administrative Review Tribunal to be established in February 2001.