

## Question on Notice

No. 490

Asked on 23 March 2010

MR HOBBS asked the Minister for Community Services and Housing and Minister for Women (MS STRUTHERS)—

### QUESTION

With reference to the total budgets for level one and level two of the Redress Scheme—

- (1) What is the breakdown of the costs for each payment level (including, but not limited to, payments, staffing costs, payments to board members, consultant fees, meeting expenses, travel and entertainment expenses)?
- (2) What guidelines are used by the board members when making decisions on payments for each level (reported separately)?

### ANSWER

1. The total budget allocation for the Redress Scheme was \$100 million for Level One and Level Two ex gratia payments and legal and financial advice to eligible applicants.

As at 29 March 2010, \$50.12 million has been paid in Level One payments to 7,160 eligible applicants. Over \$46 million has been paid in Level Two payments ranging between \$6,000 and \$33,000 to 3,461 approved applicants.

A further \$199,000 is currently in the process of being paid to 20 applicants who have accepted their Level One or combined Level One and Level Two payment offer. An amount of \$279,000 is allocated to 27 applicants who are yet to return a signed Deed of Release accepting the terms of payment for a Level One or combined Level One and Level Two payment offer. A further \$2.8 million has been paid in legal fees for applicants to obtain independent advice on the terms of the Deed of Release as pursuant to conditions of the Scheme.

Administration costs for the Redress Scheme came from within the Department of Communities' existing budget and were not drawn from the \$100 million allocated to the Scheme. Administration costs included staffing, payment of the Panel of Experts and application assistance. The total cost to administer the Scheme is \$7.6 million.

In addition, the Department of Communities provided funeral assistance to 37 families of eligible applicants who passed away before receiving their Level One payment and legal fees to applicants who required additional advice. The total cost of this assistance was \$179,025 and was also met by the Department of Communities. Consistent with the Commonwealth *Health and Other Services (Compensation) Act 1995*, the Department of Communities is liable for payment of compensation recovery to Medicare Australia on behalf of successful Level Two applicants. This is estimated at \$500,000 and will be met from within the department's resources.

2. Assessment of Level One applications was undertaken by the Department of Communities on the basis of basic eligibility criteria, namely applicant's age (turned 18 on or before 31 December 1999), proof of identity, confirmation of placement in an eligible institution and self-identification of abuse or neglect suffered in institutional care.

Assessment of Level Two applications was undertaken on a case-by-case basis by a panel of experts who considered information provided by more than 5,400 applicants.

Payment levels were determined based on relative levels of harm and the amount of funds available for Level Two.

Applications were assessed in accordance with the Redress Scheme application guidelines and included consideration of a range of factors relating to the harm suffered in institutions covered by the scope of the Scheme including but not limited to:

- the nature and extent of the harm;
- the nature, frequency, duration and severity of the abuse or neglect;
- the length of time in institutional care;
- age of entry into and exit from institutional care;
- type of institution/s and findings of the Forde Inquiry in relation to the institution;
- number of institutional placements;
- period of time in which these placements occurred; and
- any other information relevant to the claim.