

VERIFIED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into Budget Estimates 2015–16

Melbourne — 13 May 2015

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Witnesses

Ms Jill Hennessy, Minister for Ambulance Services,

Dr Pradeep Philip, Secretary,

Mr Lance Wallace, Deputy Secretary, Corporate Services, and

Ms Frances Diver, deputy secretary, health, Department of Health and Human Services.

The CHAIR — I declare open the public hearings for the Public Accounts and Estimates Committee inquiry into the 2015–16 budget estimates. All mobile phones should now be turned to silent.

I would like to welcome to the hearing the Honourable Jill Hennessy, MP, Minister for Ambulance Services; Dr Pradeep Philip, Secretary, Department of Health and Human Services; Mr Lance Wallace, Deputy Secretary, Corporate Services; and Ms Frances Diver, Deputy Secretary, Health.

All evidence is taken by the committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Any comments made outside the hearing, including on social media, are not afforded such privilege. The committee does not require witnesses to be sworn, but questions must be answered fully, accurately and truthfully. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

All evidence given today is being recorded by Hansard. You will be provided with proof versions of the transcript for verification as soon as available. Verified transcripts, PowerPoint presentations and handouts will be placed on the committee's website as soon as possible.

Departmental officers may approach the table during the hearing to provide information to the witnesses if requested, by leave of myself. However, written communication to witnesses can only be provided via officers of the PAEC secretariat. Members of the public gallery cannot participate in the committee's proceedings in any way.

Members of the media are to observe the following guidelines: cameras must remain focused only on the persons speaking; operators must not pan the public gallery, the committee or witnesses; and filming and recording must cease immediately at the completion of the hearing.

I invite the witness to make a very brief opening statement of no more than 5 minutes. This will be followed by questions from the committee.

Visual presentation.

Ms HENNESSY — Thank you very much, Chair, and to all of the committee members. Upon coming to office there were a number of issues that informed the government's priorities. First and foremost was working to resolve the industrial dispute that had beset the ambulance services for the preceding two-plus years. Certainly on the first day we referred the paramedics' pay case to Fair Work Australia. We took action to replace the board of Ambulance Victoria and appoint a new acting CEO and administrator. We have released previously held data about ambulance response times, and we established the Ambulance Performance and Policy Committee to really start to identify what were some of the issues that we needed to focus on in order to drive service improvement and cultural change. The committee has released its interim report, and we are currently in the process of engaging in public consultation to that end, but that has been a very instructive process to date.

As you can see, ambulance response times have deteriorated over the past few years. What we have seen is across the state the proportion of code 1 incidents responded to within 15 minutes decreased from 82 per cent to 74 per cent in 2013–14. The Productivity Commission's *Report on Government Services* also found that 1 in 10 ambulances was taking more than 22 minutes to arrive at code 1 emergencies, well above the 15-minute target, giving Victoria's ambulance services the worst response times on the mainland.

We have significant challenges ahead. Some of the cultural challenges — this is canvassed in the committee's interim report and obviously informs the investments that we have made in this budget — we have highlighted the need to improve the workplace culture at Ambulance Victoria. A survey that was undertaken last year has presented quite challenging results. It shows that almost half of the Ambulance Victoria workforce said they would not recommend the service as a good place to work. We all know that our paramedic workforce are very dedicated and committed individuals, but they were experiencing extreme levels of fatigue, mental anguish, injury and violence. All of these things were imposing a very unfair personal toll on their personal wellbeing and their health, and we need to change that. The culture of Ambulance Victoria also needs to improve, with better support and respect for our paramedics, but it also needs to modernise, noting the change in the demography of that workforce.

In the 2015–16 budget we are investing \$57.8 million to meet demand and to improve ambulance response times. We are also investing in capital upgrades, with \$40 million for upgrades to branches, to vehicles and to equipment. We are also investing to provide better support for our paramedics, and that includes things like our investment to improve and increase the number of peer support coordinators and chaplains. There are a number of opportunities for reform. Again I do not pretend any of these are easy, but they are not issues that we can afford to ignore. Many of these issues have been highlighted in the interim report of the Ambulance Performance and Policy Consultative Committee. We want to make sure that our ambulance service works within a collaborative health system, and that will mean better outcomes for patients. We need to change the culture of Ambulance Victoria. We need to find ways to make call taking and dispatch more efficient to improve response time. We need to improve the triage of ambulance call times to improve response time. We need to raise community awareness about when to call 000 to ensure that our ambulances are being sent to the most urgent of cases, and we need to recognise that paramedics are part of our professional health workforce and therefore they ought be registered nationally, like other members of the Victorian health workforce are. We need to progress national registration of paramedics.

The committee will provide its final recommendations to the government at the end of this year. That will then inform the \$60 million Response Time Rescue Fund, which we committed to prior to the election, which is forecast in LFS to run as of next financial year. There are many challenges that we have in respect of ambulance services. None of them are easy to turn round. I think there have been some important benchmarks of progress, but there is significant work to be done. I am happy to discuss these matters in the course of this hearing, Chair.

The CHAIR — Thank you, Minister. I will lead off. In respect of the ambulance services portfolio, can you please outline to the committee how commitments in Labor’s financial statement have been considered in the context of the 2015–16 budget?

Ms HENNESSY — Thank you very much, Chair. The matters that were canvassed in Labor’s financial statement made the following commitments. Ambulance branch upgrades — there is \$20 million. This is funded in this year’s budget, and I could direct the committee to page 77 of budget paper 3 and the relevant line item there is ‘Ambulance station upgrades’. We made a commitment to invest \$20 million in ambulance vehicles and equipment, and again that is funded in this year’s budget at page 77 of budget paper 3 included in the line item ‘Ambulance vehicles and equipment’. We made a commitment around investing in better support for our paramedics — a \$1.33 million commitment. That is funded in budget paper 3 at page 63; the reference there is ‘Improving support for paramedics’. Our Labor financial statement made a commitment to \$60 million for a response time rescue fund. Our LFS committed that to commence in the year 16–17, with 10 million in the first year and 25 million in each of the following years, and that will be funded in the 16–17 budget as per our LFS commitment. The paramedic work value case will be determined, obviously, by the independent umpire at Fair Work Australia during the coming financial year. That will be fully funded in future budgets in line with our commitment. Again, there are 1000 public access defibrillators. They sit within the purview of the Minister for Sport, but again they are pretty significant in terms of the work that our paramedics do.

Mr MORRIS — Welcome back, Minister. Can I refer you to budget paper 3, page 222, the output summary for HHS and in particular the ambulance services cost centre there and particularly the EBA with paramedics. Has the ambulance budget been given any additional funds to help meet the cost of the agreed paramedic EBA, and is this consistent with the government wages policy of 2.5 per cent plus productivity?

Ms HENNESSY — Thank you very much for your question, Mr Morris. I will make some comments on it, and then I might also hand over to Lance to answer some further questions about it. But the context here is very important.

Mr MORRIS — I thought it might be.

Ms HENNESSY — You might remember that prior to the election both the previous government — as I said, very close to the election date, and again I am not trying to be provocative, I am trying to set context —

Mr MORRIS — Of course not.

Ms HENNESSY — Right prior to the election date, in terms of the wages issue, the previous government — the then government — made an offer in exactly the same terms as the conditions that we resolved at, that

Labor had said that they would use to resolve the ambulance dispute. And of course, Mr Morris, you will remember that this was a dispute that went on for a significant period of time — over two and a half years that dispute went on. In that period of time paramedics went without a pay rise for three years because of the industrial dispute with the former government. The wage increases effectively essentially reflect broader government wages policy, and I make the following point: that whilst the previous government was unable to resolve that industrial dispute, money was accruing in the budget for the purposes of discharging an industrial resolution under the government wages policy under the previous government. So it is for that reason that no budget supplementation is required until 2017–18.

Mr MORRIS — Even though you admitted it was going to cost extra money.

Ms WARD — Point of order: is that a supplementary question?

Ms HENNESSY — I am not quite sure what Mr Morris just said, but because of the very lengthy period of — —

Mr MORRIS — *Sunday Age*, 21 December — —

The CHAIR — Order! Let the minister continue without assistance.

Ms HENNESSY — Because of the very lengthy period of time in which the previous government failed to resolve that industrial dispute, money allocated for paramedic wage rises continued to accrue. I might just ask Lance if he can provide any other detail or insights on this issue.

Mr WALLACE — I do not have much more to offer. As the minister indicated, paramedics had not been paid for a period of time. Under the way that departmental funding operates, the department receives 2.5 per cent for all salaries right across the portfolio, so if a union such as the paramedics or a group such as paramedics has not received funding, the department has that funding available for that period of time since the expiry of the last EBA. The department has not required additional funding as yet. It has not sought additional funding because there was no additional funding required above and beyond the funding that had already been provided.

Mr D. O'BRIEN — I seek clarification if I may, Chair. Does that mean that funding that was previously provided was rolled over?

Mr WALLACE — That is correct.

Mr MORRIS — Minister, following on from that question, but you touched on this to your response to the Chair's opening question as well. As part of the resolution of the EBA, your government agreed that there would be a paramedic work value case and that of course would go to Fair Work Australia, and any wage increases awarded would be effective from 1 July 2015. You said in your answer to the Chair's question that any costs would be funded in future budgets. But what I am interested to know is: has there been any funding set aside to pay for the Fair Work case in 2015–16 either in this BP3 line item or in a contingency?

Ms HENNESSY — The Fair Work case has not started yet, Mr Morris, so we are still some time away from it. But the answer to your question is no.

Mr MORRIS — It is effective from July 2015. That is the commitment.

Ms HENNESSY — But we do not know what the outcome of the Fair Work case will be. We do not know when we will have insight and clarity around that issue, and it is very difficult to budget for liabilities that are as yet undefined. We have made a commitment that we will supplement that in future budgets, but we are some ways away from that.

Dr CARLING-JENKINS — Thank you for your presentation, where I note that you have expressed a commitment to response times and improving response times. That is what I would like to ask my question about. This refers to budget paper 3, page 219 and page 231. I also read the interim report entitled *Working with Paramedics to End the Ambulance Crisis*, which was released in March 2015, where it stated that ambulance response times were found to have declined gradually over the past few years. I also note that you covered that in the table in your presentation.

I am trying not to be too leading here, but at page 231 BP3 states that response times are not going to improve due to interrelated factors over the coming year. The interrelated factors include growing incident demand, case complexity and hospital transfer times. I just wondered if you could describe to the committee how you are going to begin to address these factors in the short term to start the process of improving response times.

Ms HENNESSY — Thank you very much for your question. The work of the ambulance policy and performance committee has canvassed, and we have identified, many of those issues that are contributing to very long response times, in the interim report. We currently are doing work around the areas of reform that we will need to adopt in order to improve response times. But just to touch on a couple of the issues that you have raised. There are things that we know that are also contributing to long response times. Call taking and dispatch — we know that it is now taking 1 minute longer, the process from receipt of a call to the dispatch of an ambulance. That is obviously a really critical period of time, and that is something that also has been noted by the Auditor-General in a report that he tabled a little earlier this year. The call taking to dispatch period of time is absolutely critical.

One of the other areas that we have significant amounts of work to do in the call taking and dispatch time is the coding and classification that is occurring. We have looked at extensive amounts of data. Anecdotally Ambulance Victoria reports that some code 1s that they arrive at when they arrive are not code 1s; they are people with very minor injuries that might be served better by a GP. There is a high degree of frustration when that occurs, and we have got to make sure that we protect and preserve our paramedics and our ambulances for life-threatening emergencies. We need to think of them as pre-hospital emergency care.

In that call taking and dispatch period of time, the triaging that is occurring by ESTA. ESTA is the Emergency Services Telecommunications Authority. It serves the police, firefighters and Ambulance Victoria. We need to go back and look at how cases are being triaged at the point of call, because the nature of the triaging process indicates that there are some incorrect assessments being made. The Auditor-General also canvassed this. He stated almost 60 per cent are triaged code 1, with many triaged incorrectly. One of the areas that we are also interested in looking at is how might we provide better clinical oversight at those decision points in time.

Your question also referred to the reference to HEWS in the budget output statement. I have talked a little bit about the discharge time, or the call and dispatch time, but the arrival time at emergency departments — we have significant work to do both around hospitals being on HEWS or on bypass as well. When there is a delay about an ambulance arriving and having a patient transferred, it is not only not good for the patient and for clinical outcomes, it soaks up valuable, valuable time for those paramedics. These are complex issues. They are not issues that I would say that politicians should decide. We will be taking clinical advice around these areas of reform.

Dr CARLING-JENKINS — I really appreciate that this is something that your department is obviously really grappling with and it is a very complex issue, and you are obviously in the exploratory stages of this. I also note that there is a \$60 million Response Time Rescue Fund. I wonder if you could just clarify for the committee. Do you anticipate that response times will be improved then over the next, say, two to four years under this fund?

Ms HENNESSY — I very much hope so. Obviously our commitment is to improve response times, but we need to do the sorts of things that will fundamentally change and improve response times. I would also make the point that ambulances and paramedics do not operate in a vacuum; they operate in a broader health system. We can no doubt talk about this more in the course of my contribution here today. We are focused on improving response times. That \$60 million will run from next financial year, and the recommendations that will come out of the final report will inform what and how that money is allocated.

Ms WARD — Minister, it is good that we are talking about response times, and something that adds to the stress and the PTSD of paramedics is responding to response times and the challenges they have been facing. I thank you also for coming out to the ambulance forum I had in my electorate not so long ago where this issue came up and was very comprehensively discussed by local paramedics. So I ask you to turn to budget paper 3, page 63, and have a look at the initiative titled 'Improving support for paramedics', I am really interested to know what plans you have got to give paramedics support in dealing with post-traumatic stress disorder and the other stresses that they experience in undertaking their work.

Ms HENNESSY — Thank you very much, Ms Ward. It is an incredibly important question. It is a little bit like our discussions in previous hearings around violence in hospitals. It is one of those things where you scratch the surface and you find a problem and you know there is a big, deeper problem. I think we have a significant issue around post-traumatic stress disorder in our emergency services, but particularly amongst the paramedic population. This is an issue that the policy and performance committee are investigating, but we are also doing some data throws and comparisons around things like suicides, anxieties, WorkCover claims and those issues to compare them with analogous workforces, both nationally and internationally. Our early observations are quite disturbing, that we have a really significant issue around PTSD.

We often think about PTSD as being a response to a horrific tragedy that a paramedic may have to respond to, but just like many other workforces, sometimes it is the slow burn of working in a career, of observing awful tragedies, that has a particularly challenging impact. I am delighted that in this budget we have allocated \$1.33 million to improve both peer support and access to chaplains, but I do not also kid myself that that will be the silver bullet for these very challenging issues. It is very interesting, having attended many of those forums in the community, that often it is the wives or partners of paramedics who will come up to me after a forum and just talk about what they observe at home, and what they observe is the slow burn for paramedics who had been in the workforce for a long period of time.

The other issue here is fatigue. I do not think I go into an ambulance station — —

Many ambulance stations have rest beds, but none of them have been laid in. One of the other issues that paramedics talk about constantly is fatigue. So you have got the growth in demand that is occurring in our ambulance system, partly driven by other challenges in the health system whereby people then rely on ambulance services. Other things like ageing population, general population growth — all of those issues are contributing to a demand which means that our paramedics go out and come back, they go out and they come back, and there is absolutely no time for downtime, and when you are working a 14-hour shift, that is really significant

I know, as we heard at your forum, some of the disturbing stories of high-profile cases that a paramedic goes to and deals with a horrific and unspeakable tragedy, then gets back to the station and gets sent out again, not because anyone wants to see a failure of compassion, but rather it is a sign of demand and a sign that we have got growing fatigue and anxiety and stress issues within our paramedic workforce. So peer support and chaplaincy is going to be part of that, but also many of our other fundamental structural issues also drive some of the contributing factors to those, and I am very committed to working hard to turn that around.

Mr T. SMITH — Minister, I refer you to budget paper 3, page 231, which states that 85 per cent of emergency (code 1) incidents statewide and 90 per cent of emergency (code 1) incidents in centres with more than 7500 people are to be responded to within 15 minutes. Both are significant improvements over the estimated outcome from the previous year. What specific funding is in this budget to achieve that?

Ms HENNESSY — We have made a significant investment. All up we have about an additional \$99 million in this budget around ambulance services, and I am more than happy to be corrected on the total aggregate, Frances. But I would also make the following points. The industrial dispute was a pretty significant issue and was not a good experience for anyone who worked within Ambulance Victoria. We are also looking at where else we need to do things like fill gaps in the health system in order to reduce the demand on ambulance services. We have made a commitment around providing greater transparency of ambulance response times, there have been different measures that have been used for regional versus metro as well, and we are making significant investments around both capital and in output to deal with the increasing demand. Frances, I do not know whether you have any other comment.

Ms DIVER — Sure. So just to be clear, the \$99 million that has been allocated to support ambulance growth is \$20 million allocated for the branches, both new and upgraded branches; another \$20 million allocated for vehicles and equipment — for example, bariatric vehicles, which are vehicles that can accommodate complex and obese patients as well as equipment; and then there is \$59 million over four years, which is essentially service expansion — and that is the government's commitment that enables Ambulance Victoria to employ more direct clinical staff for service expansion, and Ambulance Victoria will then identify the areas that have most demand or most response-time pressures, and that is where they would put the additional paramedics.

The other part to remember is that ambulance is partially funded by government and also partially funded by third-party payers, so the Department of Veterans' Affairs, for example, private health insurance, the Transport Accident Commission and individuals in the community also pay. So whilst the government has put in its contribution there is also a contribution from other third-party payers which will result in an increased number of paramedics targeted to those areas where there is most demand.

Mr T. SMITH — So can you commit to achieving your stated goals in this financial year or what sort of performance can you commit to?

Ms HENNESSY — Mr Smith, we are very committed to improving response times, and the evidence of that is the allocation that we have made in the budget. Further evidence of that is the sorts of issues that will be the subject of reform through the process of the final report for the ambulance policy and performance committee. I do not pretend that we are going to be able to turn things around by the click of a finger, but every second that we can get an improvement in an ambulance response time is a second where a patient in a life-threatening circumstance has a better shot.

Mr T. SMITH — So they are aspirational?

Ms HENNESSY — No, Mr Smith, we are a government that is firmly committed to improving response times. That is what guides all of our work around Ambulance Victoria and the \$99 million more that Ambulance Victoria has in this budget than they had in last year's budget.

Dr CARLING-JENKINS — Again I ask a question on behalf of my fellow crossbencher who was unable to attend today, and this is in regard to stroke units — budget paper 3, page 231. In relation to the performance measures of the proportion of adult patients suspected of having a stroke who are transported to a stroke unit with thrombolysis — I think that is how you pronounce it — facilities within 60 minutes, that target is 80 per cent. Yet that target has been achieved with 85.5 per cent in 2013–14 and 86.4 per cent in 2014–15. The question is this: why has the government not increased the target to 85 per cent, for example, in order to maintain this high standard?

Ms HENNESSY — Thank you very much for the question. It is my understanding that that is a new measure, and the practice around new measures in order to assess whether or not a measure is meaningful is that there is some settling time before you are able to assess its efficacy or its meaningfulness. I might also ask Frances to answer some questions, having been around at the time of the introduction of that measure — with the greatest of respect to the longevity of her commitment to the department of health.

Ms DIVER — The minister is correct that this is a relatively new measure, and so what we want to do is establish what is the kind of stability of the performance. Because the target is 80 per cent but the past performance has been 86 per cent, that does not mean in any way that Ambulance Victoria settles for going back to 80 per cent. They will aspire to deliver as good a performance last year or better if they can. It is not that they are ratcheting back to 80 per cent; they will continue to be committed to improving performance.

Dr CARLING-JENKINS — Thank you.

Mr DIMOPOULOS — Minister, can I just take you back to ambulance service assets? Is it Mrs Diver? I cannot quite see.

Ms DIVER — Frances Diver, yes.

Mr DIMOPOULOS — Ms Diver, sorry. The explanation, through Ms Diver, that you gave about obese patients and equipment upgrades and stuff: for that capital investment, can you give me a bit more information about the genesis of that and how that is linked in to service improvements and where that came from?

Ms HENNESSY — I can, Mr Dimopoulos, because it is a very important investment that we have made. Obviously when one talks about the tools one uses, different areas of Victoria require different investments, and when paramedics do not have the right sorts of equipment, a range of resources get diverted — not just staff but equipment. So I am delighted that in this year's budget we have made a \$20 million commitment around a vehicle and equipment fund. It is, as Ms Diver has already alluded to, managing bariatric patients, but also those that require complex care during transport as well is a significant issue.

One of the other issues that is both an issue that goes to clinical care response times but also occupational health is lifting equipment. As well, we have got a significant musculoskeletal injury rate within the Ambulance Victoria workforce, and we have spent enormous amounts of money training our paramedics. It is a little bit like nurses: we have to do all we can to make sure that we are able to support people through a lifetime commitment to these professions, acknowledging the physical wear and tear that occurs. I can hear one of our people now. The other issue around musculoskeletal issues is that we have this amazing demographic change occurring within our paramedic workforce. In the last graduate intake we had almost 60 per cent of women, and it also means we need to think about what are the ways in which we better support that workforce not just in terms of the capital equipment but one of the issues we were talking about before — improving the culture or modernising the culture of a workplace where people, both women and men, need support at different points in their life around family or care commitments or other forms of professional development.

A \$20 million capital investment fund: we want that to go to more equipment to provide not just better services for patients but also better availability in different regions of Victoria while also recognising the changing nature of the demography of our ambulance workforce and the changing nature of a particular group of patients — what in hospital talk is called the cohort, which means the group of patients you are talking about — and how we are better able to support them. We know of awful clinical outcomes for some of these patients when equipment simply was not available. Now I am not in a position to say that can never ever not happen again, but we are making the sorts of investments that will better enable our paramedic workforce to address those sorts of issues.

Mr D. O'BRIEN — Minister, I would like you to confirm — and I think you did say earlier — that with respect to the Response Time Rescue Fund there is no funding whatsoever in this year's budget.

Ms HENNESSY — Our Labor financial statements have \$60 million that is scheduled to run from the start of next year's financial budget. This year's budget contains \$99 million. Part of that is capital, part of that is growth for demand. The reason for that scheduling really goes to ensure that we have a pool of funding available for the reforms that will need to be undertaken that are currently being worked on. Some of those are things like looking at better ICT around clinical pathways for ESTA. Some of those are things like looking at: how do we deal with better clinical oversight and what sorts of investments do we need to make at ESTA? Some of those are things like: how do we deal with the places right across the state that are well served by sometimes many great volunteer teams, like CERT and other first responders, but where we may need to make stronger investment? We have got a series of reform works that are being done. They will be the subject of a final report by the end of the year, and that \$60 million will be the source of funding for it. In the interim we have put an additional \$99 million into Ambulance Victoria.

Mr D. O'BRIEN — My supplementary, because I am struggling a bit with this, is that we have had the Premier say that this Response Time Rescue Fund was to free up ambulances for our sickest patients. The Labor Party has repeatedly referred to the ambulance situation as being in crisis. You just said earlier, 'There are things we know are contributing to long response times', and you referenced ESTA and call taking and the triage system and everything. Why is it that we are waiting 18 months from your election for this fund to kick in?

Ms HENNESSY — You are not, Mr O'Brien. There is \$99 million in the budget more than what Ambulance Victoria had last year. We have put a significant amount of money in to address the issues of growth and demand. Much of the work around improving response time, some of it, is high-level work that will require access to the \$60 million at the commencement of next financial year. A lot of other things are actually occurring as we speak as well, and that will be the beneficiary of the \$99 million investment that we have made.

Also it would be remiss of me not to make the point that resolving things like an industrial crisis that went on for two and a half years has had a really significant impact on the culture and morale of an organisation. One of the things that I am delighted about is the preparedness of everyone in Ambulance Victoria to say, 'We have resolved that dispute; now it's time for us to move on'. That \$99 million is a really significant investment. We are merely forecasting we have another \$60 million to come that will also serve as a funding source for future reform that will come out of the recommendations of the final report.

Ms SHING — Thanks, Minister. I refer to your opening presentation and budget paper 3 on pages 230 and 231 in relation to ambulance emergency services, and specifically to those performance measures that refer to

ambulance performance and the policy consultative committee's work. Can you identify for the committee the main findings of the interim report that again you have referred to in response to questions from my colleagues on the other side of the table, and in particular what activity the committee has been undertaking since the release of that particular interim report?

Ms HENNESSY — Thank you very much, Ms Shing. I will try not to repeat myself in terms of other initiatives that I have already spoken about. The ambulance policy and performance committee is a terrific group of people who have been working incredibly hard not just at the committee level but we have got a number of working groups on the go. They are supported by a secretariat within the Department of Health and Human Services.

One of the really fantastic things is that when we advertised for positions on the ambulance policy and performance committee — we had four paramedic representatives allocated to be represented on that committee — we got 160 applications from paramedics. I suppose the inference that I draw from that enthusiasm — and it is corroborated by my anecdotal experience — is that paramedics are incredibly ambitious for the success of Ambulance Victoria. They are incredibly committed to their service, and they desperately want the provision of paramedic services to be the best it can be.

Essentially there are three major policy groupings that inform our work. The first is response time. I have talked a little bit about ESTA and some of those challenges around call taking and despatch, and I will not indulge you or overindulge myself by repeating all of those, but some of those issues are challenging to deal with. An example, Ms Shing, is if you call for an ambulance from a landline, your address will pop up; if you call from a mobile, it will not. Valuable time is then taken around getting address and location. That is not a simple issue, because it requires commonwealth cooperation and negotiations with various telecommunications providers and the like. There are those significant issues on top of things like better clinical oversight.

The more broad and challenging issue around response time that the committee is canvassing is the role of ambulances within the broader health system. Again, it is not an easy one to click your fingers and to fix. We have been very gallantly served by CEO representatives on the ambulance policy and performance committee around issues of: how do we do things like get better transfers, how do we reduce things like ramping and how do we get better patient throughput in our emergency departments that can speed those issues up?

At the front end, what do we do about this growing demand when we know — the Auditor-General has told us — that about 60 per cent of those that call that are coded as code 1, when many are not? What other health services might better support a category of people who do not have a life-threatening injury or do not require life-saving support.

Mr Morris, it was news to me that certain areas around the peninsula do not have access to things like 24-hour locum services. There are a whole range of issues around non-emergency patient transfers. For the more elderly members of our community we have got significant work to do around things like transport and finding them access to other forms of services. That is why things like 24-hour GP clinics, Nurse on Call, super pharmacies — all of those other points — are going to be critically important. But they are not easy things to get intersecting, so we need to get the primary end of our health system working better, because what is driving some of the demand around our ambulance services is not occurring in a vacuum, it is occurring in the context of other holes in our health system that we need to work to try to close. In terms of workplace culture, that is another really significant issue that work is being done on. I have talked about the changing demography, but there is also fatigue — and I have talked about post-traumatic stress disorder.

One of the other issues goes to rostering and flexibility in regional areas. When you have an emergency, you need a command and control response. We know that is what works effectively. But one of the reflections of the committee and the work that is being done around how other modern ambulance services are operating internationally is that we need a different management methodology outside the emergency response zone. Some of the things that Ambulance Victoria are currently exploring include greater flexibility around rostering. One of the challenges that many paramedics encountered was that they would come back to work after perhaps having a baby and they would be put on a shift that required them to not know whether or not they were going up to a particular regional area. We need better allocation of resources with demand that also matches the aspiration of our workforce.

National registration of paramedics is a really significant issue. Paramedics are professional healthcare providers. Our doctors are nationally registered and our nurses are nationally registered. One of the important things that paramedics do is provide life-saving pre-emergency care, so there is important emergency care that goes on whilst a paramedic is actually in an ambulance treating a patient, yet for some reason they have sat outside the broader AHPRA national reform process around registration. Registration is important for a number of reasons. It not only gives you better clinical safety; it also drives things like ongoing professional development and training. One of the things that paramedics are incredibly motivated by and interested in is always expanding their clinical capability and capacity. We need to ensure that we do so in a way where you can become a paramedic and make that a lifelong career, but then also recognise towards the end of your career, when you are sporting a few injuries — when your back is not as good, and when you have been often exposed to a whole range of tragedies — what other career step-down opportunities that are legitimately incentivised that you could potentially look at. That has been another really significant issue.

Again, right across our health services, ice is a particular challenge. Mental health patients are a really big challenge for many of our paramedics. Paramedics bring the instinctive emergency care response to their responses to those circumstances, but we are seeing ongoing reports of violence, aggression and sexual harassment — issues that no-one should have to constantly put up with in their workplace. Again, that suffers from the same kind of dilemma that we talked about when we were interrogating the health budget. It is very difficult around clinical care responsibilities and occupational health and safety, so there is significant work that needs to be done to that end. Then there are some — —

The CHAIR — If the minister could conclude her answer.

Ms HENNESSY — Sorry.

The CHAIR — If you could just wrap up please, Minister.

Ms HENNESSY — I am being wound up. We have also taken that report out to consult with local communities right across the state. That has been terrific, because just when you think you have identified every issue that is contributing to extended response times, someone will raise something really sensible. Certainly in parts of regional Victoria they talk about — —

One of the issues a lot of paramedics and some of the CERT teams raise is that we need to get people to correctly identify where they live, but they lose valuable time in minutes because in the dark on an unlit country road it is sometimes difficult for them to quickly identify where the house is. From the really small, practical stuff to the big challenging stuff, all of those issues have been canvassed in the report. We have got challenging work ahead of us, but it is a task that I believe we are equal to.

Mr MORRIS — Nothing like an 8-minute Dixer to slow things down! Minister, can I refer you again to budget paper 3, page 222, the output summary for DHHS. In particular, I am interested in the funding for motorcycle paramedic units, which I think was intended to conclude in June this year. Has funding for that unit been extended into the 2015–16 year, or indeed into future years?

Ms HENNESSY — Thank you very much. I am advised by the department that it has been incorporated into the base funding, so it is not a stand-alone item.

Mr MORRIS — I understand that further funding was to be based on an evaluation, and presumably that evaluation was positive if it has gone into base funding. Can you provide a copy of the evaluation to the committee?

Ms HENNESSY — I will have to take your question on notice because I am not aware of that. I will come back to the committee and furnish a response to Mr Morris.

Ms WARD — Minister, I am interested in the national registration of paramedics, and I refer to budget paper 3, pages 230 to 232, with respect to services delivered under the ambulance emergency services and ambulance non-emergency services outputs. You also mention this in your presentation. What I am interested in is the point that you raised with respect to opportunities for reform and consideration of national registration of paramedics. Can you explain to the committee what action you are taking on this issue and what progress has been made so far?

Ms HENNESSY — Thank you very much, Ms Ward, for your question. I will not bore the committee with — —

Ms SHING — Not that you have bored the committee.

Ms HENNESSY — Thank you, Ms Shing. I will not bore the committee with all the reasons why national registration is important. To set the context: national registration around doctors, other allied health professionals and nurses plays an incredibly valuable role, not just in terms of the professional and clinical care outcomes, but also it helps protect us against people who do roguish things. To give you some examples — and these are well documented and reported cases — those that have been, for example, deregistered as gynaecologists, nurses or midwives who go to another jurisdiction and then classify themselves as being a birthing assistant to try to evade the purview of national regulation and the consequences of being a person who is not capable of discharging their clinical responsibilities or operating safely within their scope of practice. These are challenges that occur right across the country and in respect of all parts of the health workforce.

Paramedics have been sitting outside this, yet paramedics perform lifesaving services, both in and out of ambulance vehicles. They have access to drugs that are regulated in a whole range of ways. They have incredible clinical skill capacity and expectation, yet they sit completely outside the national system that is designed to regulate these people. So it is absolutely essential that we progress national registration of paramedics.

This is a story that involves COAG. I know that most COAG stories involve a bit of *Groundhog Day*, and mine is no different. Upon coming to office, I was delighted to have met health ministers from other states — of all political persuasions — who are very interested in this issue. That is not to say that we have uniform agreement across the country on this issue, but we have a particular champion in the Western Australian health minister, Kim Hames, who has spent a long time at health MINCO — which is the health ministers' COAG breakout group — trying to progress this issue. The national process requires progression through that body.

We have attempted to progress this issue through that body. It is fair to say that there are a couple of jurisdictions that, for a range of reasons — and it is not my role to speak or verbal them on the reasons; I have a different point of view — that do not necessarily support that. There is a regulatory impact statement that the commonwealth is currently undertaking that will come to the August meeting of health ministers, and that will obviously influence the degree of progress. But if progress continues to be slow, we are committed — and our government is committed — to looking at working with other states to look at how we might better regulate and find another model that is an opt-in model as opposed to an opt-out model.

I am hoping that we will have greater progress to report subsequent to the August MINCO meeting. Obviously the great challenge is that you have some long-termers — and the Western Australian health minister is one of those — amongst the states. You have health ministers changing and coming and going and new governments, and people have different views on these issues, but at this point in time Western Australia, South Australia, Victoria, Queensland, the ACT and I think — but I am not sure about — Tasmania are all pro-national registration, so we are very determined to try to move that forward.

I also know it is a very important issue for paramedics. I get asked on a regular basis how progress is going, and I then have to delight them with this long story about the process to try to get progress on this important issue.

Mr D. O'BRIEN — Thank you, Minister. I am appalled at any suggestion that things get muddled up at COAG for years at a time. My question is related to budget paper 3, page 77, which is the asset initiatives for the department and in particular the \$20 million for ambulance station upgrades. I understand there is funding in that specifically for the new station at Wendouree. Can you say how much is budgeted for that rebuild, and of the remainder of the 20 million, which, if any, of the existing stations to be upgraded and have critical maintenance done are in regional and rural Victoria? I am particularly interested if Sale is one of them, Minister.

Ms HENNESSY — Thank you, Mr O'Brien. I may have to ask Frances to provide further detail on this and I will come back and furnish the committee with some information. My recollection is there are definitely some in regional Victoria. I cannot absolutely recall if Sale was on that list or not. I am advised that it is, so I am delighted to be the bearer of good news. In terms of the costings of Wendouree, I do not have those available to me. I am happy to come back and furnish the committee with what data I have available to me.

Mr D. O'BRIEN — Could we get that if we could, Minister, and also if you do have a list of the other nine stations, if they could be furnished as well.

Ms HENNESSY — Yes.

Mr D. O'BRIEN — I am happy to have that read out now if Ms Diver has it.

Ms HENNESSY — I will come back to the committee with the list but, as I said, Sale did ring a bell and I have just confirmed that Sale is going to be done.

Mr D. O'BRIEN — Okay, thank you. The supplementary then follows along the same lines, the line item underneath that one — the ambulance vehicles and equipment — which is also \$20 million. Your election commitment said this would fund five new complex patient ambulance vehicles. Can you say what is actually funded under that \$20 million, and again are there any new vehicles or equipment earmarked for regional and rural Victoria?

Ms HENNESSY — Yes, there will be vehicles. In terms of the supp-supp of your supp, I will have to ask Frances to see if we can provide you with any further illumination on that.

Ms DIVER — The additional funding for vehicles is for Ambulance Victoria to prioritise their vehicle replacement program, so it partially depends on which vehicles and which locations are due for replacement, and it also depends on where they are adding additional services, employing more paramedics and therefore needing new ambulances. So it depends on where they have their service demand and have their extra paramedics; it depends on where they put their vehicles. So it is a combination of where are the vehicles due for replacement and where is the service expansion going to occur. That is a statewide view. A proportion of those will occur in rural Victoria but it is not possible to tell right now exactly the locations.

Mr D. O'BRIEN — Just to confirm, that will be a question for — —

Ms SHING — How many supplementaries are we going to have, Chair?

Members interjecting.

The CHAIR — I think this is going to be a third supplementary, Mr O'Brien.

Members interjecting.

Mr D. O'BRIEN — Ambulance Victoria?

Ms HENNESSY — Yes, Ambulance Victoria.

The CHAIR — I would like to thank the witnesses for attending. In particular I would like to thank the minister for health and ambulance services. I am not quite sure whether this would be the longest hearing a minister has had to go through at PAEC — the deputy might have a view on that — but you have done outstandingly well. You have done amazingly well, so thank you.

Ms HENNESSY — Thank you. I cannot say that I will miss it.

The CHAIR — The committee will follow up on any questions taken on notice in writing. A response to be provided within 21 business days of that request if that is possible. I think there were two questions on notice. One was in relation to a copy of the evaluation of the report in relation to the motorbike paramedic unit and the second related to a breakdown of station upgrades in regional and rural Victoria. I thank you for your time and patience this morning.

Ms HENNESSY — Pleasure, thank you.

Witnesses withdrew.