

Chapter 1

Overview

1.1 On 13 February 2020 the Senate referred the following documents to the Education and Employment Legislation Committee (the committee) for examination and report:

- particulars of proposed additional expenditure in respect of the year ending on 30 June 2020 [Appropriation Bill (No. 3) 2019–2020];
- particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2020 [Appropriation Bill (No. 4) 2019–2020]; and
- particulars of proposed additional expenditure in relation to the parliamentary departments in respect of the year ending on 30 June 2020.¹

Portfolio coverage

1.2 In accordance with a resolution of the Senate on 31 August 2016, as amended on 12 February 2018 and on 13 February 2020, the committee is responsible for the examination of the expenditure and outcomes of the following portfolios:

- Education, Skills and Employment, including Industrial Relations; and
- Industry, Science, Energy and Resources, excluding Industry, Science, Energy and Resources but including Small Business.²

1.3 A full list of agencies is available at Appendix 1.

Portfolio Additional Estimates Statements 2019–20

1.4 The Portfolio Additional Estimates Statements (PAES) 2019–20 for the Education, Skills and Employment portfolio, the Attorney-General's portfolio (covering Industrial Relations matters) and the Industry, Science, Energy and Resources portfolio (covering Small Business matters) were tabled in the Senate on 13 February 2020.³

Education, Skills and Employment portfolio

1.5 The 2019–20 PAES for the Education, Skills and Employment portfolio provides information on the revised estimates for the portfolio and highlights the

1 *Journals of the Senate*, No. 42, 13 February 2020, pp. 1283–1284.

2 *Journals of the Senate*, No. 42, 13 February 2020, p. 1268.

3 *Journals of the Senate*, No. 42, 13 February 2020, p. 1284.

Australian Government's priorities in respect to education, skills and employment, including:

- a range of measures to support bushfire-affected communities, such as:
 - helping affected families with education expenses;
 - providing increased funding for mental health support in local schools and early childhood services in affected communities;
 - exempting families in bushfire-declared local government areas from Child Care Subsidy activity test debts for the 2019–20 financial year;
 - giving special consideration to students wanting to attend university in bushfire-affected communities if they apply for a scholarship through the Rural and Regional Enterprise Scholarships program; and
 - increasing Community Child Care Fund special circumstance grant funding to support child care services in bushfire-affected areas.
- ensuring the viability of drought-affected non-government schools through the provision of Special Circumstances funding;
- supporting the nationally consistent regulation of quality and safety in early childhood education and care services through ongoing funding of the Australian Children's Education and Care Quality Authority;
- implementing a range of measures to support young people and schools in regional and remote communities, including:
 - funding the Country Education Partnership's Rural Inspire Initiative to develop leadership skills and the knowledge of young people living in rural and remote communities, as well as explore education challenges and opportunities facing rural youth;
 - providing additional funding to support more high-achieving teachers to become school leaders in rural, remote and disadvantaged schools, building on the 2018–19 Budget measure, *High Achieving Teachers Program*;
 - providing funding to extend the removal of *Higher Education Loan Program* (HELP) debt for teachers working in very remote locations of Australia to include early childhood teachers;
 - continuing to trial flexible teaching methods as a means of improving literacy outcomes by extending the *Flexible Literacy for Remote Primary Schools Program* pilot into the 2020 school year; and
 - establishing a further five Regional University Centres (formerly known as Regional Study Hubs), increasing their number from 16 to 21, to create more opportunities for students to undertake higher education while remaining in their local communities;
- supporting the resources sector by establishing a School of Mines and Manufacturing at the Central Queensland University;

- encouraging partnerships between universities and industry to undertake innovative projects through the provision of funding;
- encouraging the take-up of apprenticeships and addressing areas of skill shortages by providing additional support to small businesses employing Australian Apprentices across rural and regional Australia through expansion of the *Australian Apprentice Wage Subsidy Trial*;
- strengthening the regulation, compliance and quality of the Vocational Education and Training (VET) sector by funding measures including:
 - the continued implementation of the VET FEE-Help Redress measure in 2020;
 - the development of the VET Student Loans IT System;
 - establishing the *Revitalisation TAFE Campuses Across Australia* initiative to improve vocational education infrastructure; and
 - responding to the *Expert Review of Australia's Vocational Education and Training System* and the *Review of the National Vocation Education and Training Regulator Act 2011* by providing \$34.3 million in funding over four years from 2019–20 to further improve the quality of the VET system through a range of measures; and
- increasing workforce participation, including by:
 - funding the expansion of the *Online Employment Services Trial* program to provide digital employment services nationally to an additional 33,750 job-ready participants;
 - extending the time limitation of the *Transition to Work* program from 12 to 18 months, assisting disadvantaged young people to enter employment by allowing more time to build skills, confidence and work readiness; and
 - establishing a mid-career checkpoint, providing tailored advice on professional development or further skills, to assist up to 40,000 caregivers who have taken time out of their careers to care for family and seek to return to the workforce.⁴

Attorney-General's portfolio

1.6 The 2019–20 PAES for the Attorney-General's portfolio provides information on the revised estimates for the portfolio and outlines the department's outcomes, and those of the 20 entities for which it is responsible.⁵ The relevant outcome for industrial

4 *Portfolio Additional Estimates Statements 2019–20: Education, Skills and Employment Portfolio*, pp. 9–13.

5 *Portfolio Additional Estimates Statements 2019–20: Attorney-General's Portfolio*, pp. 8–12.

relations is Outcome 2: 'Facilitate jobs growth through policies and programs that promote fair, productive and safe workplaces'.⁶

1.7 Changes to the portfolio brought about through an Administrative Arrangements Order (AAO) of 29 May 2019 are also explained. Under the order, industrial relations and workplace safety functions and programs, along with eight entities, were transferred to the Attorney-General's portfolio from the former Jobs and Small Business portfolio.⁷

Industry, Science, Energy and Resources portfolio

1.8 The 2019–20 PAES for the Industry, Science, Energy and Resources portfolio provides information on the revised estimates for the portfolio and highlights the Australian Government's portfolio priorities. In relation to small business, this includes 'facilitating the growth of small and family business'.⁸

1.9 Changes to the portfolio under the AAO of 5 December 2019, which took effect on 1 February 2020, are explained. Under these new arrangements, the Department of Industry, Science, Energy and Resources gained responsibility for small business functions from the former department of Employment, Skills, Small and Family Business.⁹

Hearings

1.10 On 14 November 2019 the Senate resolved that Additional Estimates hearings for the committee would occur on 4 and 5 March 2020.¹⁰ Accordingly, the committee considered the particulars of additional expenditure as follows:

- Employment and Industrial Relations matters, including Small Business—4 March 2020; and
- Education, Skills and Employment matters—5 March 2020.

1.11 The committee elected to arrange the hearings according to the departments' organisational structures, as machinery of government changes that had taken place in 2019 had resulted in portfolios being divided among departments.¹¹

6 *Portfolio Additional Estimates Statements 2019–20: Attorney-General's Portfolio*, p. 8.

7 *Portfolio Additional Estimates Statements 2019–20: Attorney-General's Portfolio*, p. 7.

8 *Portfolio Additional Estimates Statements 2019–20: Industry, Science, Energy and Resources Portfolio*, p. 3, 4.

9 *Portfolio Additional Estimates Statements 2019–20: Industry, Science, Energy and Resources Portfolio*, p. 3.

10 *Journals of the Senate*, No. 27, 14 November 2019, p. 851.

1.12 The first day was therefore focused on employment and industrial relations matters and agencies under the responsibility of the Attorney-General's Department, and on small business matters and small business agencies under the responsibility of the Department of Industry, Science, Energy and Resources. The second day was focused on the matters and agencies under the Department of Education, Skills and Employment, including the department's Employment Division.

1.13 The committee heard evidence from the following Ministers:

- Senator the Hon Marise Payne, representing the Minister for Industrial Relations;
- Senator the Hon Michaelia Cash, Minister for Employment, Skills, Small and Family Business;
- Senator the Hon Simon Birmingham, representing the Minister for Education; and
- Senator the Hon Jonathon Duniam, representing the Minister for Education.

1.14 Evidence was also provided by the following departmental secretaries who were accompanied by officers of the portfolio departments and agencies:

- Mr Chris Moraitis PSM, Secretary, Attorney-General's Department;
- Mr David Fredericks PSM, Secretary, Department of Industry, Science, Energy and Resources; and
- Dr Michele Bruniges AM, Secretary, Department of Education, Skills and Employment.

1.15 The committee extends its appreciation to the Ministers and officers of the departments and agencies who assisted the committee in conducting its 2019–20 Additional Estimates hearings.

1.16 An index of proceedings is available at Appendix 2.

Questions on notice

1.17 In accordance with Standing Order 26(9)(a), the committee agreed that the date for return of answers in response to questions placed on notice from the Additional Estimates 2019–20 hearings on 4 and 5 March would be 24 April 2020.

1.18 Answers to questions on notice are published as they become available on the committee's website: www.aph.gov.au/Parliamentary_Business/Senate_Estimates/ee.

11 Administrative Arrangements Order of 29 May 2019, Summary of Changes, <https://www.pmc.gov.au/sites/default/files/publications/aoa-summary-changes-20190529.pdf> (accessed 11 March 2020); Administrative Arrangements Order of 5 December 2019, <https://www.pmc.gov.au/sites/default/files/publications/aoa-5-December-2019-effect-1-February-2020.pdf> (accessed 11 March 2020).

Hansard transcripts

1.19 Committee Hansard transcripts are accessible on the committee's website: www.aph.gov.au/Parliamentary_Business/Senate_Estimates/ee/2019-20_Additional_estimates.

1.20 In this report, references to the most recent Committee Hansard are to the proof transcripts. Page numbers may vary between the transcripts of the Proof Hansard and the Official Hansard.