

Family Assistance and Other Legislation Amendment Bill 2011

Referral and conduct of the inquiry

- 1.1 The Family Assistance and Other Legislation Amendment Bill 2011 (the Bill) was referred for inquiry to the House Standing Committee on Social Policy and Legal Affairs on Thursday 2 June 2011 by the Selection Committee. The Minister for Families, Housing, Community Services and Indigenous Affairs, the Hon Jenny Macklin MP, indicated that it would be desirable for the Committee to report to the House on Tuesday 14 June 2011 to enable consideration of the Bill that week.
- 1.2 The Committee met by teleconference on Friday 3 June 2011 to determine the conduct of the inquiry. It was noted that this Bill contains five separate measures, all of which warrant some scrutiny, and that the timeframe for reporting was particularly short.
- 1.3 The Committee determined that adequate consultation of stakeholders could not be conducted within the time available and the Committee would rely on material and statements already available to investigate and report on each of the measures.
- 1.4 The Committee also noted that the Senate Committee on Community Affairs (the Senate Committee) was referred the same Bill on the same

date for inquiry. A reporting date for the Senate Committee was initially set for 14 June 2011, however an interim report was presented stating that:

In order to give proper consideration to this bill, the committee has agreed to present this interim report and intends to present the final report on Monday, 20 June 2011.¹

- 1.5 Given the longer reporting time, the Senate Committee has issued a call for submissions and is conducting hearings as part of its inquiry and report on the Bill.
- 1.6 The consultation work being undertaken by the Senate Committee is an important contribution to the two inquiries into this Bill, especially in light of the constraints placed on this Committee inquiry.
- 1.7 This Committee also expresses its concern that, should it have decided to issue a call for submissions, then the same stakeholders would be obliged to hurriedly prepare a different submission for each inquiry. Similarly if hearings were conducted by each Committee, then stakeholders would have to appear before each inquiry. This appears an unnecessary and unproductive burden to place on stakeholders, and especially on non-government organisations.
- 1.8 This Committee notes the limitations that not engaging in public hearings or calling for submission has placed on the investigative breadth of its advisory report. However, given that any consultation would have been cursory at best, given the reporting timeline, the Committee determined that it would rather the Senate Committee have the time and opportunity to engage in this manner and it would be the task of this House Committee to indicate issues of policy or process concern in its advisory report.
- 1.9 These findings are then available to the Senate Committee to aid them in their further investigations of the Bill. The Parliamentary Library is preparing a Bills Digest which should be available in the week following the tabling of this report.
- 1.10 The Committee has assessed the integrity of the amendments in achieving the aims set out in the Explanatory Memorandum, and given consideration to any unintended consequences with regard to these amendments. It has also considered the views of peak stakeholder groups, where these are already available.

1 Senate Standing Committee on Community Affairs, 'Interim Report: Family Assistance and Other Legislation Amendment Bill 2011' <http://www.aph.gov.au/senate/committee/clac_ctte/family_assistance_11/interim_report/index.htm> viewed 10 June 2011.

- 1.11 In the concluding comments to this advisory report, the Committee notes some of its broader concerns regarding the conduct of Bills inquiries and mechanisms to facilitate the continuing integrity and contribution of Committees of both Houses.

Outline of Bill

- 1.12 The Bill contains five Schedules which address amendments to legislation across a range of areas. Four of the Schedules propose amendments to legislation in order to give effect to 2011–12 Budget measures. Three of these Schedules relate to new changes announced as part of the Budget which affect eligibility for certain assistance payments or adjust the commencement date for indexation of certain benefits.
- 1.13 These measures are:
- Schedule 1: Age of Family Tax Benefit (FTB) child for family tax benefit;
 - Schedule 2: Indexation arrangements for family assistance payments and paid parental leave; and
 - Schedule 3: Qualification for disability support pension.
- 1.14 Schedule 4 is a further 2011–12 Budget measure and proposes an extension to the welfare reform trial in the Cape York area.
- 1.15 The final schedule in the Bill, Schedule 5, is not related to a Budget measure and proposes to exempt Aboriginal Land Trusts from the *Public Works Act 1969*.

Schedule 1—Age of FTB child for family tax benefit

Amendment proposed

- 1.16 Schedule 1 of the Family Assistance and Other Legislation Amendment Bill 2011 proposes to amend the *A New Tax System (Family Assistance) Act 1999* to enact measures announced in the 2011–12 Budget.
- 1.17 The substance of the proposed amendment is that the maximum age of a child for eligibility for Family Tax Benefit (FTB) Part A be lowered from 24 years to 21 years on 1 January 2012.