

Dissenting report

- 1.122 This Bill was referred to the Social and Legal Committee during the last sitting week. As there was insufficient time to arrange a Committee meeting before Parliament rose on Thursday 2 June 2011, the Committee had a teleconference hook up on Friday 3 June 2011 to discuss the referral. The Bill was also referred to a Senate committee.
- 1.123 Matters dealt with in this Bill include Family Assistance Measures, assessing qualification for disability support pension, extending the Cape York welfare reform trial and a Public Works Act exemption.
- 1.124 These are serious matters referred to the Committee to report in unseemly haste, making a complete mockery of the operation of this Parliament by virtually asking for a rubber stamping of these measures by the Committee.
- 1.125 While this is a budget-related Bill and the Coalition does not propose to prevent the legislation proceeding, there are a number of serious issues to be raised in relation to this Bill.
- 1.126 Yet in a practical sense no time has been allowed for the Committee to conduct a proper examination of the matters which are the subject of the Bill, including time to seek submissions from those who will be affected by these provisions.
- 1.127 Coalition members have submitted this dissenting report as they are particularly concerned about the impact that this legislation will have on Australian families.
- 1.128 The Bill seeks to freeze indexation of the Family Tax Benefit Part A and Part B supplements for three years, which will see a quarter of a million families worse off. Even families struggling to make ends meet on incomes of \$45 000 will be hit by these changes.
- 1.129 At a time when Australian families are struggling with a rising cost of living, cutting \$2 billion from family benefits will place more pressure on family budgets.
- 1.130 The Government has tried to claim that this change will only affect the 'rich', but this assertion is erroneous. Over 2.1 million families will lose some support as a result of the real value of the Family Tax Benefit supplement being cut. On top of this, many families with parents earning

- 1.131 Losing this support will hurt families who have already seen many of their bills increase dramatically in recent years. Since December 2007, electricity prices have increased by an average of 51 per cent across Australia; the overall cost of food has increased by 13 per cent; and education costs such as school fees have increased by an average of 24 per cent across Australia.
- 1.132 These changes could not have come at a worse time for Australian families, and Coalition members are deeply concerned about the effect that this legislation will have on families already struggling with interest rate rises and increases to the cost of living. It is time the Government recognised these struggles; Australian families cannot afford to pay for the Government's waste and mismanagement through cuts to family payments. Coalition members call on the Government to acknowledge and attend to the serious impact that these policies will have on Australian families who will have their assistance payments eroded or cancelled under this legislation.
- 1.133 Other concerns are in relation to assessing the qualifications for disability support pension (DSP) in which the Government will require that people with a disability currently on a Disability Support Pension will be required to provide evidence that they have tested their future work capacity by participating in training or work-related activities in order to qualify for the DSP.
- 1.134 These requirements will take effect from 3 September 2011. The Government states that the programs of support include Department of Employment and Workplace Relations-funded employment services, Disability Management Services and some Job Services Australia services.
- 1.135 Another element is the provision of incentives to encourage employers to employ people with disability.
- 1.136 There has been no assurance by the Government regarding the adequacy of services to assist people with training and employment placement. There is no assurance from Government that issues such as transport to work in rural and more remote locations has been addressed or that parents with children, particularly single parents, have access to affordable, quality childcare facilities.

- 1.137 As for the incentives to prospective employers, there is plenty of evidence to suggest that the take-up rate of businesses for assistance under previous programs has been abysmal.
- 1.138 In regard to Schedule 5 – Public Works Act exemption, which seeks to amend the *Aboriginal Land Rights (Northern Territory) Act 1976*, the Coalition agrees with the Government’s intent to remove the requirement for the Public Works Committee to supervise some construction activities on Aboriginal Land Trust land that result from individuals or groups expending grant funds for specific projects.
- 1.139 The proposed amendment however goes significantly further in that it specifically excludes all commonwealth funded projects on Aboriginal Land Trust land from the scrutiny of the *Public Works Committee Act 1969*.
- 1.140 The explanatory memorandum tabled by the minister along with the legislation states that this amendment will not affect the application of the Public Works Act to any proposed arrangement that involves the carrying out of a work by or for the Commonwealth or by or for an authority of the Commonwealth to which the Public Works Act applies.
- 1.141 Coalition members believe that as the proposed amendment exempts all Aboriginal Land Trust land from scrutiny of the Public Works Committee it has the direct effect of legislating that the *Public Works Committee Act 1969* cannot apply to any works.
- 1.142 The Public Works Committee ensures transparency in government projects, ensures Commonwealth projects meet appropriate standards, and ensures value for money for the taxpayer. Exempting projects on Aboriginal Land Trust lands in mainly remote regions removes a significant taxpayer funding safe guard.
- 1.143 Coalition members recommend that this amendment not be supported.

The Hon Judi Moylan MP
Deputy Chair
14 June 2011

The Hon Dr Sharman Stone MP
14 June 2011

Mr Ross Vasta MP
14 June 2011