

Chapter 1

Overview

1.1 On 9 May 2017 the Senate referred the following documents to the Education and Employment Legislation Committee (the committee) for examination and report:

- particulars of proposed expenditure in respect of the year ending on 30 June 2018;
- particulars of certain proposed expenditure in respect of the year ending on 30 June 2018; and
- estimates of proposed expenditure for 2017-18—portfolio budget statements.¹

Portfolio coverage

1.2 In accordance with a resolution of the Senate on 31 August 2016 the committee is responsible for the examination of the expenditure and outcomes of the following portfolios:

- Education and Training; and
- Employment.²

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

Portfolio Budget Statements 2017-18

1.4 Portfolio Budget Statements (PBS) inform senators of the proposed allocation of funding to outcomes and agencies within the portfolio.

Employment portfolio

1.5 The 2017-18 PBS for the Employment portfolio provides information on the proposed expenditure for the portfolio and highlights the Australian Government's employment priorities including:

- expanding ParentsNext nationally;
- a new targeted compliance framework for people on income support;
- implementing a range of initiatives to assist mature age job seekers, including the Career Transition Assistance Package, the expansion of the National Work Experience Programme and Pathway to Work pilots;
- supporting young people to improve employability skills and gain work experience through Youth Jobs PaTH;

1 *Journals of the Senate*, No. 39, 9 May 2017, pp. 1311–1312.

2 *Journals of the Senate*, No. 2, 31 August 2016, p. 76.

- encouraging job seekers in employment services to undertake eligible seasonal horticultural work through the Seasonal Work Incentives for Job Seekers Trial;
- administering payments and recovery activity under the Fair Entitlements Guarantee; and
- promoting safer workplaces in the building and construction industry through the Australian Government Building and Construction WHS Accreditation Scheme.³

1.6 The Department of Employment has two outcomes as follows:

- Outcome One: foster a productive and competitive labour market through employment policies and programs that assist job seekers into work, meet employer needs and increase Australia's workforce participation; and
- Outcome Two: facilitate jobs growth through policies that promote fair, productive and safe workplaces.⁴

Education and Training portfolio

1.7 The 2017-18 PBS for the Education and Training portfolio provides information on the proposed expenditure for the portfolio and highlights the Australian Government's education and training priorities including:

- progressing the implementation of the Jobs for Families Child Care Package;
- working collaboratively with states and territories to improve educational outcomes in Australian schools and preschools;
- the implementation of the new Higher Education Reform package;
- supporting apprenticeships and traineeships through the Skilling Australians Fund and the Industry Specialist Mentoring for Australian Apprentices program;
- establishing the Rural and Regional Enterprise Scholarships scheme; and
- changes to the Child Care Regulatory framework.⁵

1.8 The Department of Education and Training has two outcomes as follows:

- Outcome One: improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments; and

3 *Portfolio Budget Statements 2017-18: Employment Portfolio*, pp. 13–14.

4 *Portfolio Budget Statements 2017-18: Employment Portfolio*, p. 4.

5 *Portfolio Budget Statements 2017-18: Education and Training Portfolio*, pp. 12–14.

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- Outcome Two: promote growth in economic productivity and social wellbeing through access to quality higher education, international education, and international quality research, skills and training.⁶

Hearings

1.9 On 8 November 2016 the Senate resolved that Budget Estimates hearings for the committee would occur 29 May to 1 June 2017.⁷ Accordingly the committee considered particulars of expenditure of portfolios as follows:

- Employment portfolio—29 and 30 May 2017; and
- Education and Training portfolio—31 May and 1 June 2017.

1.10 The committee heard evidence from the following Ministers:

- Senator the Hon. Michaelia Cash, Minister for Employment; and
- Senator the Hon. Simon Birmingham, Minister for Education and Training.

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

- Ms Renee Leon PSM, Secretary, Department of Employment; and
- Dr Michele Bruniges AM, Secretary, Department of Education and Training.

1.12 The committee extends its appreciation to the Ministers and officers of the departments and agencies who assisted the committee in conducting the 2017–18 Budget Estimates hearings.

1.13 The committee met for a total of 47 hours and nine minutes, excluding breaks. An index of proceedings is available at Appendix 2.

1.14 Over the two days that the committee spent examining the Employment portfolio, the approximate distribution of time by party was as follows:

- Government Senators, 20 per cent;
- Opposition Senators, 61 per cent;
- Australian Greens Senators, 10 per cent; and
- Other parties and independent Senators, 8 per cent.⁸

1.15 Over the two days that the committee spent examining the Education and Training portfolio, the approximate distribution of time by party was as follows:

- Government Senators, 7 per cent;
- Opposition Senators, 73 per cent;

6 *Portfolio Budget Statements 2017-18: Education and Training Portfolio*, p. 4.

7 *Journals of the Senate*, No. 13, 8 November 2016, pp. 411–412.

8 These percentages are rounded to the nearest percentage point and therefore do not equal 100 per cent.

- Australian Greens Senators, 18 per cent; and
- Other parties and independent Senators, 2 per cent.

Public interest immunity claims

1.16 In its *Additional Estimates 2016-17* report, the committee noted the attempted public interest immunity claim made during the March 2017 hearings by Mr O'Sullivan, Chief Legal Counsel, Department of Employment. The committee concluded that the claim was not justified and reported accordingly to the Senate. In its report the committee explored Mr O'Sullivan's prior attempts to make such a claim and noted that Mr O'Sullivan's attempted claim was in conflict with the Senate's rules governing the Estimates process, and the *Government Guidelines for Official Witnesses Before Parliamentary Committees and Related Matters*.⁹

1.17 During Budget Estimates 2017-18 hearings, this issue was revisited with Ms Leon. The committee asked Ms Leon for the Department's response to the committee's report.

1.18 Ms Leon conceded that the potential basis for the claim, that is legal professional privilege, is not an acceptable ground to refuse to answer questions:

In the Senate report the committee says that legal professional privilege is not an acceptable ground for a public interest immunity claim, and I agree with that.¹⁰

1.19 But, nevertheless, Ms Leon relied on the contention that the question should have been posed to the recipient of the advice rather than the officer who had provided it.¹¹

1.20 The committee is disappointed at the departmental officials' response, and again reminds the Department of the Senate's resolution regarding the duties of public officials, including that 'the statutory values which Australian Public Service agency heads and employees are required to uphold include a requirement to be open and accountable to the Australian community under the law and within the framework of ministerial responsibility'.¹²

Questions on notice

1.21 In accordance with Standing Order 26(9)(a), the committee agreed that the date for the return of answers in response to questions placed on notice from the Budget Estimates 2017–18 hearings on 29 May to 1 June would be 13 July 2017.

9 Senate Education and Employment Legislation Committee, *Additional estimates 2016-17*, April 2017, pp. 3–10.

10 Ms Renée Leon, Secretary, Department of Employment, *Committee Hansard*, 29 May 2017, p. 44.

11 Ms Renée Leon, Secretary, Department of Employment, *Committee Hansard*, 29 May 2017, p. 44.

12 Procedural order of continuing effect 52A, Standing orders and other orders of the Senate, August 2015, pp. 150–151.

1.22 Answers to questions on notice are published as they become available on the committee's website:

www.aph.gov.au/Parliamentary_Business/Senate_Estimates/eetctte/estimates/bud1718/index.

Hansard transcripts

1.23 Committee Hansard transcripts are accessible on the committee's website: www.aph.gov.au/Parliamentary_Business/Senate_Estimates/eetctte/estimates/bud1718/index.

1.24 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.

