

**Senate Standing Committee on Education Employment and Workplace
Relations**

**QUESTIONS ON NOTICE
Additional Estimates 2010-2011**

Outcome 5 – Workplace Relations

DEEWR Question No.EW0887_11

Senator Abetz provided in writing.

Question

PROVISION OF INSOLVENCY SERVICES

Has the Workplace Relations and Safety Group in the Department contracted for the provision of insolvency services since 1 July 2010?

- a. If so, in each instance:
- i. For what specific purpose; and
 - ii. For what cost?

Answer

Yes. The Department of Education, Employment and Workplace Relations contracts the services of insolvency practitioners to:

- verify the outstanding legal entitlements of employees claiming assistance under the General Employee Entitlement and Redundancy Scheme (GEERS); and
- distribute funds to eligible employees under GEERS.

Over the period 1 July 2010 to 28 February 2011, the Department entered into 1211 individual contracts with insolvency practitioners. The total actual value of these contracts depends on the number of claimants for whom the insolvency practitioner verifies outstanding legal entitlements and distributes funds and as such can sometimes vary from the value of the contract at the time the contract is entered into. As a number of these contracts have not been finalised, it is not possible to provide actual costs for each. However, the total amount paid to insolvency practitioners over this period was \$3,958,643.23, noting that some of these payments would relate to contracts entered into prior to 1 July 2010.