

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

**QUESTIONS ON NOTICE
Additional Estimates 2011-2012**

Outcome 5 - Workplace Relations & Economic Strategy

DEEWR Question No. EW1143_12

Senator Abetz asked on 15 February 2012 , Hansard page 115

Question

\$30 million

Senator ABETZ: In the initial regulation, which was later withdrawn, there was no talk of \$30 million, was there? Mr Kovacic: There was no decision at that stage as to whether the government would provide— Senator ABETZ: I was not asking about a decision. Was there any talk of \$30 million. Ms Paul: We have answered the question. At that stage a decision had not been taken. Senator ABETZ: Was there any consideration of \$30 million being advanced. Mr Kovacic: I will have to take it on notice. I cannot— Ms Paul: We will have to take on notice when the briefing was done. Senator ABETZ: Let's not beat around the bush. Whilst I appreciate that briefings are private, when we raised these issues with the minister's office and the department, one of the issues that was raised was the lack of funding. I hope I do not divulge too much; suffice it to say we were told that assurances had been given by the Queensland government that they had fully supplemented these providers and that the argument of shortfall had no substance. That \$30 million from federal coffers was somewhere in the mix at that stage, quite frankly, defies belief, Mr Kovacic, given the discussions that we had. When did the federal government come to the view that the Queensland government's assertion of full supplementation was in fact not correct and that there was the need for this extra \$30 million? Mr Kovacic: If I am to be precise, I would have to take that on notice.

Answer

The Australian Government came to the view that additional Commonwealth funding was required following the consultation process undertaken by the Hon. Arch Bevis during October and November 2011.

The Bevis consultation process identified that employers had concerns with the financial implications of the proposed Regulation, particularly with respect to back pay obligations.

In making the Regulation, the Government took account of the issues raised during the consultation process and determined that it was appropriate to commit additional Commonwealth funding to assist eligible employers to meet back pay obligations.