

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Prime Minister and Cabinet Portfolio

Department of the Prime Minister and Cabinet

Budget Estimates Hearings 2005-2006, 23 and 24 May 2005

Question: PM 106

Outcome 1, Output 2.1

Topic: Contract with Noel Pearson for advice on welfare reform

Hansard Page: Written

Senator Crossin asked:

Part 1: It has been reported in The Australian newspaper that Noel Pearson has a contract as a consultant to provide three papers to PM&C. Is this correct? If not, what form(s) of advice has Mr Pearson been contracted to provide?

Answer: Yes

Part 2: What was the process for establishing this consultancy?

Answer: Mr Pearson was engaged directly through Griffith University, in recognition of his pre-eminent expertise and extensive experience in developing innovative solutions to over-reliance on welfare.

Part 3: What is the value of this consultancy?

Answer: Total fees payable are capped at \$30,000.00 (including GST) unless otherwise agreed in writing.

In addition, the contract also includes provision for the costs of approved travel.

Part 4: What has Mr Pearson been asked to provide advice on? Please provide details – for example, the terms of reference for Mr Pearson's project.

Answer: The consultancy services are described as:

To provide advice to government on a range of issues relating to welfare reform for Australian people of working age. This advice will be informed by the experience of Mr Pearson in addressing disadvantage and increasing workforce participation in indigenous communities, but will focus on issues faced by the wider Australian population.

The specific project outputs will be three policy papers on the following topics:

- a. Passive Welfare;
- b. Smart Cards and Income Management; and
- c. Avoiding welfare dependency from becoming a habit from Day 1.