

Chapter 1

Overview

1.1 On 4 February 2016, the Senate referred the following documents to the committee for examination and report in relation to the Education and Training and Employment portfolios:

- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2016 [Appropriation Bill (No. 3) 2015-2016];
- Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2016 [Appropriation Bill (No. 4) 2015-2016]; and
- Final budget outcome 2014-15—Report by the Treasurer (Mr Hockey) and the Minister for Finance (Senator Cormann).¹

1.2 Standing legislation committees are required to report to the Senate on 1 March 2016.²

Portfolio coverage

1.3 The committee has responsibility for examining the expenditure and outcomes of the Education and Training and Employment portfolios.³ Appendix 1 lists the departments and agencies under these portfolios.

Portfolio Additional Estimates Statements (PAES) 2015–16

1.4 The Portfolio Budget Statements (PBS) and the Portfolio Additional Estimates Statements (PAES) inform senators of the proposed allocation of funding to government outcomes by agencies within the portfolio. However, unlike the PBS, the PAES summarise only the changes in funding by outcome since the Budget. The PAES provides information on new measures and their impact on the financial and/or non-financial planned performance of programs supporting those outcomes.

1.5 Pursuant to the Administrative Arrangements Order of 21 September 2015, responsibility for child care and early childhood development has transferred from the Social Services portfolio to the Education and Training portfolio.⁴

Hearings

1.6 The committee held hearings on 10, 11 and 12 February 2016 to hear from the Department of Education and Training and the Department of Employment in relation to all outcomes as well as from relevant portfolio agencies.

1 *Journals of the Senate*, No. 137, 4 February 2016, p. 3720.

2 *Journals of the Senate*, No. 124, 10 November 2015, pp. 3335-3336.

3 *Journals of the Senate*, No. 1, 12 November 2013, pp. 15-16.

4 *Portfolio Additional Estimates Statements 2015–16*, Education and Training portfolio, p. 3.

1.7 In line with the Senate Standing Order of continuing effect⁵ in relation to annual and additional estimates hearings, Senators Lines (Deputy Chair), O'Neill and Simms wrote to the Chair requesting the additional hearing be held on 12 February 2016 to hear from Fair Work Building and Construction (FWBC) under the Employment portfolio.

1.8 The following outcomes and agencies appeared before the committee for the Education and Training portfolio:

- Department of Education and Training—Outcomes 1 and 2;
- Australian Curriculum Assessment and Reporting Authority;
- Australian Institute for Teaching and School Leadership;
- Australian Research Council;
- Tertiary Education Quality and Standards Agency; and
- Australian Skills Quality Authority.

1.9 The following outcomes and agencies appeared before the committee for the Employment portfolio:

- Department of Employment—Outcomes 1 and 2;
- Workplace Gender Equality Agency;
- Asbestos Safety and Eradication Agency;
- Fair Work Commission;
- Office of the Fair Work Ombudsman; and
- Office of the Fair Work Building Industry Inspectorate (Fair Work Building and Construction).

The operation of Standing Order 26(4)

1.10 In the Budget Estimates report of 2015-16, the committee noted the approximate distribution of time by party. Labor and Greens senators were allocated the majority of the time available to examine both portfolios. During these Additional Estimates hearings, a similar breakdown is apparent, with the Proof Committee Hansard suggesting that most time was allocated to Labor Senators.

1.11 Senate Estimates is an important opportunity for Senators, including Opposition Senators, to ask questions of Government Departments. It is essential to the democratic process of our Parliament. It is therefore not unusual that the majority of the time would be allocated to Opposition Senators, who are present at Estimates for the entirety of the hearing. It is also important to note that there is no included comparison of questions asked by opposition Senators in Estimates periods of the 43rd Government.

5 The Senate, *Standing Orders and other orders of the Senate*, August 2015, SO 26.

1.12 Whilst the Chair's report broadly notes the breakdown of questions by party, it does not include the number of interjections from Senators by party, or the time taken by such interjections.

1.13 In supporting the role that the estimates process plays in accountability, the committee is also mindful of the cost to the public purse for departmental and agency officers to attend, including the cost of their time, travel and other expenses.

1.14 The committee notes that senators are entitled to examine departments and agencies, but it is of some concern that the lack of hard markers during Estimates hearings can lead to many public servants waiting to appear, sometimes for many hours.

1.15 Whilst acknowledging the validity and purpose of Standing Order 26(4), it does require senators to exercise some discipline.

1.16 In its report of March 2015, the Procedure Committee noted that at the time, Standing Order 26(4) had been operating for two rounds of estimates hearings and that there were differing views on its effectiveness and value. The Procedure Committee also indicated that it would continue to monitor the operation of Standing Order 26(4) and report to the Senate as required.⁶

1.17 In its Budget Estimates report of 2015-16, the committee recommended that Standing Order 26(4) be referred to the Procedure Committee for consideration. The committee again recommends that Standing Order 26(4) be referred to the Procedure Committee for consideration and report back to the Senate on its effectiveness and value.

Public interest immunity claims

1.18 On 13 May 2009, the Senate passed an order relating to public interest immunity claims.⁷ The order sets out the processes to be followed if a witness declines to answer a question. The full text of this order has previously been provided to departments and agencies and was incorporated in the Chair's opening statement at the commencement of each hearing.

Questions on notice

1.19 In accordance with Standing Order 26, the committee has drawn the attention of the department and its agencies to the agreed deadline of Tuesday, 29 March 2016 for the receipt of answers to questions taken on notice from this round.

1.20 Responses to questions on notice and additional information provided to the committee are tabled in the Senate and uploaded to the committee's web page.

6 Procedure Committee, *First report of 2015*, March 2015, p. 4.

7 *Journals of the Senate*, No. 68, 13 May 2009, pp. 1941-1942.

Note on Hansard page referencing

1.21 Hansard references throughout this report relate to proof Hansard page numbers. Please note page numbering may differ between the proof and final Hansard.

Recommendation 1

1.22 The committee recommends that Standing Order 26(4) be referred to the Procedure Committee for consideration.