

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS
ATTORNEY-GENERAL'S PORTFOLIO

Program: 1.8 Australian Government Disaster Financial Support Payments

Question No. BE16/025

Senator Macdonald asked the following question at the hearing on 5 May 2016:

CHAIR: I am now abusing my own rules, but this is important, and I am at least grateful to Senator Cameron for one thing, and that is for raising this issue. There is that long chestnut about the one year—I think it is the 2013-14 year—where the NDRRA payment was not made. Why it was not made has been explained to me in the past and it is an explanation that, I must say, I have forgotten. But when I gave it to councils they all found it incredulous. Could you repeat it and tell me what the justification was? Do you know what I am talking about?

Mr Verlin: Not in respect of 2013-14.

CHAIR: There is one year—I thought it was 2013-14, but it might have been 2012-13.

Mr Verlin: From 2008-09 through to 2013-14 there had been advance payments provided by the Commonwealth. So the payments have been made, but they have not been acquitted. What happened in early 2015 is that the Queensland Audit Office re-audited \$1 billion within those claims and provided an opinion of that following. The money for the previous years' claims has all been paid to Queensland; they just have not been acquitted.

CHAIR: You are talking in technical terms, which you should, but I cannot. My understanding is, and everyone tells me, that there is a year where they were paid up to. Then, following an outcry, they were paid following that, but a year later—there was a one-year gap. Many of them are still desperately waiting, keeping their bankers at bay—probably with shotguns—so the bankers do not come and ask them for the money that they have not got, because they did not get it this one year.

Mr Verlin: In respect of local government's use of their own resources, that was eligible under the national partnership agreement. The Queensland government sought an exemption from 2014 onwards, then there were subsequent conversations about the 2013-14 year. There was additional correspondence between Queensland and the Commonwealth, and the Commonwealth has written back to Queensland advising that 2013-14 is eligible for day labour costs. So they have been advised about that middle year.

CHAIR: How recently was this?

Mr Verlin: I would have to take that on notice.

CHAIR: Was it last week, last month, or six months ago?

Mr Verlin: It was earlier this year.

CHAIR: Well, we still must be at odds because, as I say, I was out with councils in the west last week and it came up.

Senator JACINTA COLLINS: You should ask for the reason.

CHAIR: I should, rather than holding up estimates. You are right. I know it is a matter that has gone to the government—Senator Brandis has left us, but in his absence I know that Senator Cash, as a Western Australian minister, would also be very interested in this. I would ask Senator Cash and Senator Brandis to review that. I appreciate it is a government decision, not your decision, but it does seem iniquitous and there is real concern.

The answer to the honourable senator's question is as follows:

On 18 December 2015, the Minister for Justice, the Hon Michael Keenan MP, wrote to the Queensland Deputy Premier, the Hon Jackie Trad MP, granting an extension to the temporary day labour exemption under the NDRRA to include the 2013-14 financial year.