

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

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

Outcome 5 - Workplace Relations

DEEWR Question No.EW0205_11

Senator Abetz asked on 31/05/2010, Hansard page 97.

Question

GEERS

Senator ABETZ—I have asked the minister to take it on notice, but there is the ABC Online story, 10 May 2010, titled 'Union demands GEERS loophole fix', which states that the forestry union says the federal government's General Employee Entitlements and Redundancy Scheme, GEERS, for displaced workers needs to be fixed to address a legal loophole. I would be obliged if you could tell us whether that has been drawn to the government's attention and whether it has any response to it?

Senator Arbib—Yes.

Answer

The Government is aware of this matter which refers to the General Employee Entitlements and Redundancy Scheme (GEERS) only being available where an employer has entered liquidation or bankruptcy and there is no other source of funds available to pay outstanding employee entitlements. This is not a legal loophole as the GEERS Operational Arrangements make it clear that a prerequisite for eligibility under the Scheme is that the employer has been subject to an insolvency event.