



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

FAMILY AND COMMUNITY SERVICES LEGISLATION AMENDMENT (AUSTRALIANS WORKING TOGETHER AND OTHER 2001 BUDGET MEASURES) BILL 2002

Consideration of House of Representatives Message

SPEECH

Thursday, 12 December 2002

BY AUTHORITY OF THE SENATE

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Date Thursday, 12 December 2002
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Questioner
Speaker Cherry, Sen John

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Senator CHERRY (Queensland) (6.10 am)—I rise to state that the Democrats are very disappointed indeed with the government's attitude to this bill. The minister in her comments this morning let the cat out of the bag as to what this is about, when she said that the government could not afford the budgetary costs of the amendments moved by the Senate. That disappointed me because breaching and penalties should not be a budgetary savings item. Breaches and penalties are supposed to be about behaviour, not about making money for this government. For the minister to come in here and say that the budget cannot afford the notion of getting a bit of fairness into a breaching and penalty system is, I find, an appalling attitude to come from the minister of the Crown responsible for the social security system.

Essentially, the minister is saying that she wants to use unemployed people in a revenue raising device to prop up the rest of her portfolio or the rest of this government's spending priorities. It would appear that fairness and equity and the notion of fixing some of the policy issues with the breaching regime identified by the Ombudsman, the Pearce committee, the National Welfare Rights Network and others will go by the by because of the fact that the minister wants to save a bit of money. It comes back to the whole notion that the Ombudsman talked about, that there appeared to be almost targets—to have a certain number of breaches to raise a certain amount of money to deliver a certain amount of savings into the budget. The Democrats reject this attitude completely and utterly.

The Democrats are prepared to go along with the Pearce recommendations, which in our view provide a reasonable balance between ensuring that unemployed people fulfil their mutual obligations and ensuring that that is done on a fair and equitable basis. The Democrats believe that the amendments which the Senate moved, whilst they were not perfect amendments from our point of view, were reasonable. As a package they were supported by the Australian Council of Social Service and the National Welfare Rights Network. They are the people working out in the field, trying to deal with Centrelink on a day by day basis, and they felt that the package moved by the Labor Party was a good package. I think the Labor Party's package fell short in some respects. I thought the rate of reduction that Labor was proposing for breaches was too high; but, as a fall-back, we were prepared to go along with it.

I am disappointed also that Senator Bishop has indicated that Labor is dropping their amendments dealing with the accumulation period. I cannot for the life of me see what the strategy in that could possibly be at this time of the morning and at this stage of the show. The accumulation period, which the Pearce committee had recommended, is a very important equity measure to try to prevent the accumulation of breaches, one breach on top of another, and the acceleration of the accumulation of debt, which puts so many unemployed people into terrible situations of debt—potential homelessness and a whole range of other difficulties—as identified by ACOSS and in other reports. I cannot understand why Labor is now dropping these proposals from their own amendments. I do not understand it, because I do not think there is an agreement with the government on it. I could understand it in that case, but we are not being faced with an agreement—at least we are not being told that we are being faced with an agreement. It is mystifying.

From the point of view of the Democrats, we will be insisting on all of the Senate's amendments and ask the minister to reconsider. I do not want to see this bill lost, Minister; I do not want to see the benefits in this bill fall over; but I do want to see the government meet its responsibilities to deliver a breaching and penalty system which is fair, sound and equitable. I do not accept that the budget cannot afford it, because I do not accept that penalties and breaches are a fair and reasonable way of raising revenue. That is the core of my objection to your comments here this morning. I am happy to sit down and talk with the minister and the government about the best way of dealing with the Pearce recommendations, the accumulation period, the appropriate rate reductions, the notice periods for breaches and so forth, but I am not prepared to sit down and talk about how much money the government is going to raise out of unemployed people.