

AAT Bulletin

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The AAT Bulletin is a weekly publication containing information about recently published decisions and appeals against decisions in the AAT's General, Freedom of Information, National Disability Insurance Scheme, Security, Taxation & Commercial and Veterans' Appeals Divisions. The Bulletin also regularly includes a sample of decisions recently published in the AAT's Migration & Refugee Division and Social Services & Child Support Division. It occasionally includes information on legislative changes that affect the AAT.

It is recommended that the Bulletin be read on-line. This has the advantage of allowing the reader to use hyperlinks to access the full text of cases and other internet sites mentioned in the Bulletin.

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ISSUE 49/2016

Contents

AAT Recent Decisions	3
Aviation	3
Bankruptcy	3
Child Support	3
Compensation	4
Corporations	5
Immigration and Citizenship	5
Practice and Procedure	6
Professions and Trades	7
Social Security	7
Taxation	10
Trade and Commerce	10
Appeals	12
Appeals lodged	12
Appeals finalised	
Jurisdiction and legislative changes	13
Narcotic Drugs Legislation Amendment Bill 2016	13

AAT Recent Decisions

This section of the Bulletin provides information about all decisions recently published in the AAT's General, Freedom of Information, National Disability Insurance Scheme, Security, Taxation & Commercial and Veterans' Appeals. This list also includes selected child support decisions published by the Social Services & Child Support Division and examples of recent decisions published by the Migration & Refugee Division. Only AAT decisions that have been published on AustLII have been included. Full copies of the decisions can be accessed through the hyperlinks provided below.

Aviation

Bellamy and Civil Aviation Safety Authority [2016] AATA 956 (29 November 2016); Senior Member E Fice

Cancellation of license – private pilot licence – aeroplane category – whether failure by applicant in duty regarding safe operation of aircraft – whether applicant is a fit and proper person to hold private pilot license – conduct concerning crash during ground operations – classification of aircraft as amateur–built or experimental – issue of maintenance release – honesty and recognisance of applicant – whether conduct in respect of gyroplane aircraft relevant to conduct in respect of aeroplanes – decision set aside

MacNeall and Civil Aviation Safety Authority [2016] AATA 975 (25 November 2016); Senior Member CR Walsh and Professor J Quinlivan, Member

Applicant holds a private pilot licence, a commercial pilot licence and an air transport pilot licence – applicant applied to the respondent for a Class 1 medical certificate and a Class 2 medical certificate – whether respondent's decision not to issue the applicant with a Class 1 medical certificate is the correct and preferable decision – whether the respondent's decision to issue the applicant with a Class 2 medical certificate, subject to the condition "Holder to fly with safety pilot only", is the correct and preferable decision – decisions under review affirmed

Bankruptcy

Romeo and Inspector-General in Bankruptcy [2016] AATA 446 (29 June 2016); Deputy President SE Frost

Objection to discharge from bankruptcy – extension of term of bankruptcy – special ground – failure to respond to requests for information – whether extension can be cancelled – whether applicant had reasonable excuse for failing to provide information – applicant suffering from severe anxiety and depression at time of requests – decision set aside

Child Support

Fuller and Brown (Child support) [2016] AATA 2007 (11 April 2016)

Child Support - prescribed non-Agency payments – interpretation of section 71C of the *Child Support* (*Registration and Collection*) *Act* 1988 – purported "remaking" of objection decision - decisions under review set aside

Newman and Moore (Child support) [2016] AATA 2008 (13 July 2016)

Child Support - departure determination – special needs of the child - income and financial resources of parents – ground for departure exists but not just and equitable to make determination - decision under review set aside and substituted

Davies and Clark (Child support) [2016] AATA 2006 (28 July 2016)

Child Support - departure determination - income and financial resources of parent - receipt of lump sum payments - decision under review affirmed

Andrew Wade and William Wade (Child support) [2016] AATA 2005 (5 October 2016)

Child Support - application for administrative assessment by non-parent carer – parent does not consent to applicant caring for the child - whether applicant an eligible carer – whether extreme family breakdown or serious risk to child's wellbeing from violence or sexual abuse – decision under review affirmed

BBGL and Child Support Registrar (Child support second review) [2016] AATA 946 (28 November 2016); Dr P McDermott RFD, Deputy President

Extension of time application – time limit on application for AAT first review – reasons for the person's failure to apply for the review within the period unsatisfactory – decision under review affirmed

RKCM and Child Support Registrar (Child support second review) [2016] AATA 967 (7 October 2016); Senior Member NA Manetta

Respective percentage of care – analysis of care shows 66:34 percentage split appropriate – one party arguing that percentage care should be higher because other party had disobeyed a court order regulating access – other party disputing that contention – court order ambiguous – appropriate for Tribunal on review to look to pattern of actual care – inappropriate to decide question of appropriate interpretation of court order – decision under review affirmed

Compensation

<u>Collett and Telstra Corporation Limited</u> (Compensation) [2016] AATA 953 (29 November 2016); Senior Member E Fice

Workers' compensation – permanent impairment claim in respect of right wrist injury – further diagnosis of complex regional pain syndrome type 1 – proper classification of impairment of right wrist – no permanent impairment resulting in an increase of more than 10% whole person impairment – no impairment grading under Comcare Guide able to be allocated to complex regional pain syndrome type 1 – lump-sum compensation in respect of permanent impairment and non-economic loss – no further compensation awardable – decision affirmed

<u>Geyman and Telstra Corporation Limited</u> (Compensation) [2016] AATA 977 (1 December 2016); Dr D Cremean, Senior Member

Claim for medical treatment and incapacity – claim for permanent impairment – complaint of back pain – whether injury which arose out of or in the course of work – inconsistency in Applicant's evidence – need for corroboration of Applicant's evidence to establish injury – no corroboration – no injury established – decisions affirmed

<u>MacNab and National Australia Bank Limited</u> (Compensation) [2016] AATA 980 (1 December 2016); Ms R Perton, Member

Workers' compensation – whether mental health condition arose out of or in the course of employment – whether the result of reasonable administrative action in a reasonable manner – whether permanent impairment – decision under review in relation to application 2014/4994 set aside and remitted – decision under review in relation to application 2015/3454 affirmed

Corporations

<u>Parker and Australian Securities and Investments Commission</u> [2016] AATA 983 (1 December 2016); Senior Member CR Walsh

Permanent banning order prohibiting applicant from engaging in any "credit activity" – permanent banning order prohibiting the applicant from providing any "financial services" – decisions under review affirmed

Immigration and Citizenship

Guo and Minister for Immigration and Border Protection (Migration) [2016] AATA 897 (26 September 2016); President Justice D Kerr and Deputy President Prof R Deutsch

Public interest immunity – Application by a non-party that the Tribunal not permit a question in cross-examination to be answered on the basis of public interest immunity – principles of common law public interest immunity applying to oral evidence in the AAT – evidence about informants not excluded from the obligation of the AAT to balance the public interest in disclosure against the public interest in non-disclosure – capacity to protect the confidentiality of information not irrelevant to the balancing task – powers of AAT to make orders for confidentiality and to exclude the applicant and others from parts of a hearing involving evidence relating to informants and sensitive law enforcement methodologies – applicant and respondent submitting a fair hearing requires admission of objected to evidence – claim for public interest immunity rejected

Guo and Minister for Immigration and Border Protection (Migration) [2016] AATA 901 (27 September 2016); President Justice D Kerr and Deputy President Prof R Deutsch

Statutory construction – Applicant's objection to tender of a witness' statement under s 80 of the New South Wales Crime Commission Act 2012 (NSW) – applicant submitted the witness' earlier dissemination was made in breach of s 29 of the New South Wales Crime Commission Act 1985 (NSW) – where no dispute that the witness currently holds a delegation made under s 13(a) – dissemination properly authorised by s 13(a) taking into account ordinary meaning of "intelligence" – statutory construction on the NSW Crime Commission's power to authorise dissemination under s 13(a) cannot be read down to materials capable of disclosure under s 10(1)(c) – whether s 80(3) is a bar to the tender of a statement made on a voluntary basis – even if evidence was obtained improperly or illegally the Tribunal's discretion to admit evidence – applicant's objection rejected

<u>Sabharwal and Minister for Immigration and Border Protection</u> (Migration) [2016] AATA 940 (25 November 2016); Deputy President BJ McCabe

Visa refusal – whether discretion to refuse visa enlivened – risk of engaging in criminal conduct if allowed to remain in Australia – where applicant found guilty of alcohol related offences – where insufficient evidence to determine future risk of reoffending – decision under review set aside –

decision in substitution that the matter be remitted to the respondent for reconsideration with further evidence

Essa and Minister for Immigration and Border Protection (Citizenship) [2016] AATA 973 (15 November 2016); Senior Member Professor MJ McGrowdie

Good character – whether Applicant satisfies the legislative requirement to be shown to be of good character – previous convictions – assault police officer in execution of duty without actual bodily harm – resist or hinder police officer in execution of duty – mitigating factors – decision set aside and substituted

<u>Grafton and Minister for Immigration and Border Protection</u> (Citizenship) [2016] AATA 981 (1 December 2016); Senior Member T Tavoularis

Citizenship by descent – eligibility – where application for Australian citizenship refused – good character requirement not satisfied – pattern of behaviour/ offending – decision under review affirmed

Practice and Procedure

Burt and Decision Maker [2016] AATA 985 (9 November 2016); Senior Member E Fice

Jurisdiction – application to review purported decision of Inspector-General of Taxation – where no power to review conferred under an enactment – where no jurisdiction to review purported decision

<u>Dancs and Secretary, Department of Employment</u> [2016] AATA 964 (30 November 2016); Dr L Bygrave, Member

Extension of time application – applicant unable to access documents due to broken computer – application has little merit – application refused

<u>Gamble and Repatriation Commission</u> (Veterans' entitlements) [2016] AATA 952 (29 November 2016); Senior Member Ms JC Kelly

Applicant did not pursue an application at the hearing – dismissed pursuant to section 42A(1)

Veterans' entitlements – assessment of rate of pension – special rate – capacity to undertake remunerative work – decision affirmed

Neffati and Inspector-General in Bankruptcy [2016] AATA 941 (25 November 2016); Senior Member JF Toohey

Jurisdiction – bankruptcy – decision refusing to review trustees' objection to discharge – scope of Tribunal's power on review – powers and discretions conferred on the decision maker – whether in setting aside and substituting a decision the Tribunal can conduct review of the trustees' decision – Tribunal has jurisdiction to review decision not to conduct a review – no jurisdiction to conduct the review

<u>Stewart and Secretary, Department of Employment</u> [2016] AATA 984 (2 November 2016); Senior Member T Tavoularis

Extension of time - Application for Review filed out of time - Application for Extension of Time considered - Inadequate reason for delay - Unconvincing Prospects of Success - Extension of Time Refused

Professions and Trades

Falcon Grove Pharmacy Pty Ltd and Australian Community Pharmacy Authority [2016] AATA 978 (25 November 2016); Senior Member CR Walsh

Pharmaceutical - respondent recommended to the Department of Human Services ("Department") that the applicant's application to supply pharmaceutical benefits not be approved - whether proposed premises (pharmacy) is "in" a "large medical centre" - whether medical centre is under "single management" - whether, at all relevant times, the number of "PBS prescribers" at the medical centre are the equivalent of at least 8 full-time "PBS prescribers", of which at least 7 are "prescribing medical practitioners" – decision under review set aside and remitted

Nguyen and Australian Community Pharmacy Authority [2016] AATA 966 (30 November 2016); Mr S Webb, Member

Pharmacist – application for approval to supply pharmaceutical benefits at a premises – requirement for a 'supermarket' within 500 metres of premises 'at all relevant times' - meaning of 'supermarket' and 'retail store or market' - primary business requirement in respect of the sale of a range of food, beverages, groceries and other domestic goods - 'market' allows for independent vendors and stallholders under a singular management – periodic regular market operation of sufficient frequency to establish continuity 'at all relevant times' - existence of 'supermarket' not confined to hours of operation - requirement for supermarket within 500 metres satisfied - decision set aside

Wagner and Migration Agents Registration Authority [2016] AATA 957 (29 November 2016); Mr S Webb, Member

Migration agent registration – application for registration – prohibition on registration conditional on satisfaction that applicant meets particular requirements - meaning of 'passed a prescribed exam' components of prescribed exam - meaning of 'common assessment items' of prescribed course meaning of 'must be satisfied' - external credit satisfies test - English language testing requirement for minimum scores in overall English test and each sub-test - minimum scores not established by accreditation as a translator - substantial compliance not sufficient - estoppel by representation – estoppel by convention – equitable estoppel – facts not established – no estoppel – decision affirmed

Samuel and Australian Securities and Investments Commission [2016] AATA 696 (9 September 2016); Deputy President Professor R Deutsch

Auditor – self-managed superannuation funds – approved SMSF auditor – Commissioner of Taxation referral to regulator - disqualification order issued by ASIC - whether applicant complied with regulator standards - whether auditor independence as set by regulations - failure to perform duties or functions of an approved auditor adequately or properly - not a fit and proper person to be an approved auditor - decision affirmed

Social Security

Al-Saad and Secretary, Department of Social Services (Social services second review) [2016] AATA 969 (30 November 2016); Dr L Bygrave, Member

AAT BULLETIN

Disability support pension – multiple conditions – whether applicant's conditions are permanent – rating under the Impairment Tables – whether ratings add to a total of 20 points under the Impairment Tables – mental health – spinal condition – lower limb condition – multiple sclerosis – other conditions – decision affirmed

Archer and Secretary, Department of Social Services (Social services second review) [2016] AATA 948 (28 November 2016); Senior Member J Sosso

Debt repayment – age pension debt – carer payment debt – newstart allowance debt – whether the Applicants received social security payments in excess of their entitlements – whether all or some of the debts raised should be waived – Applicants' involvement in a private company – partner's income and assets – unsecured loan agreement within family – decision under review set aside

Bolewski and Secretary, Department of Social Services (Social services second review) [2016] AATA 959 (29 November 2016); Mr S Webb, Member

Disability support pension – compensation for injury – lump sum compensation – deduction of legal costs – recovery of compensation affected payments made during lump sum preclusion period – alleged deficiencies in legal advice – agreement to fixed legal costs before settlement – ignorance of Centrelink recovery amount at time of settlement – special circumstances – decision set aside

Bradley and Secretary, Department of Social Services (Social services second review) [2016] AATA 944 (7 October 2016); Senior Member NA Manetta

Disability support pension – whether respondent's medical conditions were fully diagnosed, fully treated and fully stabilised during the assessment period – whether impairments attract 20 or more under the Impairment Tables – decision under review set aside

<u>Brookes and Secretary, Department of Social Services</u> (Social services second review) [2016] AATA 972 (25 November 2016); Mr DJ Morris, Member

Disability Support Pension (DSP) – whether qualified – whether impairments fully diagnosed, fully treated and fully stabilised – health condition not fully treated or stabilised at date of cancellation – not qualified for DSP – decision affirmed

<u>Campbell and Secretary, Department of Social Services</u> (Social services second review) [2016] AATA 968 (30 November 2016); Senior Member A Poljak

Disability support pension – eligibility – relevant period – physical intellectual or psychiatric impairments – whether impairments rate 20 points under Impairment Tables – whether conditions fully diagnosed, treated and stabilised – depression and anxiety – bilateral shoulder pain – osteoarthritis – back pain – ischaemic heart disease – decision affirmed

<u>Childs and Secretary, Department of Social Services</u> (Social services second review) [2016] AATA 979 (1 December 2016); Ms DK Grigg, Member

Disability support pension – whether 20 points or more under the impairment tables during the relevant period – whether continuing inability to work – decision under review affirmed

AAT BULLETIN ISSUE 49/2016

Elms and Secretary, Department of Social Services (Social services second review) [2016] AATA 965 (30 November 2016); Senior Member AC Cotter

Disability support pension – cancellation of pension – requirement that the person's impairment is of 20 points or more under the Impairment Tables not met – decision under review affirmed

<u>Gligurovska and Secretary, Department of Social Services</u> (Social services second review) [2016] AATA 945 (28 November 2016); Brigadier AG Warner, Member

Disability support pension – income maintenance period – whether income maintenance period has been correctly applied – whether duration of income maintenance period has been correctly calculated – whether applicant in severe financial hardship – decision under review affirmed

<u>Irving and Secretary, Department of Social Services</u> (Social services second review) [2016] AATA 949 (28 November 2016); Senior Member J Sosso

Pensions, benefits and allowances – parent payment single – percentage care – separated parents with shared care – PP child – financial considerations – comparison of assets – comparison of earning potential – decision under review affirmed

<u>Jones and Secretary, Department of Social Services</u> (Social services second review) [2016] AATA 947 (28 November 2016); Deputy President Dr P McDermott RFD

Disability support pension – cancellation of pension – applicant has multiple impairments – impairments not fully diagnosed, treated and stabilised at date of cancellation – decision affirmed under review

Knibbs and Secretary, Department of Social Services (Social services second review) [2016] AATA 951 (28 November 2016); Mr DJ Morris, Member

Compensation Preclusion Period – lump sum compensation payment – application for Newstart Allowance – meaning of special circumstances – waiver of compensation preclusion period – correctly calculated and applied – special circumstances not present – decision affirmed

<u>Lalic and Secretary, Department of Social Services</u> (Social services second review) [2016] AATA 961 (30 November 2016); Deputy President FJ Alpins

Application for unlimited portability of disability support pension – decision to cancel disability support pension – whether applicant qualified for disability support pension – whether applicant's impairment was of 20 points or more under the Impairment tables at the relevant date – decision affirmed

<u>Lennon and Secretary, Department of Social Services</u> (Social services second review) [2016] AATA 942 (31 October 2016); Senior Member NA Manetta

Disability support pension – applicant found not to have 20 points arising from a single impairment table – applicant found not to have met program of support requirements – decision affirmed

<u>Markopoulos and Secretary, Department of Social Services</u> (Social services second review) [2016] AATA 962 (30 November 2016); Senior Member JF Toohey

Age pension – qualifying Australian residence – whether applicant an Australian resident – Tribunal satisfied that the applicant had qualifying Australian residence – decision under review set aside

Ngo and Secretary, Department of Social Services (Social services second review) [2016] AATA 955 (29 November 2016); Mr DJ Morris, Member

Disability Support Pension (DSP) – Whether qualified – whether impairments are fully diagnosed, fully treated and stabilised – whether impairments attract 20 points or more on Impairment Tables – major depressive disorder – generalised anxiety disorder – chronic neck pain – bilateral carpel tunnel syndrome – helicobacter gastritis – not qualified for DSP – decision affirmed

<u>Turnbull and Secretary, Department of Social Services</u> (Social services second review) [2016] AATA 976 (1 December 2016); Ms DK Grigg, Member

Disability support pension – DSP – whether 20 points or more under the impairment tables during the relevant period – decision under review affirmed

<u>Walker and Secretary, Department of Social Services</u> (Social services second review) [2016] AATA 970 (30 November 2016); Dr P McDermott RFD, Deputy President

Disability support pension – cancellation of pension – requirement that the person's impairment is of 20 points or more under the Impairment Tables not met – requirement that the person has a continuing inability to work not met – decision under review affirmed

Whitehead and Secretary, Department of Social Services (Social services second review) [2016] AATA 960 (29 November 2016); Mr S Webb, Member

Disability support pension – impairments – rating of 'permanent' impairments – 20 point minimum threshold not met – continuing inability to work 15 or more hours per week not satisfied – requirement for active participation in a program of support not met – decision affirmed

Taxation

<u>GSLL and Commissioner of Taxation</u> (Taxation) [2016] AATA 954 (29 November 2016); Dr P McDermott RFD, Deputy President

Applicants' liable to administrative penalty for failure to lodge FBT returns – base penalty amount of 75% – administrative penalty not remitted in part or whole – decisions under review affirmed

WTPG and Commissioner of Taxation (Taxation) [2016] AATA 971 (30 November 2016); Deputy President SA Forgie

Discrimination – effect of Disability Discrimination Act 1992 on Income Tax Assessment Act 1997 – no inconsistency between the two regarding expenses – Commissioner not in breach of obligation under s 29 of the Disability Discrimination Act 1992 – decision affirmed

Trade and Commerce

Allocated Bullion Exchange Limited and Australian Trade and Investment Commission [2016] AATA 939 (25 November 2016); Senior Member DR Davies

Export market development grants – Grants assisting international promotion of products and services – Eligible products and services – Non tourism services – Services provided to foreign residents – Significant net benefit – Value of Australian inputs – decision under review affirmed

Appeals

This section of the Bulletin provides information about appeals that have been lodged or finalised against decisions in the AAT's General, Freedom of Information, National Disability Insurance Scheme, Security, Taxation & Commercial and Veterans' Appeals Divisions. Information is only included about appeals relating to AAT decisions that have been published on AustLII. Full copies of the decisions can be accessed through the hyperlinks provided below.

Appeals lodged

CASE NAME		AAT REFERENCE
BIS Industries Limited v Dale		[2016] AATA 862
Appeals finalised		
CASE NAME	AAT REFERENCE	COURT REFERENCE
Commissioner of Taxation v Rosgoe Pty Limited	[2015] AATA 130	[2015] FCA 1231
Commissioner of Taxation v Bai	[2013] AATA 612	[2016] FCAFC 163 [2015] FCA 1083 [2015] FCA 973
Binetter v Commissioner of Taxation	[2015] AATA 455	[2016] FCAFC 163
Doutch v Commissioner of Taxation and Administrative Appeals Tribunal	[2015] AATA 972	[2016] FCAFC 166

Jurisdiction and legislative changes

This section of the *Bulletin* provides a summary of significant legislative changes that affect the AAT, including changes and potential changes to the AAT's jurisdiction to review decisions.

Narcotic Drugs Legislation Amendment Bill 2016

The purpose of the Narcotic Drugs Legislation Amendment Bill 2016 (the Amendment Bill) is to amend the Narcotic Drugs Act 1967 (the Act), as recently amended by the Narcotic Drugs Amendment Act 2016, to protect 'sensitive law enforcement information' that is held by or provided to the Secretary of the Department of Health for the purposes of making licensing decisions under the Act.

The Bill passed in both houses on 10 November 2016 and will commence on the day the Act receives the Royal Assent.

The amendments are relevant to information that:

- the Tribunal may receive in the course of reviewing decisions made under the Act, and
- members of the Tribunal may receive in performing persona designata functions conferred by the Act.

Below is a summary of the relevant amendments.

Sensitive law enforcement information

- 'Sensitive law enforcement information' will be defined in subsection 4(1).
- It will be an offence to disclose or use 'sensitive law enforcement information' obtained in connection with the Act, except, relevantly, if the disclosure of 'sensitive law enforcement information' is required by a court or tribunal for the purposes of, or in connection with proceedings giving effect to the Act, or another law of the Commonwealth: section 14MA

Orders pursuant to section 35 of the AAT Act

- Section 15M will provide for the Secretary, Department of Health to apply to the Tribunal for an order under section 35 of the AAT Act prohibiting or restricting disclosure of information identified under s 14LA of the Amendment Bill as 'sensitive law enforcement information'
- Subsection 15M(3) will modify section 35 of the AAT Act by providing factors for the Tribunal
 to consider and issues on which it must be satisfied in deciding whether to exercise the
 power under section 35.

Requests for statements of reasons pursuant to section 28 of the AAT Act.

 Section 15N will exclude sensitive law enforcement information from statements of reasons prepared by decision makers where requested under section 28 of the AAT Act.

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