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Asia special adviser post on hold as Henry holidays

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JULIA Gillard's special adviser Ken Henry is still on leave almost three weeks after she charged him with leading a high-profile taskforce to map Australia's future place in Asia.

And the Prime Minister's department can't say when he'll be starting in the job.

Department of Prime Minister and Cabinet deputy secretary Renee Leon said the former Treasury secretary had not worked a day in the special adviser post to which he was appointed in April. She told a Senate estimates hearing yesterday that Dr Henry was instead running down more than five months' leave accrued in his last government job and she

did not have "an exact date yet" for his return.

"But I imagine it will be in the nearfuture," she said. Ms Leon said the government

Ms Leon said the government had recruited him straight from Treasury before Ms Gillard had decided on his specific role because it wanted to retain his services as a valued adviser.

Dr Henry's appointment to the influential government job raised eyebrows last week when it was revealed he would also be sitting on the board of the National Australia Bank, from next month.

Dr Henry will draw the same salary as the current Treasury secretary on a pro-rata basis once he starts as taskforce chairman, working one or two days a week so he can allow time for "outside employment", including the NAB board.

He said last week he was seeking other board appointments.

Victorian Liberal senator Scott Ryan told the hearing Dr Henry was "obviously conflicted" by his role on a major bank board because the "Asian century" white paper would by necessity cover financial services. Government Senate leader

Government Senate leader Chris Evans defended Dr Henry's appointment, saying he had agreed to abide by the public service code of conduct despite his employment outside the Public Service Act.

The government had also asked Dr Henry to consult with it on other work he undertook, with an eye to any real or perceived conflict of interest. "Appropriate safeguards have been put in place," Senator Evans said.