

# Senate Select Committee on Australia's Food Processing Sector

## ANSWERS TO QUESTIONS ON NOTICE

### Treasury Portfolio

Public Hearing

13 December 2011

#### Question 3

Topic: Treasury's advice regarding Heinz

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Senator XENOPHON: [...] So we have a global giants like Heinz saying that we are in real strife in this country. When you hear the chief executive of a global giant like Heinz saying that and when their chief financial officer follows that up with other strident comments, do Treasury look at those comments and test them for their veracity and give advice accordingly to government? As a result of Heinz's quite extraordinary outbursts in June and August of this year, did the Treasury analyse those statements and provide advice to the Australian government?

Mr Paine: I might just answer that by—

Senator XENOPHON: I am not asking you for the advice; that would not be appropriate.

Mr Paine: No, it would not be.

Senator XENOPHON: Did you look at it and did you provide advice?

Mr Paine: I would have to take advice about whether answering that directly is appropriate.

CHAIR: I think senators can ask whether or not advice has been provided. We obviously cannot ask what was in the advice; that is for the government to decide. But we can ask whether advice has been provided. [...] I think it is appropriate to ask whether advice was sought on a particular matter.

Mr Paine: I have to take on notice whether it was sought, but I am happy to address the issue in broad terms. I note that Heinz—although I do not know what their market share is in the food-processing sector in Australia—is a major player. You have statements—probably well-considered statements—by Heinz, who are one stakeholder in the market—

Senator XENOPHON: I asked you a very simple question. We are over time. Did Treasury analyse the statements made by Heinz back in June and August of this year and did you provide advice to the Australian government? They are simple questions. Yes or no?

Mr Paine: I do not know the facts on that. I have to take that on notice.

CHAIR: I think that is probably fair, Senator Xenophon. Please take those two particular questions on notice, Mr Paine, and come back to the committee on that. We would be interested to know.

Answer:

Treasury has provided the Government with advice relating the food processing sector. The views of participants in the sector were carefully considered in developing this advice.