

Chapter 1

Overview

1.1 On 9 February 2017, the Senate referred the following documents to the committee for examination and report in relation to the Industry, Innovation and Science and Treasury portfolios:

- Particulars of proposed additional expenditure in respect of the year ending on 30 June 2017 [Appropriation Bill (No. 3) 2016–2017];
- Particulars of certain proposed additional expenditure in respect of the year ending on 30 June 2017 [Appropriation Bill (No. 4) 2016–2017]; and
- Final budget outcome 2015–16—Report by the Treasurer (Mr Scott Morrison MP) and the Minister for Finance (Senator Mathias Cormann).¹

1.2 The committee is required to report to the Senate on its consideration of 2016–17 Additional Budget Estimates on 28 March 2017.²

Portfolio allocation

1.3 The committee has responsibility for examining the expenditure and outcomes of the Industry, Innovation and Science and Treasury portfolios.³

1.4 During 2016–17 the most significant change to the Department of Industry, Innovation and Science (the department) was the creation of the Northern Australia Infrastructure Facility (NAIF) on 1 July 2016. NAIF is a corporate commonwealth entity whose parent body is the department itself.

1.5 Within the Industry, Innovation and Science portfolio, Snowy Hydro Limited moved to the Environment and Communications portfolio and responsibility for Industry's Programme 2.5: Energy was allocated to the Department of Environment and Energy on 19 July 2016.

Portfolio Additional Estimates Statements (PAES) 2016–17

1.6 The Portfolio Budget Statements (PBS) and the Portfolio Additional Estimates Statements (PAES) inform senators of the proposed allocation of funding to government outcomes by agencies within the portfolio. However, unlike the PBS, the PAES summarise only the changes in funding by outcome since the 2016–17 Budget. The PAES provides information on new measures and their impact on the financial and/or non-financial planned performance of programs supporting those outcomes.

1 *Journals of the Senate*, No. 26, 9 February 2017, pp. 888–889.

2 *Journals of the Senate*, No. 12, 7 November 2016, p. 378.

3 *Journals of the Senate*, No. 2, 31 August 2016, p. 76.

Hearings

1.7 The committee held hearings on 1 and 2 March 2017 to hear from the Department of Industry, Innovation and Science and the Department of the Treasury in relation to all outcomes as well as from relevant portfolio agencies.

1.8 The following outcomes and agencies appeared before the committee for the Treasury portfolio:

- Department of the Treasury—Secretary and Macroeconomic Group;
- Department of the Treasury—Markets Group (with the Foreign Investment Review Board);
- Department of the Treasury—Revenue Group;
- Australian Taxation Office;
- Australian Charities and Not-for-profits Commission;
- Department of the Treasury—Fiscal Group;
- Australian Competition and Consumer Commission with the Australian Energy Regulator;
- Productivity Commission;
- Australian Office of Financial Management;
- Australian Bureau of Statistics;
- Inspector-General of Taxation;
- Australian Securities and Investments Commission;
- Australian Prudential Regulation Authority; and
- Australian Small Business and Family Enterprise Ombudsman.

1.9 The following outcomes and agencies appeared before the committee for the Industry, Innovation and Science portfolio:

- Australian Nuclear Science and Technology Organisation;
- Geoscience;
- Commonwealth Scientific and Industrial Research Organisation;
- Office of Innovation and Science Australia;
- Department of Industry, Innovation and Science—Programme 3: Cross-portfolio;
- Department of Industry, Innovation and Science—Programme 1: Supporting Science and Commercialisation;
- Anti-Dumping Commission;
- Department of Industry, Innovation and Science—Programme 2: Growing Business Investment and Improving Business Capability; and
- National Offshore Petroleum Safety and Environmental Management Authority.

1.10 The committee thanks the Ministers and officers who attended the hearings for their assistance.

Questions on notice

1.11 In accordance with Standing Order 26, the committee has drawn the attention of the Department and their agencies to the agreed deadline of Thursday, 13 April 2017 for the receipt of answers to questions taken on notice.

1.12 As the committee is required to report to the Senate before responses to questions are due, this report has been prepared without reference to any of these responses.

1.13 Responses to questions on notice and additional information provided to the committee are tabled in the Senate and uploaded to the committee's website.

Public interest immunity claims

1.14 On 13 May 2009, the Senate passed an order relating to public interest immunity claims.⁴ The order sets out the processes to be followed if a witness declines to answer a question. The full text of this order has previously been provided to departments and agencies and was incorporated in the Chair's opening statement at the commencement of each hearing.

Record of proceedings

1.15 This report does not attempt to analyse the evidence presented to the committee over the two days of hearings. However, it does include a brief explanation of the main issues that were raised during the examination of each portfolio.

1.16 Copies of the Hansard transcripts and documents tabled at the hearings are available on the committee's website.

Note on Hansard page referencing

1.17 Hansard references throughout this report relate to the Proof Estimates Hansard. Please note page numbering may differ between the proof and final Hansard.

4 *Journals of the Senate*, No. 68, 13 May 2009, pp. 1941–1942.

