

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2014 - 2015

Department/Agency: Treasury

Question: SBT 270

Topic: Boards (for Departments or agencies with boards)

Reference: Written - 30 October 2014

Senator: Ludwig, Joe

Question:

270. Since Budget Estimates in June, 2014 for each board in the portfolio or agencies:
- a) how often has each board met, break down by board name;
 - b) what travel expenses have been incurred;
 - c) what has been the average attendance at board meetings;
 - d) List each member's attendance at meetings;
 - e) how does the board deal with conflict of interest;
 - f) what conflicts of interest have been registered;
 - g) what remuneration has been provided to board members;
 - h) how does the board dismiss board members who do not meet attendance standards?
 - i) Have any requests been made to ministers to dismiss board members?
 - j) Please list board members who have attended less than 51% of meetings
 - k) what have been the catering costs for the board meetings held during this period? Please break down the cost list.

Answer:

Auditing and Assurance Standards Board (AUASB)

- a) 3 times (10 June, 9 Sept, 21 Oct)
- b) \$9,082.01
- c) Average attendance over 2 meetings is 92%
- d) See tab 'AAUSB Attendance'
- e) The AUASB maintains a permanent register which discloses members' professional interests. Should any conflict arise, that would be separately disclosed and recorded in that section of the meeting itself and the minutes.
- f) No significant conflicts of interest have arisen.
- g) \$13,272.47
- h) Peer Board member reviews are conducted each year via the Financial Reporting Council (FRC), which is the AUASB's oversight body, and an unsatisfactory level of meeting attendance would be one possible matter that would emerge from those reviews. A case of an unsatisfactory level of meeting attendance would be one possible trigger, in consultation with the AUASB Chair, for the FRC to terminate membership.
- i) No

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- j) None
- k) \$1,210.12 – Food

Australian Accounting Standards Board (AASB)

- a) 3 times (16/17 July, 3/4 Sept, 22/23 Oct)
- b) \$10,918.35
- c) Average attendance over 6 meetings is 89%
- d) See tab 'AASB Attendance'
- e) The AASB members declare any potential conflicts at the opening of each meeting and any such declarations are minuted.
- f) The only declarations that have been made are in relation to one or more members (who are part-time and have 'day jobs') having been engaged by one or more of their clients to opine on a technical accounting issue that also happens to be before the Board.
- g) \$23,757.30
- h) Peer Board member reviews are conducted each year via the Financial Reporting Council (FRC), which is the AASB's oversight body, and an unsatisfactory level of meeting attendance would be one possible matter that would emerge from those reviews. A case of an unsatisfactory level of meeting attendance would be one possible trigger, in consultation with the AASB Chair, for the FRC to terminate membership
- i) No
- j) None
- k) \$2,021.32 – Food

Australian Charities and Not-For-profits Commission

- a) The ACNC Advisory Board met once within this period
- b) Accommodation for members who do not reside in Melbourne - \$1,753.92
Flights – \$5,810.80
Allowances (meals and incidentals) – \$1,120
Taxis/parking – \$115.58
Taxis - \$933.01
- c) There were three apologies at the July meeting.
- d) List each member's attendance at meetings:

Member	18 July meeting
Robert Fitzgerald	Present
Fiona McLeay	Present
Gina Anderson	Present

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David Crosbie	Apology
Myles McGregor-Lowndes	Present
Paul O'Callaghan	Present
Tony Lang	Present
Sheila McHale	Present
Mark Cocker (ex-officio)	Present
Linda Mallett (ex-officio)	Present
Lindy McAdam (ex-officio)	Apology
Karen Avery (ex-officio)	Sean Parnell attended in her place

- e) Each board member completes a Declaration of Secrecy form. Declaration of conflicts of interests is a standing item on the agenda.
- f) No conflicts of interest were declared at the July meeting.
- g) A base fee of \$13,312 per annum and a sitting fee of \$615 per day as set by the Remuneration Tribunal Determination 2014/03.
- h) N/A. No allowance in the charter for dismissal for non-attendance.
- i) No.
- j) David Crosbie, Lindy McAdam (ex-officio) and Karen Avery (ex-officio) did not attend the July meeting. Sean Parnell attended in Karen Avery's absence.
- k) 17 July 2014 - ACNC Advisory Board dinner - \$550.
18 July 2014 - ACNC Advisory Board lunch - \$677.

Note: The ACNC Advisory Board opted to have their meals paid for, rather than receive the meal allowance they are entitled to receive per the Remuneration Tribunal determination. On this occasion, the meal allowance was higher than the cost of the meals provided.

Australian Competition and Consumer Commission (ACCC) and the Australian Energy Regulator (AER)

- a) The Australian Competition and Consumer Commission (ACCC) and the Board of the Australian Energy Regulator (AER) each meet weekly and otherwise as required.
- b) Travel expenses are not incurred specifically for the purpose of Commission members or AER Board members attending meetings as most meetings occur via video conferencing facilities and any air travel is usually coordinated for multiple purposes.
- c) As ACCC and AER members are all full time statutory office holders, they attend all relevant meetings unless absent on leave or for other operational needs.

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- d) As ACCC and AER members are all full time statutory office holders, they attend all relevant meetings unless absent on leave or for other operational needs.
- e) The ACCC and AER have a conflict of interest protocol under which members are required to declare any actual or apparent conflicts of interest. Members are recused from consideration of matters where a conflict has been declared.
- f) The provision this information could compromise finalised and current operational work of the ACCC and AER.
- g) Remuneration of Commission members and AER Board members is set out in the ACCC and AER Annual Report 2013/14.
- h) The circumstances in which the Governor-General may or shall terminate the appointment of an ACCC or AER member is set out at sections 13 and 44AAB respectively of the *Competition and Consumer Act 2010*.
- i) No.
- j) Not applicable.
- k) Nil.

Australian Competition Tribunal (ACT)

Not applicable.

Australian Government Financial Literacy Board

- a) The Australian Government Financial Literacy Board has met twice in that time - on 25 July 2014 and on 7 November 2014.
- b) ASIC paid for a return flight from Brisbane to Sydney for Fiona Guthrie to attend the meeting on 7 November 2014, at a cost of \$323.90.
- c) In the period since June 2014 there has been 69% average attendance by Board members.
- d) The meeting on 25 July 2014 was attended by Paul Clitheroe (Chair), Air Commodore Robert Brown, Hamish Douglass, Linda Elkins, Elaine Henry, Robert Thomas, Ian Silk, Mike Smith, Peter Kell. Craig Dunn, Fiona Guthrie, Tony Mackay and Greg Medcraft were not able to attend.

The meeting on 7 November 2014 was attended by Paul Clitheroe (Chair), Air Commodore Robert Brown, Craig Dunn, Fiona Guthrie, Elaine Henry, Robert Thomas, Ian Silk, Greg Medcraft and Peter Kell. Hamish Douglass, Mike Smith, Linda Elkins and Tony Mackay did not attend.

- e) A conflict of interest declaration is signed by each member at the time of appointment to the Board.

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- f) Paul Clitheroe declared that he was a director of ipac securities, which is owned by AXA Australia. AXA Australia is a strong supporter of financial literacy, but Mr Clitheroe stated that he did not perceive any existing or potential conflicts of interest arising from his directorship.
- g) Australian Government Financial Literacy Board members receive no remuneration, providing their time and expertise pro bono.
- h) Responsibility for dismissals from the Australian Government Financial Literacy Board rests with the relevant Minister.
- i) No requests been made to Ministers to dismiss Australian Government Financial Literacy Board members.
- j) Four out of 13 Australian Government Financial Literacy Board members were not able to attend one of the past two meetings (Craig Dunn, Hamish Douglass, Linda Elkins, Mike Smith) and one Board member was unable to attend both (Tony Mackay).
- k) Catering costs for the two meetings (held via VC across Sydney and Melbourne ASIC offices) held on 25 July and 7 November 2014 totalled approximately \$ 210.00.

This cost covers tea, coffee, water, gourmet biscuits, mini muffins and mini fruit skewers at each venue (Sydney and Melbourne ASIC offices).

Australian Prudential Regulation Authority (APRA)

Not applicable.

Australian Reinsurance Pool Corporation (ARPC)

- a) The ARPC Board has met twice: 1 July and 24 September 2014
- b) Domestic Travel Expenses: \$3,278.00
for Board Meeting attendances
- International Travel Expenses: \$16,210.00
Presentation by the Chair to OECD Biennial Conference on Terrorism Insurance, Washington; followed by a London meeting with the Board and Executives of Pool Re – ARPC's UK equivalent for terrorism reinsurance.
- c) Average attendance is four members (of five current members)
- d) Attendance details tabled below:

Member	1 July 2014	24 September 2014
Ms Joan Fitzpatrick (Chair)	Yes	Yes
Ms Jan Bowe	Yes	Yes
Ms Jan Harris	Yes	Yes

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Mr Tom Karp	Yes	Apology (Illness)
Ms Marian Micalizzi	Yes	Apology (Overseas)
Total	5	3

e) Members complete an Annual Conflict of Interest Declaration; this is reviewed for updating as a Standing Agenda Item at each Board meeting.

f) No conflicts of interest have been registered

g) Members are remunerated under the *Remuneration Tribunal Determination 2014/08*, and according to Schedule D of that Determination, as follows:

Member	1 July Meeting fee	24 September Meeting fee	Annual Base Fee (pro-rata)	Total
Ms Joan Fitzpatrick (Chair)	\$1076	\$1076	\$8,862	\$11014
Ms Jan Bowe	\$969	\$0	\$4431	\$5400
Ms Jan Harris (Dept of Treasury)	\$0	\$0	\$0	\$0
Mr Tom Karp	\$969	\$0	\$4431	\$5400
Ms Marian Micalizzi	\$969	\$0	\$4431	\$5400
		Total Board Remuneration		\$27,214

h) The Board does not have the power to dismiss its own members. ARPC Board members are appointed by the responsible Minister through a Cabinet process, under section 13 of the *Terrorism Insurance Act 2003*; subsection 20(2)(b)) has provisions for the responsible Minister to terminate a member's appointment if the member is absent, except on leave of absence, from three consecutive meetings.

i) No.

j) Mr Tom Karp (50% - one of two meetings missed due to illness – leave of absence granted by the Chair).

Ms Marian Micalizzi (50% - one of two meetings missed due to the meeting being re-scheduled and clashing with an already-booked overseas trip – leave of absence granted by the Chair).

k) Catering costs:

2 x Business Lunches (sandwiches and fruit platter)

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Total: \$357.00

Australian Securities and Investments Commission (ASIC)

a) Since Budget Estimates on 4 June 2014, the Commission has met for seven Commission meetings on the following dates:

- Commission meeting 672 – 25 June 2014 (scheduled)
- Commission meeting 673 – 30 June 2014 (special)
- Commission meeting 674 – 30 July 2014 (scheduled);
- Commission meeting 675 – 15 August 2014 (special);
- Commission meeting 676 – 27 August 2014 (scheduled);
- Commission meeting 677 – 19 September 2014 (scheduled); and
- Commission meeting 678 – 29 October 2014 (scheduled).

b) ASIC pays for Commissioners' travel (flights and ground transport) and accommodation expenses when travelling interstate for ASIC business.

Commissioners are also provided with a travel allowance for incidental expenses.

c) Attendance is averaging near 100%. See d), below.

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d)

Name	No. of Commission Meetings Eligible to Attend since 4 June 2014	No. Commission Meetings Attended since 4 June 2014
Greg Medcraft	7	6*
Peter Kell	7	7
Greg Tanzer	7	7
John Price	7	7
Cathie Armour	7	7

*Chairman was an apology for the special 30 June Commission meeting – overseas IOSCO commitment

e) Under s123 of the *ASIC Act 2001* (Cth) ('the ASIC Act'), Commissioners have a statutory obligation to declare to the Minister:

- Any direct or indirect pecuniary interest in a business or corporation carrying on a business in Australia;
- Any direct or indirect pecuniary interest in interests regulated by ASIC; and
- Any arrangement to resume a previous business relationship or enter into a new business relationship when they cease to be a Commissioner.

Under s124 of the ASIC Act, Commissioners have a statutory obligation to declare any interest that could conflict with the Commissioner's functions in relation to determining a matter. Such disclosures can be made at any time. There is also a standing item on the agenda of scheduled Commission meetings for Commissioners to make such disclosures.

From 1 July 2014 section 29 of the *Public Governance Performance and Accountability Act 2013* came into effect, which imposes a duty for an official of a Commonwealth entity to disclose personal affairs that relate to the entity. Part 2-2, Division 2 of the *Public Governance Performance and Accountability Rule 2014* requires the Chairman, as the accountable authority, to disclose in writing to the Minister any material personal interest that relates to the affairs of ASIC. The section also creates an obligation for all Commissioners to disclose to each other any material personal interest that relates to the affairs of ASIC, and not to participate in the consideration of a matter in which they have an interest.

f) Commissioner Peter Kell's wife Elizabeth Pearce has been employed by AGL Energy Ltd since 2009.

g) The remuneration of Commissioners is set by the Remuneration Tribunal.

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Attending Commission meetings is part of Commissioners' duties and Commissioners do not receive any additional remuneration for attending Commission meetings.

h) The Commission does not have specific authority to dismiss a Commissioner for failing to meet meeting attendance standards.

Under s111 of the ASIC Act, the Governor-General may terminate a Commissioner's appointment for various reasons including:

- misbehaviour; or
- if the member is absent without leave for 14 consecutive days; or
- if the member is absent without leave for 28 days in any period of 12 months.

Attendance at Commission meetings by Commissioners is reported in the ASIC Annual Report.

i) No.

j) Nil (refer to answer to question d), above).

k) Since February 2014, catering costs for each Commission meeting have been:

Commission Meeting No.	Commission Meeting Date	Scheduled/ Unscheduled	Catering Costs
Commission meeting 672	25 June 2014	Scheduled	\$165.00
Commission meeting 673	30 June 2014	Unscheduled	Nil
Commission meeting 674	30 July 2014	Scheduled	\$198.02
Commission meeting 675	15 August 2014	Unscheduled	Nil
Commission meeting 676	27 August 2014	Scheduled	\$106.00
Commission meeting 677	19 September 2014	Scheduled	\$110.70
Commission meeting 678	19 September 2014	Scheduled	\$222.67

No alcohol is served at Commission meetings.

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Australian Statistics Advisory Council (ASAC)

- a) The Australian Statistics Advisory Council (ASAC) met twice.
- b) If travel is required the ABS provides for return airfares and transfers, accommodation (if required), meals, (less any meals that are provided for by the ABS) and incidentals.
- c) All members attended both meetings.
- d) N/A.
- e) ASAC members who are appointed by the Australian Government must declare any private interests. State and territory representatives are currently all state/territory public servants bound by their respective state/territory government legislation.
- f) No conflicts of interest have been registered.
- g) ASAC Chair \$33,280, as set by the Remuneration Tribunal Determination, Remuneration and Allowances for holders of part-time public office which took effect on 1 July 2014.
- h) Under section 20(2) of the Australian Bureau of Statistics Act 1975, the Minister may remove a member from office for misbehaviour or physical or mental incapacity.
- i) No.
- j) N/A.
- k) Nil.

Australian Taxation Office (ATO)

a) – k) not applicable.

Board of Taxation (BoT)

- a) In the period from 1 June 2014 up to and including 31 October 2014, the Board of Taxation has held five Board meetings.
- b) Travel expenses incurred by Private sector Board members attending five Board meetings for flights, accommodation and incidentals - \$38605.44.
Travel expenses incurred by ex officio members is met by home agency.
- c) All members of the Board of Taxation have attended all five Board meetings.
100% attendance.

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d) for the period from 1 June 2014 up to and including 31 October 2014

Name	13 June	18 July	15 August	12 September	17 October
Mrs Dyson (Chair)	Yes	Yes	Yes	Yes	Yes
Mr James (Deputy Chair)	Yes	Yes	Yes	Yes	Yes
Mr Emerson	Yes	Yes	Yes	Yes	Yes
Ms Jameson	Yes	Yes	Yes	Yes	Yes
Mr Rendall	Yes	Yes	Yes	Yes	Yes
Dr Parkinson (ex officio member)	Yes	Yes	Yes	Yes	Yes
Mr Jordan (ex officio members)	Yes	Yes	Yes	Yes	Yes
Mr Quiggin (ex officio members)	Yes	Yes	Yes	Yes	Yes

Ex officio members of the Board can be represented by a delegate at Board meetings.

e) Under the Board's Managing Conflicts of Interest Policy (available on the Board's website) each Board member, upon appointment, annually and at any time during their term of office that a new relevant material interest or relationship arises, must complete a Members' Interests Declaration, notifying all relevant material interests and relationships.

Where a Board member has a material personal interest in a matter before the Board they must disclose the interest to the Board and absent themselves from the Board's discussion of the matter, including the making of a decision, unless otherwise determined by the Chair (or if the Chair has the interest, the other members of the Board).

The Board does not regard a member as having a material personal interest in a matter of tax policy that is before the Board merely because the member's personal interest may, in common with other taxpayers or members of the public, be affected by that tax policy or by any relevant Board recommendations.

There is a standing item on the agenda of each meeting of the Board and of its working parties, prompting Board Members (and members of Working Parties) to consider and declare conflicts of interest (including potential conflicts of interest) as they arise.

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- f) What conflicts of interest have been registered
None
- g) What remuneration has been provided to board members
Remuneration as per Remuneration Tribunal Determination 2014/08:
Chair of Board of Taxation - \$110,080.00 per annum
Member of Board of Taxation - \$55,040.00 per annum
- h) How does the board dismiss board members who do not meet attendance standards?
Not applicable – In the event of these circumstances, a request could be made to the Treasurer requesting dismissal.
- i) No
- j) None
- k) Catering costs for food consumed at the five Board meetings - \$5,433.90

Clean Energy Finance Corporation

- a) See d. below.
- b) Please refer to the response to the answer to Question No 2286.
- c) 89% for all Board level meetings.
- d)

Board Member Attendance Meetings 7 June - 30 October 2014						
Type of meeting	Board		Remuneration & Human Resources Committee		Audit & Risk Committee	
Board Member	No. Eligible to Attend	No. Attended	No. Eligible to Attend	No. Attended	No. Eligible to Attend	No. Attended
Jillian Broadbent AO	6	6				
Paul Binsted	6	5			2	2
Michael Carapiet	6	5	2	2		
Ian Moore	6	5			2	1

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Anna Skarbek	6	5	2	2		
Andrew Stock	6	5	2	2		
Martijn Wilder AM	6	6			2	2
Notes: The CEFC has one Board which has chartered two Board-level Committees. Grey shading indicates the Board member concerned is not a member of the relevant Committee. While all Board members are welcome to attend all Committee meetings, attendance at Committee meetings as recorded here is only inclusive of actual Committee members.						

e) Conflict of interest means an intersect between two separate interests. In terms of the Board – there is not a “register” of conflict per se – it is the interests of Board members which are registered, conflicts are declared at meetings based on the business to hand, and related party transactions are approved by the Board after consideration by the Audit and Risk Committee. Interests are declared by Board members on standing registers. Conflicts of interest are a standing agenda item at meetings. When a conflict of interest is declared by a Board member the conflict is dealt with in accordance with the procedure of the relevant specific provisions of the *Public Governance and Accountability Act 2013* and of Chapter 2, Part 2-2 Division 2 of the *Public Governance and Accountability Rule 2014*.

In terms of the Board’s supervision of the CEO and employees, the CEFC’s Code of Conduct and Ethics and Corporate Policies and Procedures specify when and how interests must be declared by staff. Any declared conflicts of interest are recorded in a managed register which is regularly reviewed by the Board and its Audit & Risk Committee. This process is consistent with (and in fact exceeds) the requirements of the relevant specific provisions of the *Public Governance and Accountability Act 2013* and of Chapter 2, Part 2-2 Division 2 of the *Public Governance and Accountability Rule 2014*.

f) Conflicts of interest include financial, commercial, other beneficial, familial, social, community and fiduciary conflicts. Please note that mere existence of a conflict of interest is neither indicative that it is a) material in nature or b) representative of a related party interest.

g) For remuneration and allowances please refer to section 20 of the *Clean Energy Finance Corporation Act 2012*, the *Remuneration Tribunal Act 1973*, and the Remuneration Tribunal’s *Determination 2014/08 - Remuneration and Allowances for Holders of Part-Time Public Office* and *Determination 2013/16: Official Travel by Office Holders*, which are all public documents.

h) Please refer to the response to this question at 2013-14 Supplementary Additional Estimates Question No. 177 of 5 March 2014

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- i) No.
- j) Not applicable.
- k) Please refer to the response to this question at 2013-14 Supplementary Additional Estimates Question No. 177 of 5 March 2014.

Commonwealth Grants Commission (CGC)

- a) 3 Meetings. Commonwealth Grants Commission.
- b)

Meeting Dates	Air Fares	Travel Allowance including meals	Taxis & Car Parking	Totals
11 June 2014	\$7335.70	\$1,652.00	\$356.95	\$9344.65
24 September 2014	\$6,791.58	\$1,664.00	\$492.80	\$8,948.38
29 October 2014	\$5,732.77	\$1,664.00	\$402.20	\$7,798.97
Totals	\$19,860.05	\$4,980.00	\$1,251.95	\$26,092.00

- c) Full attendance by 1 Chairman and 4 Commissioners
- d) Greg Smith, Chairman 3
Glenn Appleyard, Member 3
Jeff Petchey, Member 3
Jennifer Menzies, Member 3
Patricia Faulkner, Member 3
- e) The Commission advises on State-Federal financial relations and the scope for a personal conflict of interest is minimal. The Commonwealth Grants Commission Act 1973 prescribes conditions upon the appointment of members who are employed by the Commonwealth or States. The Chairman acts upon any other possible conflicts (brought about by a Commission member who is concurrently employed in another position, for example) as required.
- f) Nil
- g) As determined by the Remuneration Tribunal the Chairman receives an annual salary of \$195,000.00 per annum whilst each of the 4 members receives an annual salary of \$103,210.00.
- h) In accordance with the Commonwealth Grants Commission Act 1973 the power to terminate membership rests with the Governor General.

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- i) No
- j) N/A
- k)

Date	Location	Purpose	Catering
11 June 2014	Canberra	Commission Meeting	\$70
24 September 2014	Canberra	Commission Meeting	\$70
29 October 2014	Canberra	Commission Meeting	\$70

Commonwealth Consumer Affairs Advisory Council (CCAAC)

CCAAC awaiting reappointment so has not met or undertaken any activities during this reporting period.

Companies Auditors and Liquidators Disciplinary Board (CALDB)

- a) The members of CALDB as a whole met once by telephone conference during the Period.
- b) Travel expenses were provided, in accordance with Remuneration Tribunal Determinations, for Panel members who were required to travel interstate to attend the hearings, as the members of the CALDB reside throughout Australia. Two hearings were held during the period in relation to two separate matters. The first matter involved two interstate members and their travel expenses (airfares totalling \$2857 and travel allowances of \$432) were paid. The second matter involved one interstate member and her travel expenses (airfares of \$902 were paid).
- c) 100% attendance
- d) All members attended the one meeting held by telephone during the period
- e) Members cannot sit on a Panel to hear a complaint against a liquidator or auditor if they have a direct or indirect pecuniary interest in the matter being heard. No such conflict of interest arose during the Period. In addition, the Chairperson avoids selecting a member for a Panel if the member knows or has a connection with a witness or one of the parties, so as to avoid any suggestion of actual or apparent bias.
- f) There were no conflicts of interest registered during the Period.
- g) Remuneration is payable to members in accordance with Remuneration Tribunal Determinations. The determination in place for the relevant period provides for the payment of fees on a daily basis (pro-rated for time spent) to CALDB members as follows:

Chairperson: \$1,383
Deputy Chairperson: \$1,245

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Members: \$1,107

During the period fees of \$200,200 were paid to the 6 members of the Board who were involved in hearing matters. Of this amount \$54,960 related to fees for time incurred by members prior to 1 June 2014 (being the commencement of the reporting period) which had previously been accrued.

h) The situation has never arisen to our knowledge. All the members of a Panel must (and always do) attend hearings.

i) No

j) None

k) Nil

Corporations and Markets Advisory Committee (CAMAC)

a) CAMAC has met 3 times

b) Nil

c) All CAMAC members have attended

d) Joanne Rees, Teresa Handicott, Brian Salter, John Price

e) As per the CAMAC Charter

f) None

g) Nil

h) CAMAC does not have any such power

i) None

j) None

k) Nil

Financial Sector Advisory Council (FSAC)

FSAC has not had any members since 30 June 2014 and the Treasurer intends to consider the future of FSAC as part of the Government's response to the Financial System Inquiry.

a) Zero meetings

b) Zero costs

c) N/A as no meetings

d) N/A as no meetings or board members

e) N/A as no board members

f) N/A as no board members

g) Zero – there are no members but FSAC is an honorary position only and there is no remuneration

h) N/A as no board members

i) No

j) N/A as no board members

k) Zero costs

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Financial Reporting Council

- a) 1 time (20 June)
- b) \$7918.34 (comprising \$6291.79 for member travel and \$1626.55 for Secretariat travel)
- c) 80% attendance at the 20 June meeting.
- d) The following FRC members attended the 20 June meeting:
 - Mr Michael Coleman (Chair)
 - Mr Ross Barker
 - Mr Roger Burrows
 - Mr Mark Coughlin
 - Mr Andrew Fleming
 - Ms Noelle Kelleher
 - Mr Ian Laughlin
 - Mr Kevin Lewis
 - Mr John Price
 - Mr Ian Purchas
 - Mr Kevin Stevenson
 - Ms Jan West AM
- e) The Financial Reporting Council maintains a register of interests as they relate to members. This table includes information on the member's professional affiliations, listed entity affiliations and other relevant matters (including directorships). Members are asked to notify the FRC Secretary of any changes in the declared interests in advance of FRC meetings.
- f) None
- g) \$11,591.08 (including super)
- h) The FRC conducts peer Board member reviews annually, and an unsatisfactory level of meeting attendance would be one possible matter that would merge from those reviews.
The Minister, in consultation with the Chair of the FRC, would be responsible for amending the term of an FRC member.
- i) No
- j) The following members did not attend on 20 June:
 - Ms Jan Harris
 - Dr Stein Helgeby
 - Ms Merran Kelsall
- k) \$838

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Foreign Investment Review Board

- a) 4 times
- b) \$9970.14
- c) 100 per cent attendance at three meetings; 80 per cent attendance at one meeting.
- d) Meeting attendance:
Brian Wilson (Chairman) – attended all four meetings.
Hamish Douglass – attended all four meetings.
Anna Buduls – attended all four meetings.
Patrick Secker – attended all four meetings.
Michael D’Ascenzo – attended three meetings.
- e & f) Board members excuse themselves from considering a foreign investment application if they have a conflict of interest in relation to that application. Each member signs a private interests declaration prior to appointment and then annually.
- g) Remuneration can be found in the Remuneration Tribunal’s Determination on Remuneration and Allowances for Holders of Part-Time Public Office (available at: <http://www.remtribunal.gov.au/offices/part-time-offices>).
- h) Not applicable.
- i) None known.
- j) Not applicable.
- k) Catering costs:
Food: \$258.07
Drink: \$87.12
Total: \$345.19

National Competition Council (NCC)

- a) The National Competition Council has met twice since June 2014.
- b) \$6,458.26.
- c) All 4 Councillors attended both meetings.
- d) See above.
- e) The Council has a published Conflict of Interest policy. Possible conflicts are declared at each meeting and minuted. Councillors with a conflict of interest do not participate in consideration of the relevant matter.

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As a Commonwealth entity, the National Competition Council is also subject to the governance requirements of the Public Governance, Performance and Accountability Act 2013, including on the disclosure of interests.

- f) None since June 2014.
- g) Councillors are remunerated in accordance with the relevant Remuneration Tribunal determination. Takeover3rs
- h) The Competition and Consumer Act 2010 makes no provision to dismiss Councillors in such circumstances.
- i) No.
- j) None.
- k) A light lunch was served (to Councillors and staff) at one meeting which spanned the lunch period at a cost of \$85.50.

Payments System Board

- a) The Payments System Board has met once in the period, in August.
- b) For interstate Board members, the Bank provides a business class airfare, car transfers and overnight travel allowance (as set by the Remuneration Tribunal) less any meals that are provided. For local members, the Bank provides a car transfer if required. Travel expenses in the period were \$2 105.
- c) Average attendance has been 100 per cent.
- d) Glenn Stevens – 100 per cent (1/1)
Malcolm Edey – 100 per cent (1/1)
Wayne Byres – 100 per cent (1/1)
Gina Cass-Gottlieb – 100 per cent (1/1)
Paul Costello – 100 per cent (1/1)
Rob McLean AM – 100 per cent (1/1)
Catherine Walter AM – 100 per cent (1/1)
Brian Wilson – 100 per cent (1/1)
- e) Members are invited to declare any conflicts of interest in relation to the agenda items at each meeting.
- f) No conflicts of interest have been registered. Members make an annual declaration to the Governor of the existence of any material personal interest in institutions that potentially could be regulated by the Payments System Board, as set out in the Code of Conduct for Payments

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System Board members. Other conflicts of interest that might arise in the course of the Board's deliberations are handled according to provisions in the PGPA Act; these are rare given the Board's policy role.

g) Fees for Payments System Board members are set by the Remuneration Tribunal. Gross remuneration paid to 5 members in the period was \$94 123.83. The Chairman of APRA is not remunerated by the Bank.

h) Section 25L of the Reserve Bank Act 1959 states:

25L Termination of appointment

(1) The following provisions apply to the member of the Payments System Board referred to in paragraph 25A(b):

- (a) the Governor may, at any time, terminate the member's appointment;
- (b) the member's appointment is terminated automatically if he or she ceases to be a member of the Reserve Bank Board or a staff member of the Reserve Bank Service.

(2) The following provisions apply to the member of the Payments System Board referred to in paragraph 25A(c):

- (a) APRA may, at any time, terminate the member's appointment;
- (b) the member's appointment is terminated automatically if he or she ceases to be an APRA member or an APRA staff member.

(3) The Treasurer may terminate the appointment of a member of the Payments System Board referred to in paragraph 25A(d) for misbehaviour or physical or mental incapacity.

(4) The Treasurer must terminate the appointment of a member of the Payments System Board referred to in paragraph 25A(d) if:

(a) the member becomes permanently incapable of performing his or her duties; or

(b) the member:

- (i) becomes bankrupt; or
- (ii) applies to take the benefit of any law for the relief of bankrupt or insolvent debtors; or
- (iii) compounds with his or her creditors; or
- (iv) makes an assignment of his or her remuneration for the benefit of his or her creditors; or

(c) the member is absent, except on leave of absence granted by the Payments System Board, from:

- (i) 2 or more consecutive meetings of the Payments System Board; or
- (ii) 3 or more meetings of the Payments System Board in any period of 12 months.

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Note: The appointment of a member referred to in paragraph 25A(d) may also be terminated under section 30 of the Public Governance, Performance and Accountability Act 2013 (which deals with terminating the appointment of an accountable authority, or a member of an accountable authority, for contravening general duties of officials). That section applies to the member because of section 7A of this Act.

- i) No requests have been made for dismissal of Board members.
- j) Not applicable in the period.
- k) Catering costs for morning tea and lunch:

Meeting	Morning Tea	Lunch
August 2014	\$122.10	\$1 826.00 (13 people)

Productivity Commission (PC)

- a) The Commission meets once a month between February and December each year.
- b) Travel expenses form part of the Commission's overall travel expenditures. These are reported in further detail in response to SBT3641-3646.
- c) Since June 2014 Commissioners have attended all scheduled meetings of the Commission except for the absences listed directly below. With the exception of one Commissioner who is taking an extended period of leave, there have only been three apologies recorded for non-attendance at a meeting.
- d) Each member attended all meetings with the following exceptions (due to leave arrangements): Peter Harris (July); Dr Wendy Craik (August); Dr Warren Mundy (October); Mike Woods (August-November, on long-term leave).
- e) Potential conflicts of interest are registered in the Commission Meeting minutes each month.
- f) The following potential conflicts were registered:

In August, Dr Warren Mundy reported on his appointment by the Government as a business advisor regarding Badgery's Creek airport.

In September, Patricia Scott and Dr Wendy Craik mentioned interests or involvement in the dairy sector.

In October, in relation to work on:

- international education services, Dr Wendy Craik asked that it be noted that she is a member of the Council of the University of South Australia;

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- childcare, Alison McClelland mentioned that she is a charter member of the Brotherhood of St Laurence;
- gas markets, Philip Weickhardt, Patricia Scott and Paul Lindwall asked that gas company shareholdings be noted.

g) Details on Commissioner remuneration are available in the Commission's Annual Report.

h) Not applicable given the average attendance described above.

i) No.

j) Not applicable given the average attendance described above.

k) Catering costs of approximately \$200 are incurred for each meeting.

Reserve Bank Board (RBA)

a) From 1 June to 31 October 2014, the Reserve Bank Board met 5 times. The Reserve Bank Board meets 11 times each year, on the first Tuesday of each month except January.

b) For interstate Board members, the Bank provides a business class airfare, car transfers and overnight travel allowance (as set by the Remuneration Tribunal) less any meals that are provided. For local members, the Bank provides a car transfer if required. In the period, 4 meetings were held in Sydney (1 night stay) and 1 meeting was held in Adelaide (2 night stay). Travel expenses in the period were \$62 534 for Board members and \$5 862 for Bank staff.

c) Average attendance was 98 per cent.

d) Glenn Stevens – 100 per cent (5/5)
Philip Lowe – 100 per cent (5/5)
John Akehurst AO – 100 per cent (5/5)
Roger Corbett AO – 80 per cent (4/5)
John Edwards – 100 per cent (5/5)
Kathryn Fagg – 100 per cent (5/5)
Treasury Secretary/Alternate – 100 per cent (5/5)
Heather Ridout AO – 100 per cent (5/5)
Catherine Tanna – 100 per cent (5/5)

e) Prior to appointment, members of the Reserve Bank Board provide a written assurance to the Treasurer concerning his or her private interests and personal affairs in relation to their investments. Under a class order made by the Treasurer in 2001, members furnish a confidential statement of material personal interests to the Treasurer annually and notify the Treasurer of any substantial changes since their previous annual statement. Disclosure in this manner permits Board members to participate in the Board's monetary policy deliberations. All disclosures are maintained securely within the Office of the Treasurer and are not sighted by Reserve Bank or Treasury staff. This system is being

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preserved under the Public Governance, Performance and Accountability Act 2013 (PGPA Act). Under the Code of Conduct for Reserve Bank Board Members, members considering taking on material personal interest that might present, or might be perceived as presenting, a risk of conflict with their role as a Board member, consult the Governor before committing themselves. Other conflicts of interest that might arise in the course of the Board's deliberations are handled according to provisions in the PGPA Act; these are rare given the Board's policy role.

f) No conflicts of interest have been registered.

g) Fees for Reserve Bank Board members are set by the Remuneration Tribunal. Gross remuneration paid to six external members of the Reserve Bank Board in the period was \$122 043. The Secretary to the Treasury is not remunerated by the Bank.

h) Section 18 of the Reserve Bank Act 1959 states:

18 Termination of appointment

(1) If a member of the Reserve Bank Board appointed under paragraph 14(1)(d):

(a) becomes permanently incapable of performing his or her duties; or

(b) becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his or her creditors or makes an assignment of his or her remuneration for their benefit; or

(d) is absent, except on leave granted by the Reserve Bank Board in accordance with section 18A, from all meetings of the Reserve Bank Board held during 2 consecutive months or during any 3 months in any period of 12 months; or

(e) fails to comply with his or her obligations under subsection 18A(3);

the Treasurer shall terminate his or her appointment.

Note: The appointment of a member appointed under paragraph 14(1)(d) may also be terminated under section 30 of the Public Governance, Performance and Accountability Act 2013 (which deals with terminating the appointment of an accountable authority, or a member of an accountable authority, for contravening general duties of officials). That section applies to the member because of section 7A of this Act.

(2) In this section, month means any of the 12 months of the year.

i) No requests have been made to dismiss Board members.

j) Not applicable in the period.

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k) Catering costs: morning tea and lunch:

Meeting	Bottled Water	Morning Tea	Lunch
October 2014	\$29.00	\$107.16	\$336.60^
September 2014*	\$108.00	\$155.00	\$394.00^
August 2014	\$29.00	\$105.05	\$329.12^
July 2014	\$29.00	\$112.15	\$1430.00#
June 2014	\$29.00	\$95.57	\$1029.82#
* Interstate meeting ^ Sandwich lunch # Formal lunch for 10 people			

Superannuation Complaints Tribunal

Not applicable.

Takeovers Panel

The Takeovers Panel is a peer review body and is the main forum for resolving disputes in takeovers. It currently consists of 41 specialists in mergers and acquisitions. When an application is made to the Panel a sitting Panel of three members is appointed by the President. Panel members also meet twice a year to discuss recent matters and issues of Panel policy and market guidance.

- a) For this purpose treating Panel Days as board meetings, there were no Panel Day meetings in the period.
- b) N/A
- c) N/A
- d) N/A
- e) Conflict of interest does not really arise at Panel Day meetings. Nevertheless, Panel members disclose their involvement in a matter that is being discussed.

In relation to sitting Panels, where a Panel member has or acquires any interest that could conflict with the proper performance of that member's functions in relation to a matter before the Panel, the member must disclose the interest to the President and to the parties involved in the matter. Except with the President's consent, that Panel member cannot sit on the matter. Prior to the appointment of the sitting Panel, the Panel's executive liaises with the proposed members of the sitting Panel to obtain information as to any potential conflicts of

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interest. To assist the Panel members identify any potential conflicts, the information provided in the application is provided by the Panel's executive to the potential members. The application requires an applicant to provide as much information as is known about the applicant and persons potentially affected by the application. The Panel has a publicly available guidance note on how it deals with conflicts (Guidance Note 11).

- f) Panel members disclose their interests at the time of being appointed to a sitting Panel.
- g) Panel members have not been remunerated to attend Panel days during the reporting period. However, they are paid a base fee of \$5,120 per year and \$1,076 for each sitting day (including Panel days where the meetings last more than 3 hours).
- h) Panel members are appointed by the government for a term of three years. They may be reappointed. There is no power to terminate a part-time Panel member's appointment for failure to attend Panel Days.
- i) Unknown.
- j) N/A.
- k) N/A

Tax Practitioners Board

- a) The Tax Practitioners Board (the Board) has met 5 times – June, August, September, October and November 2014. The Board will meet in December.
- b) Travel allowances is provided in accordance with Remuneration Tribunal Determination 2013/16 – Official Travel by Office Holders. Travel expenses are met when an office holder travels on official business which requires an overnight absence.
- c) 7 out of 7 Board members – Chair plus 6 Board members. Board meetings are for one day – 9:00am to 4:00pm. Once a quarter the Board meeting will run up to 2 days. Note: Board members Ms Maria Benardis attended her final meeting in June 2014 prior to taking leave and resigning from the Board.
- d) **June** – Ian Taylor (chair, Matthew Addison, Maria Benardis, Caroline Clarke, Cynthia Coleman, Roger Cotton, Russell Smith, Yvonne Sneddon
August – Ian Taylor (Chair), Matthew Addison, Cynthia Coleman, Roger Cotton, Russle Smith, Yvonne Sneddon
September – Ian Taylor (Chair), Matthew Addison, Caroline Clarke, Cynthia Coleman, Roger Cotton, Russell Smith, Yvonne Sneddon
October – Ian Taylor (Chair) Matthew Addison, Caroline Clarke, Cynthia Coleman, Roger Cotton, Russell Smith, Yvonne Sneddon
November – Ian Taylor (Chair), Matthew Addison, Caroline Clarke, Cynthia Coleman, Roger Cotton, Russel Smith, Yvonne Sneddon

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e) At the beginning of every Board meeting, there is an agenda item that calls for any new conflicts of interest that Board members wish to declare. All declarations are then minuted as part of the Board meeting minutes.

Further, the current Board member Code of Conduct states the following:

6. Managing conflicts of interest

Where possible, a Board member should avoid any conflict of interest (real or apparent) in connection with the performance of their Board responsibilities. This includes, among other things:

- *taking reasonable steps to disclose any likely conflict (real or apparent) to the Minister and/or Board Chair or Committee Chair;*
- *having regard to the potential impact of activities, interests and associations in private life on the impartial and efficient performance of their Board responsibilities; and*
- *being proactive and sufficiently comprehensive in disclosing (to all relevant interested parties) interests that could conflict (real or apparent) with their Board functions, including regularly reviewing and updating current declarations as appropriate.*

In the event of a conflict between an office holder's obligations under the APS Code of Conduct and their enabling legislation, the latter will prevail.

f) Under section 60-50 of the Tax Agent Services Act 2009, a Board member must give written notice to the Minister of any direct or indirect pecuniary interest that the Board members has or acquires and that conflicts or could conflict with the proper performance of the Board's functions.

On 6 March 2014, a Minute was sent to the Assistant Treasury (01-2014) to disclose conflict of interest declarations for all Board members. This is generally done annually, or when a new Minister is appointed.

In addition, and as noted in question d) above, at the beginning of every Board meeting, there is an agenda item that calls for any new conflicts of interest that Board members which to declare. All declarations are then minuted as part of the Board meeting minutes.

g) Board members are remunerated in accordance with the provisions of Remuneration Tribunal Determination 2014-03. One daily fee (\$1024) is payable for attendance at formal meetings which are more than 3 hours in duration. Where meetings are less than 3 hours remuneration is reduced -60% of the daily fee (\$614.40) is payable where attendance is less than 3 hours and 40% of the daily fee (\$409.60) is payable where attendance is less than 2 hours.

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h) The Board does not have any statutory power to dismiss or terminate the appointment of a Board member. Under section 60-60 of the Tax Agent Services Act 2009, the Minister may terminate the appointment of a Board member for a number of reasons, including:

- For a full time Board member – if the Board member is absent, except on a leave of absence, for 14 consecutive days or for 28 days in any 12 months.
- For a part time board member – if the Board member is absent, except on leave of absence, for 3 consecutive meetings of the Board.

Further, the Board's internal attendance standards coincide with the legislative framework as contained in the Tax Agent Services Act 2009.

i) No such requests have been made.

j) No Board members have attended less than 51 per cent of meetings. Board members Ms Maria Benardis attended her final meeting in June 2014 prior to taking leave and resigning from the board.

k) Catering costs of less than \$30 per meeting to cover tea, coffee and biscuits.