

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

10 – 11 February 2010

**Question: aet 7**

**Topic: Productivity Commission Inquiries – Misleading Information**

**Hansard Page: Written**

**Senator XENOPHON asked:**

1. In relation to inquiries, what processes are in place to ensure that the information given to the Commission by industry and community groups is accurate?
2. What penalties are in place if an organisation or group is found to have knowingly provided misleading information to an inquiry?
3. What effect does the discovery of misleading information have on a report that has already been completed? Does the Commission revise the report and their recommendations?

**Answer:**

1. The accuracy of information given to the Commission in the course of an inquiry by industry and community groups is tested in several ways. First, the Commission makes public all the information provided to it in submissions and consultant reports. All data used is also published or appropriately referenced. In these ways the information provided is opened up to wider public consideration through which its veracity may be tested. Second, any information provided to the Commission is scrutinised internally throughout the inquiry process. Where it is thought that the information provided may contain inaccuracies, the Commission seeks clarification from those who provided it. Failing this, the Commission would not use such information or would quote it with appropriate caveats. Third, public hearings and inquiry roundtables provide further forums where information and arguments can be subject to further scrutiny.
2. Part 7 of the *Productivity Commission Act 1998* provides for penalties to those who provide misleading information to an inquiry. Specifically, Section 52 provides for a maximum penalty of six months imprisonment for knowingly providing false or misleading evidence of information. It states:  
If the Commission is:
  - (a) required to hold hearings for the purposes of an inquiry; or
  - (b) holding an inquiry under section 11 in relation to a competitive neutrality complaint made under Division 2 of Part 4;a person must not, in relation to the inquiry:

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- (c) give information to the Commission, whether orally or in writing, that the person knows to be false or misleading in a material particular; or
  - (d) give evidence at a hearing before the Commission that the person knows to be false or misleading in a material particular; or
  - (e) send to the Commission, under section 48, a statement or document containing material that the person knows to be false or misleading in a material particular.
3. The Commission has not previously found cause to revise a report as a consequence of misleading information. If the Commission was made aware, after the term of a commissioned inquiry or study had expired, that misleading information had been provided during the course of that inquiry, the Commission would consider appropriate action at that time. That action would depend on the extent to which the misleading information had been relied upon in developing the findings or recommendations.