

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates 3-5 June 2008

Question: bet 43

Topic: Luxury Car Tax - GST

Hansard Page: E85

Senator Abetz asked:

Senator ABETZ—As you know, that rate was set in consultation with the car industry to ensure that when we changed to the GST and away from the wholesale sales tax there was not a sudden dislocation within the car market. This was done in consultation with the car industry. Minister, can you tell us, having picked on that example, what consultation there was with the car industry on this occasion to increase the LCT?

Senator Conroy—This is a budgetary decision, so it was something that was done in the confines of the preparation of the budget.

Senator ABETZ—Was there any consultation with the industry prior to the announcement?

Senator Conroy—I do not believe we consult on budgetary matters.

Senator ABETZ—Was there any consultation? Whether you believe or not believe is irrelevant. I want to know the fact of whether or not there was consultation and the answer must be either yes or no. I would assume it is no.

Senator Conroy—We would have to take that on notice to be absolutely accurate in our answer to you.

Senator ABETZ—All right. Thank you. Take that on notice.

Senator Conroy—As you have asked for an absolutely accurate answer, we are happy to give you one.

Senator ABETZ—Thank you...

Answer:

No.