

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates 3-5 June 2008

Question: bet 68

Topic: 'National Debt-Free Day'

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Senator Bushby asked:

Senator BUSHBY—Would Treasury confirm that 21 June 2006 was national debt-free day?

Mr Martine—We probably need to take that on notice. Clearly you are talking about what you describe as net debt becoming, in a sense, negative?

Senator EGGLESTON—It is paying off government debt; it is pretty clear.

Mr Ray—We can recall the Treasurer referring to a particular day in that way and we can take on notice whether that was the date that he—

Mr Martine—On page 10-10 of Budget Paper No. 1, which provides the historic series on net debt, one season in 2005-06 is where it drops to negative. From memory, it would have been in the latter half of that financial year, just looking at the series. But trying to pin down an exact day is one of those difficult things.

Answer:

As shown in Table 3 of Statement 10, Budget paper No. 1 (page 10-10), the Australian Government general government sector was in a negative net debt position for the first time in 2005-06. The former Treasurer announced that 21 April 2006 was 'debt free day'.