

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates, 2 June – 4 June 2009

Question: bet 62

Topic: The Budget Speech

Hansard Page: E39

Senator Abetz asked:

Senator ABETZ—I would like to turn to the budget speech and assist me, please. Who writes the Treasurer's budget speech? I know the Treasurer ultimately takes personal responsibility for it. Does Treasury provide drafts or information for inclusion? How does that work?

Dr Henry—The Treasurer writes the budget speech. That has been the practice for a long time. But people in the department obviously provide the Treasurer with a fairly rough draft and, of course, with supporting facts and figures and that has been the case—

Senator ABETZ—Essential information?

Dr Henry—Yes.

Senator ABETZ—Including the size of the budget deficit? Would that be an essential figure to be provided to the Treasurer in his preparation of a budget speech?

Dr Henry—In writing the budget speech, the Treasurer has the budget papers or drafts of the budget papers in front of him.

Senator ABETZ—Which includes the size of the budget deficit?

Dr Henry—Obviously. It includes a whole range of information.

Senator ABETZ—Thank you very much.

Senator Conroy—This will be page 1 of the budget overview, just in case you were not aware of what the budget deficit was. It is a big glossy paper, handed out on budget night.

Senator ABETZ—Chair! If we are going to run these estimates in the way that I am sure you would like, there will need to be some control exercised over the minister's prattlings.

CHAIR—I think the minister was answering the question.

Senator Conroy—You were referring to the budget papers. I was just showing you what was in some of them.

Senator ABETZ—No. I was referring to the budget speech and how it was put together.

Senator Conroy—You asked if the Treasurer had the budget papers. You actually said that.

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Senator ABETZ—No, budget speech. If you want to make smart alec interjections, at least make sure you have been following the conversation so they are relevant. Dr Henry, is a draft speech delivered to the Treasurer's office or not? Is it in the form of a draft speech that the Treasury provides the information to the Treasurer's office?

Dr Henry—I indicated already that it has been a longstanding practice that the department provides the Treasurer with what I would describe as a rough draft of a speech.

Senator ABETZ—I suppose you are not at liberty to tell us whether that rough draft of a speech included the budget deficit. Dr Henry, you have been around for a while. Can you tell me when was the last time a budget speech did not explicitly include the forecast financial outcome?

Dr Henry—There are several.

Senator Conroy—Is that why Peter Costello's budget speech was pulped, because it did not contain it?

Senator ABETZ—I have already warned you before, Minister. If you are not following the conversation, do not try smart alec pranks because it makes you look sillier than you already do look.

Senator Conroy—As you know, I always listen to your warnings and guidance.

CHAIR—Can we move on? I think we are trying to get an answer here and one of the officers is trying to give it.

Mr Ray—It is clearly a matter of public record and we can go back and check through the published budget speeches for you, but it is not that many years ago.

Dr Henry—No. My recollection is that there are several budget speeches in the last decade that would not have mentioned the budget balance.

Senator ABETZ—The excuse that has been fed out to Laurie Oakes is that it was just a stuff-up and it was supposed to be there. That was in his column on 30 May. 'There was a stuff-up, not spin,' was the explanation. I am wondering where the 'stuff-up' occurred, whether it was Treasury accidentally missing out in the draft the size of the budget deficit or whether that 'stuff-up' occurred in the Treasurer's office when he was putting the final touches to the speech. If you could take that on notice for us, I would be much obliged.

Answer:

The drafting of the Budget speech was an iterative process incorporating comments and suggestions from a number of sources, including the Treasurer and his office and the Department and within the Department. The speech evolved with the development of the 2009-10 Budget.