

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

**Budget Estimates**

1 June – 3 June 2010

**Question: BET 314**

**Topic:                    Developing & Monitoring Programs:  
                                 the Home Insulation Program**

**Hansard Page: Written**

**Senator EGGLESTON asked:**

1. Please explain the Department's role in relation to the Home Insulation Program?
2. What was the department's role in development of this program before it was announced in February 2009?
3. How was the Department involved in developing this policy?
4. How long was it given to analyse the policy and provide advice?
5. What was the department's ongoing role in this program?
6. How did the Department monitor the program?
7. What did the department do?
8. When was the department first aware of problems in the program?
9. Does the Department think the Home Insulation Program was value for money and good policy?
10. Given the cessation of the program, the continuing spending of hundreds of millions of dollars in repairing the damage done by the program, concerns about the destruction of property, injury and loss of life, plus the doubts that it was an effective form of stimulus, will Treasury be undertaking a cost benefit analysis of the program to see whether it was worth it?
11. If the answer is yes, will it be made public?
12. If the answer is no: if Treasury does not analyse disastrously poor policies, how will any lessons be learned on how to avoid future mistakes?

**Answer:**

Treasury provided ongoing advice to the Government on a range of energy efficiency policies considered through the Cabinet process. As part of this process, Treasury analysed the Home Insulation Program and provided advice to Government to support Cabinet decision making on the original proposal and variations to its design over time. In line with usual practice, Treasury became aware of issues in the program when they were considered through the Cabinet process.

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates

1 June – 3 June 2010

The Department of Finance and Deregulation is the central policy agency generally charged with monitoring and overseeing expenditure programs. The detailed day to day program monitoring and oversight, as well as implementation matters rests with the Department administering the program.