

ECONOMICS LEGISLATION COMMITTEE

QUESTIONS ON NOTICE – BUDGET ESTIMATES – 31 MAY-2 JUNE 2011

TREASURY PORTFOLIO

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
1	ATO	Bushby	Managed Investment Scheme	<p>What evidence is the Australian Taxation Office (ATO) using to arrive at an 'objective expectation' that forestry managed investment scheme (MIS)s are commercially viable? (This could include both data and advice from various sources).</p> <p>Will the evidence and the reasoning be made public? If not, why not?</p> <p>On what basis are new MISs being judged commercially viable given the recent history of serial collapse of such schemes?</p> <p>What data does the ATO have in its own records that could be analysed to assess the commercial viability of forestry MISs? Describe the types of data, the kind of analysis that could be carried out, and plans to undertake any analysis.</p>	Written	19/07/2011	
2	Referred to Commonwealth Ombudsman	Brown	Investigation into Illegal Offshore Schemes	<p>What action is your office taking in response to allegations by high-profile Australians that the government has treated them unfairly in relation to its Project Wickenby investigation into illegal offshore schemes?</p>	Written		
3	Referred to Commonwealth Ombudsman	Brown	ATO Joint Parliamentary Committee of Public Accounts and Audit	<p>In March this year, the media attributed to you criticisms of the Australian Taxation Office made in a private briefing of the Joint Parliamentary Committee of Public Accounts and Audit. It was reported that you said the ATO was plagued by 'systemic problems' and 'institutional rigidities'.</p> <p>What did you mean?</p> <p>What is the impact on taxpayers of these problems?</p> <p>How many complaints does your office receive each year about taxation issues and</p>	Written		

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				what are the complaints about?			
4	ATO	Abetz	Entrepreneurs Tax Offset	<p>How many smaller businesses have claimed the ETO each year since its introduction and if figures are not available for the current year, how many are expected to claim the ETO for 2009-10, 2010-11 and 2011-12?</p> <p>What changes have been made to the eligibility criteria for the ETO since its introduction?</p> <p>Will you provide a table for each year where data is available showing the distribution of ETO benefit received was categorised in amounts rising by \$100 and the number of claimants in each category and the total value of the offset paid for each category?</p> <p>Will you provide a table categorised by incomes ranges that show the number of claimants in each income range, average ETO benefit for claimant in the income range and total value of ETO benefit for the income range?</p> <p>Will you provide a table that categorises the range of claimants by enterprise classification (e.g. independent contractor, partnership, etc), the number of claimants, average ETO benefit and total ETO benefit by classification?</p>	Written	19/07/2011	
5	ACCC	Williams	Sale of Franklins Stores	<p>1. I want to talk about the case surrounding the sale of the Franklins stores. Could you summarise for me the reasons for the ACCC blocking a sale to METCASH.</p> <p>2. Can you confirm that on the 14th of December 2010, the ACCC had a teleconference with Woolworths to discuss the purchase of 22 Franklins stores.</p> <p>3. Is it true that in that teleconference the ACCC favoured Option 2 “which was for Woolworths to join with equity partners to fund SPAR’s purchase of Franklins AND Woolworths would pick up a number of stores at a later time”?</p> <p>4. If that is true, why would the ACCC support a Woolworths option when Woolworths already has the largest share of supermarkets in NSW?</p> <p>5. After the teleconference, did Mr. Samuels speak to the ACCC commissioners,</p>	Written	13/07/2011	

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				<p>and if so, what was agreed upon?</p> <p>6. Woolworths contacted SPAR in January this year. Did any officer of ACCC have any contact with Woolworths on this matter between the 14th of December last year and the end of January this year?</p> <p>7. Did Mr.Samuels personally speak with Woolworths Chief Financial Officer Mr. Pocket during this period to talk about option 2?</p> <p>8. By shutting METCASH out of the process, is the ACCC effectively promoting any other bidder?</p>			
6	ACCC	Xenophon	Supermarket Price Decisions on the Dairy Industry	During the Senate Inquiry into the impacts of supermarket price decisions on the dairy industry, the ACCC told the Committee it is “engaged with the parties involved”. What has the ACCC done on the issue of milk prices since we spoke to you over two months ago on Wednesday 9 March?	Written	19/07/2011	
7	ACCC	Xenophon	Testra	<p>In relation to Telstra’s supply of the local carriage service, wholesale line rental service and PSTN originating access service, what is the current determined price for access seekers?</p> <p>In the ACCC’s view, does the determined price reflect what it would be in a competitive market, if there was one?</p> <p>Is Telstra offering those prices in the exchanges that have been deregulated?</p> <p>Those exchanges were deregulated because the ACCC judged they were competitive. If Telstra isn’t offering that price, should the Commission not review its ESA exemptions?</p> <p>This issue may well be solved once Telstra has completely structurally separated. However, until that time, is it not the ACCC’s role to address this anti-competitive issue?</p>	Written	4/10/2011	
8	ASIC	Cameron	LKM Capital	Did LKM Capital or the trustee, Sandhurst Trustees, have any obligation to advise debenture holders promptly of the Continuous Disclosure notice of 29th February 2008 lodged by LKM Capital?	Written	21/07/2011	

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				<p>For the purposes of paragraph 69.110 of Regulatory Guide 69, what is the period of time within which a trustee would be considered by ASIC to have advised investors "promptly"?</p> <p>What are the parameters in the Corporations Act against which ASIC will judge whether or not an issuer or trustee has notified investors and ASIC "promptly" of any material adverse change in the financial position or performance of a debenture issuer.</p> <p>Is it ASIC's position that it only "recommends" but does not require trustees having knowledge of material adverse changes to the financial position of an issuer to promptly notify ASIC and retail investors of that information.?</p> <p>If ASIC only "recommends", does ASIC believe that retail investors in debentures should be made aware of this, so that they may be aware that the obligations placed on trustees and issuers under Regulatory guides 69 and 198 aren't really obligations at all.</p> <p>Does ASIC believe that there is sufficient protection in expecting often elderly retail investors to conduct their own searches on the ASIC website and subsequently purchase the necessary documents to carry out their own due diligence? Wouldn't investors be better served by trustees and/or unlisted issuers being required to disclose lodgement of continuous disclosure notices directly to retail investors.</p> <p>In its letter to Mr. di Suvero of 9th May 2011, ASIC does not say that it is satisfied that there have been no breaches of the Corporations Act by LKM or the Sandhurst. ASIC merely says that it does not intend to take further action.</p> <p>Does this mean that LKM Capital or the trustee may have breached the Act but ASIC will take no further action?</p> <p>What are the criteria on which ASIC decides to investigate and/or prosecute trustees or issuers of debentures for possible breaches of the Corporations Act?</p> <p>Does ASIC have any concerns about the lengthy, open-ended periods in which</p>			

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				<p>entities like LKM can be under administration, particularly given that some investors just don't have an open-ended period of time to wait for recovery of whatever capital is left?</p> <p>Does ASIC have any concerns about the possibility that receivers can effectively be "feeding off the carcass" in administrations such as that of LKM Capital?</p> <p>Does ASIC have any concerns about the general level of receivers' fees and professional costs in administrations where the value of the assets under administration is relatively low and can have a significant negative impact on the final return to investors?</p> <p>Is one effect of an unlisted disclosing entity being placed under administration to effectively remove it from the normal oversight and regulation that it would otherwise be under in accordance with regulatory guides 69 and 198? What regulatory function or oversight does ASIC have over an unlisted disclosing entity where administrators and/or receivers have been appointed?</p>			
9	ASIC	Cameron	Future of Financial advice reforms	<p>What is ASIC's view on the role of commissions and their impact on the provision of financial advice?</p> <p>The Government's proposed reforms to the financial advice industry will continue to allow asset based fees for ongoing advice – but subject to 'opt-in requirements' every two years – does ASIC see this as a reasonable safeguard for consumers?</p> <p>If there was no opt-in requirement, could financial advisers and product manufactures structure asset based fees like a trailing commission?</p> <p>Does ASIC believe the proposed opt-in arrangements will be a burden for diligent financial advisers?</p>	Written	26/07/2011	
10	ASIC	Williams	Complaints about liquidators	<p>1. How many complaints about liquidators are you now getting on a monthly or even yearly basis from the public?</p> <p>2. What is the substance of those complaints eg overcharging?</p> <p>3. Is ASIC still sending generic responses that infuriate people, or are you now taking the time and courtesy to actually speak to people about their complaints?</p>		21/07/2011	

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				<p>4. What is the timeline between when a complaint is received and when it is actually addressed?</p> <p>5. Is the complainant kept in the loop during the investigations?</p> <p>6. I put it to you that because liquidators are registered but not licensed, Mr Paul Pattison could have resisted your attempts to seek orders, and in fact could have kept practising while he took legal action. However, if the liquidator was licensed as recommended by the Senate inquiry, that license could be suspended even though he could still go to the courts. In other words, the alleged problems would have continued for years, just as in the Stuart Ariff case?</p> <p>7. (referring to Question 6) The Government has sat on its hands on the Senate report, but isn't this a compelling case for reform of the insolvency industry as recommended by the Senate inquiry, including licensing?</p> <p>8. It is intriguing that ASIC would move against a liquidator in Melbourne following concerns about his capacity to adequately and properly carry out his duties, yet ITSA cannot seem to take action against the same person as a bankruptcy trustee. It hardly gives people confidence in the system. Would you like to see uniform laws in this regard?</p>			

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11	Fiscal Group	Back	Committee's inquiry into Government's Primary Schools of the 21st Century program	<p><u>Background</u></p> <p>During the EEWRC Committee's inquiry into Government's Primary Schools of the 21st Century program which considered the (i) the conditions and criteria for project funding; (ii) the use of local and non-local contractors; (iii) the role of state governments; (iv) timing and budget issues, including duplication; (v) requirements for school signs and plaques; and (vi) the management of the program. There was particular emphasis on seeking information directly from P21 managing contractors or builders that addresses claims being made in submissions and at hearings regarding inflated costings and failure to achieve value for money for P21 projects.</p> <p>Over the course of these proceedings, DEEWR informed the committee that when signing the national partnership agreement the federal government made it clear that the stimulus funding was additional and that states and territories are required to maintain their funding efforts. DEEWR added that the maintenance of this effort is being monitored by Treasury on a quarterly basis. The Committee was interested in pursuing information relating to the quarterly reports and wrote and received correspondence from the following:</p> <ol style="list-style-type: none"> 1. Letter from the (acting) Committee Secretary to the Secretary to the Treasury, 2 December 2009 (PDF 26KB) 2. Letter from the Secretary to the Treasury to the (acting) Committee Secretary, 21 December 2009 (PDF 435KB) 3. Letter from the Chair to the Treasurer, 8 February 2010 (PDF 70KB) 4. Second letter from the Chair to the Treasurer, 15 March 2010 (PDF 57KB) 5. Letter from the Treasurer to the Chair, 20 April 2010 (PDF 232KB) 6. Letter from the Chair to Minister Evans, 15 November 2010 (PDF 117KB) 7. Letter from Minister Evans to the Chair, 23 November 2010 (PDF 398KB) 8. Letter to the Members of the Ministerial Council on Federal Financial Relations, 17 December 2010 (PDF 192KB) 	Written	13/10/2011	

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12	Fiscal Group	Back	Ministerial Council of Federal Financial Relations	<p>where does the Ministerial Council of Federal Financial Relations sit within the Department of Treasury? [Who sits on it, get names of MPs & public servants]</p> <p>Who sits on it? MPs? Public servants?</p> <p>Is it resourced from within the Department?</p> <p>How often does it meet? Quarterly?</p> <p>Can you confirm that at these meetings quarterly reports relating to BER funding and P21 funding submitted by the states and territories as part of their commitment under the National Partnerships Agreement is considered? [confirm that they have received quarterly reports for every quarter from each state and territory]. <i>when did quarterly reports commence? all states & territories?</i></p> <p>Are these approved each quarter before further funding is approved? Is final approval given by the Council? Does it stop there or is there further consultation with the Minister for example? [which one?]</p> <p>Against what benchmarks are these quarterly reports considered – I understand these were established by the Heads of Treasury? Does this include benchmarks on value to the taxpayer? Provide copies of the benchmarks.</p> <p>If the Council finds that if the states and territories have not reached their benchmarks the Commonwealth can impose sanctions – has this been done?</p>	Written	19/08/2011	

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13	Macroeconomic Group	Boswell	Carbon Tax	<p>1. Treasury has provided estimates of the economic cost of a carbon tax as part of its work for Garnaut and the government (Targets and Trajectories 2008).</p> <p>Two headline levels of reduction in emissions have been:</p> <ul style="list-style-type: none"> • The government's first stage reduction of 5% below 1990 levels (around 27% on business as usual); • 90% per capita reduction by 2050. <p>For the former, Treasury estimated a tax of \$52.6 (\$2005) was required and a cost in GNP was put at 1.4%. For the latter, a tax of around \$250 per tonne of CO2 is required (\$2005) and the loss of GNP by 2050 is put at 2 to 4%.</p> <p>Could you advise</p> <ul style="list-style-type: none"> • What level of tax and GNP loss do you now estimate to meet these targets? • The modelling assumes a considerable introduction of new technology and technology advances, most of which (e.g. carbon capture and sequestration) is unproven. What would be the tax effect and the loss of GNP effect if this technology or its adoption is not forthcoming? <p>2. The Institute of Public Affairs in a submission to the Senate estimated the carbon tax equivalent of the 20% renewable by 2020 requirement is around \$13 per tonne.</p>	Written	18/08/2011	

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14	Fiscal Group	Boswell	Measures to Reduce Carbon Dioxide Emissions	<p>The Government has in place a number of measures to reduce carbon dioxide emissions. One of the most important is the requirement have 20% of electricity produced by exotic renewables by 2020.</p> <p>What is the effective tax rate of this measure in 2020?</p> <p>Secondly, has the Treasury estimated the overall tax rate of the combined measures the Government has in place.</p>	Written	4/10/2011	
15	Revenue Group	Brown	Question AET 139	<p>In follow up to the answer to Question AET 139 from the last estimates round, please:</p> <p>1 Provide the necessary evidence that the commercial in confidence concern of the contacted companies overrode the public interest.</p> <p>2 Provide the test which was applied to adjudicate the matter.</p> <p>3 List the companies contacted.</p>	Written	22/07/2011	
16	Revenue Group	Humhries	GST Implications for Recipients of Queensland Rural Adjustment Authority Special Disaster Assistance	<p>Are there any GST implications for recipients of Queensland Rural Adjustment Authority Special Disaster Assistance grants of up to \$25,000 for the Queensland floods of Nov 2010 - Jan 2011? If so, please describe such implications in full.</p>	Written	01/07/2011	

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			Grants				
17	Macroeconomic Group	Ryan	Carbon Price Modelling	Is the government currently undertaking any economy-wide economic modelling relating to the introduction of a carbon price?	Written	21/07/2011	
18	Macroeconomic Group	Ryan	Economy wide modelling of a carbon tax	<ul style="list-style-type: none"> a) Has the government completed economy-wide modelling of a carbon tax? b) If so, at what starting carbon tax rate, or rates? c) What is the annual rate increase? d) What assumptions are being made in undertaking this modelling? e) Is one of the assumptions that there will be a global carbon price or emissions trading scheme introduced? f) If so, when it is assumed this will occur? 	Written	27/07/2011	
19	Macroeconomic Group	Ryan	Industry specific modelling of a carbon tax	<ul style="list-style-type: none"> a) Has the government completed industry-specific modelling of a carbon tax? b) If so, at what starting carbon tax rate, or rates? c) What is the annual rate increase? d) What assumptions are being made in undertaking this modelling? e) Is one of the assumptions that there will be a global carbon price or emissions trading scheme introduced? f) If so, when it is assumed this will occur? 	Written	27/07/2011	
20	Macroeconomic Group	Ryan	Carbon price modelling assumptions	<p>In carbon price modelling completed by the government on the impact of an emissions trading scheme have any of the following assumptions been used to make projections of the economic impact of the scheme:</p> <ul style="list-style-type: none"> a) That other countries will have an equivalent carbon tax? And if so, which countries? b) That other countries will have an equivalent emissions trading scheme? And if so, which countries? c) That carbon emitters will be able to buy abatements overseas? d) That there will be no job losses in any sector through the introduction of this carbon price in Australia? e) That there will be international carbon trading? If so, with which countries? f) That there will not be international carbon trading? g) That there will be carbon trading through an international emissions trading scheme? If so, with which countries? h) That there will be international carbon trading through the Clean Development Mechanism of the UNFCCC? If so, with which countries? 	Written	27/07/2011	

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				<ul style="list-style-type: none"> i) That there will be international carbon trading outside of the Clean Development Mechanism of the UNFCCC? If so, with which possible countries? j) That other countries will have a carbon price through a carbon tax? If so, what prices are being used for each country? k) That other countries will have a carbon price through an emissions trading scheme? If so, what prices are being used for each country? l) That there will be a new international treaty to cut carbon emissions? If so, which countries will be affected by it and/or have ratified it? 			
21	Macroeconomic Group	Ryan	Carbon price modelling assumptions #2	<p>In carbon price modelling completed by the government on the impact of a carbon tax, have any of the following assumptions been used to make projections of the economic impact of the scheme:</p> <ul style="list-style-type: none"> a) That other countries will have an equivalent carbon tax? If so, which countries? b) That other countries will have an equivalent emissions trading scheme? If so, which countries? c) That carbon emitters will be able to buy abatements overseas? d) That there will be no job losses through the introduction of this carbon price in Australia? e) That there will be international carbon trading? If so, with which possible countries? f) That there will not be international carbon trading? g) That there will be carbon trading through an international emissions trading scheme? If so, with which possible countries? h) That there will be international carbon trading through the Clean Development Mechanism of the UNFCCC? If so, with which possible countries? i) That there will be international carbon trading outside of the Clean Development Mechanism of the UNFCCC? If so, with which possible countries? j) That other countries will have a carbon price through a carbon tax? If so, what prices are being used for each country? k) That other countries will have a carbon price through an emissions trading scheme? If so, what prices are being used for each country? l) That there will be a new international treaty to cut carbon emissions? If so, which countries will be affected by it and/or have ratified it? 	Written	27/07/2011	

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22	Macroeconomic Group	Birmingham	Carbon Tax Modelling	Please detail all research, reports, modelling and similar that the Department has since the 2010 election commissioned or requested, whether of its own accord or on behalf of any Minister and/or the Multi-Party Climate Change Committee, and detail whether it has been commissioned or requested of the Treasury, other agencies or external consultants. In each case, please outline the scope of work commissioned or requested, when it was commissioned or requested and by whom, when it was provided or will be due to be provided and how much the work has cost and/or is expected to cost.	Written	19/10/2011	
23	Macroeconomic Group	Birmingham	Carbon Tax Modelling #2	<p>a) Has the Department conducted any studies to demonstrate how many emissions will be saved by a carbon tax between 1 July 2012 and 1 July 2017 or whenever the scheme goes into its trading form?</p> <p>b) If it is in 2014 and the target remains at 24 per cent below 'business as usual' by 2020, how much would the tax have to be meet this target if Australia 'goes it alone' or how many international permits will have to be acquired in the last three years by industry or government to meet the obligation?</p>	Written	22/07/2011	
24	Macroeconomic Group	Birmingham	Carbon Tax Modelling #3	Can the Government provide figures on the extent of trade exposed industry that is not energy intensive and that will therefore suffer under arrangements that potentially over-compensate households?	Written	07/10/2011	
25	Macroeconomic Group	Birmingham	Carbon Tax Modelling #4	How will the Government ensure equity between emissions-intensive trade-exposed (EITE) industry that use the revenue methodology and value add and what studies has Government done to ensure those industries are not disadvantaged by the proxy method adopted?	Written	27/07/2011	
26	Markets Group	Williams	EFTPOS debit card interchange fees	1. Canada and New Zealand have zero EFTPOS debit card interchange fees. In Australia EPAL, representing the big four banks, Coles and Woolworths, have increased interchange fees by 10 cents to the benefit of issuer banks and to the detriment of acquirers and merchants. EPAL claims the fee increase was needed for investment in new technology but it is acquirers and merchants not issuer banks who carry the burden of that investment. Why has the RBA sanctioned what appears to be a revenue grab by the nation's biggest oligopoly?	Written	13/07/2011	

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				<p>3. Before the fee increase, EPAL had a clear cost advantage that led Woolworths to route all debit cards through the EFTPOS network. Yet EPAL who claims to be trying to compete more effectively put up fees and reduced a cost advantage. How is such behaviour likely to enhance EFTPOS's competitiveness?</p> <p>4. Woolworths and Coles seem to have unfairly benefited from sole merchant membership of EPAL and bilateral agreements as they still actually receive 5 cents per EFTPOS transaction whereas other merchants are now 10 cents worse off as they may have to pay 5 cents per transaction. Would you consider this an unfair advantage?</p>			
27	Markets Group	Payne	Housing Supply and Affordability Reform Working Party	COAG asked the Housing Supply and Affordability Reform Working Party to consider the merits of the remaining reforms as they relate to enhancing supply and affordability and report back to COAG by mid 2011, with recommendations on the best way of ensuring a cohesive national approach to further development assessment reform. What is the status of the review into the development assessment reforms, and what is the new timeframe for completion of these reforms?	Written	13/10/2011	
28	Markets Group	Heffernan	Takeover of Sunrice	<p>1. May we please have the paperwork that the Board said it would release in relation to its approval of the takeover of Sunrice? If not, why not?</p> <p>2. Ebro's takeover of Ricegrowers, which holds a statutory 'single desk' to export rice, would have meant, it seems, loss of economic sovereignty to Madrid over rice exports. Loss of economic sovereignty over the ASX was a factor on its takeover by the SGX not being in the Australian national interest (see Treasurer's statement no 030 of 8 April 2011). Please explain the Board's approach to this aspect of the proposed takeover.</p> <p>3. Statutory single desks are notoriously under-regulated, as shown in the case of AWB. Did the Board take into account the level of regulation of the statutory single desk for rice exports that would apply to Ebro if it had taken over Ricegrowers? If so:</p> <p>a. What features of the regulation did it take into account?</p> <p>b. Did it receive submissions or documents from the NSW Rice Marketing</p>	Written	08/08/2011	

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				<p>Board?</p> <p>c. Please supply documents received on the regulatory issue.</p> <p>4. Did the Board take into account that if Ebro had taken over Ricegrowers that the price of rice paid to growers would be governed by Paddy Purchase Pricing Rules and that a Growers Advisory Board would advise Ebro on prices? If yes:</p> <p>a. Did it receive submissions or documents on these rules and on the Board?</p> <p>b. Please supply documents received on these matters.</p> <p>c. Did the Board have any examples on how the pricing rules would work and the how the Growers Advisory Board would operate?</p> <p>5. Did the Board take into account any protections to ricegrowers in respect of the quantity of rice Ebro would apply or the price Ebro would pay, if Ebro had taken over Ricegrowers.</p> <p>6. Did the Board take into account that if Ebro took over Ricegrowers, the interests of ricegrowers would be taken care of by 'buyer of last resort' arrangements?</p> <p>7. If so, what were the arrangements the Board took into account?</p> <p>8. If the "the buyer of last resort arrangements in the Rice Marketing Act 1983" what What are the arrangements in the Act</p> <p>9. If there are no arrangements in the Act – what actually did the Board have in mind?</p> <p>10. If the buyer of last resort arrangements are linked to the Sole and Exclusive Export Agreement between the Rice Marketing Board and Ricegrowers, did the Board see the Sole and Exclusive Export Agreement?</p> <p>11. Was the Board aware that ricegrowers and shareholders have never had a copy of Sole and Exclusive Export Agreement, and that the agreement has been secret?</p> <p>12. If the takeover had occurred, Ebro would have become the sole buyer of rice for export and the overwhelmingly dominant buyer of rice for domestic consumption. Why would this be attractive to Australian ricegrowers? Or in the national interest?</p> <p>13. Could not FIRB have waited for the decision of the shareholders before making its own decision, so as not to pre-empt the shareholders?</p> <p>14. Were the tax implications of a takeover considered, and if so what were they?</p> <p>15. The precedent from other agribusiness takeovers is that they result in loss of country jobs, work going overseas and agricultural imports (Berri juice, fruit canning near Shepparton etc). Did the Board consider these possibilities with Ebro</p>			

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				and how potential unemployment was in the national interest. 16. Who applied for FIRB's approval?			
29	ABS	Fifield	Survey of Disability, Ageing and Carers	Regarding the Australian Bureau of Statistics' Survey of Disability, Ageing and Carers: 1. Can the ABS provide data regarding the number of people with: a. Autism Spectrum Disorder b. Cerebral Palsy c. Downs' Syndrome d. Fragile X Syndrome e. Deafblindness f. Sight impairment g. Hearing impairment h. Other 2. Can the ABS provide a breakdown of the medical conditions of people it classifies as 'other' with respect to question 1 above? 3. Can the ABS please explain why disability specific data is not made publicly available, without charge?	Written	19/10/2011	
30	Revenue Group	Fifield	Establishment of the Australian Charities and Not-for-profits Commission	Regarding the <i>Establishment of the Australian Charities and Not-for-profits Commission Regulation Impact Statement – Treasury</i> (para 1.130): How many small charities will face additional compliance burdens due to the reforms? Given Treasury estimates that this additional burden would be “one half of one working day in staff time” – what is the expected cost of these reforms to small charities in dollar terms?	Written	19/10/2011	
31	ATO	Xenophon	ATO Delays	<ul style="list-style-type: none"> On the 14th April 2010, Shadow Assistant Treasurer Sussan Ley issued a press release demanding an urgent update from the Australian Taxation Office in relation to delays. She has also stated that in a meeting in May 2010 ATO staff assured her that all the 'glitches' were resolved; however, the passage of time has clearly demonstrated that this was not correct. 	Written	19/07/2011	

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				<ul style="list-style-type: none"> ○ At the time, was the information provided to Ms Ley correct? ○ Was additional information provided to Ms Ley as more 'glitches' became apparent? ○ How soon after the 'glitches' became apparent was this information provided? 			
32	ATO	Xenophon	Service Standards	<ul style="list-style-type: none"> ● In the Estimates hearing on 1 June this year, the ATO stated that it will not meet its service standards for the 2011 tax year (that is, 1 July 2010 to 30 June 2011). <ul style="list-style-type: none"> ○ What steps has the ATO undertaken to ensure that the community, other government departments (eg Centrelink and CSA) and tax agents are aware of processing delays? 	Written	26/07/2011	
33	ATO	Xenophon	PIRI check	How long does it take for a pre-issue refund integrity (PIRI) check to be performed? Can the ATO provide information on what service standards apply to PIRI checks? Are these standards being met?	Written	19/07/2011	
34	ATO	Xenophon	Delays in the checking process	How does the ATO make relevant organisations aware of delays in the checking process?	Written	19/07/2011	
35	ATO	Xenophon	Seibel system	<p>The ATO has stated in the past that it will now not be migrating activity statements (AS) to the new Seibel system in the foreseeable future.</p> <p>How many programs are currently running in the National Taxpayer System (NTS)?</p> <p>Are all of these programs required to run to support activity statements? When will you be decommissioning the redundant programs that are in the NTS?</p> <p>How much does it cost annually to keep the NTS running?</p> <p>What other information is being held and updated in the NTS that is still being used?</p>	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
36	ATO	Xenophon	Ombudsman complaints	Is the ATO aware of how many complaints the Ombudsman received in relation to the ATO? What steps is the ATO taking to address and minimise this volume?	Written	28/07/2011	
37	ATO	Xenophon	Wickenby project	Does the Commissioner support a multi department review into the Wickenby project?	Written	19/07/2011	
38	ATO	Xenophon	Hardship requests	What processes have been implemented to ensure that hardship requests are handled quickly?	Written	2/08/2011	
39	ATO	Xenophon	External debt collectors	Can the ATO guarantee that any information (including TFNs) supplied to external debt collection agencies is sent offshore?	Written	19/07/2011	
40	ATO	Xenophon	Exercise Break software	Apart from tendering out for a COTS pause (Exercise Break) software program for your staff, what other measures are being incorporated in their day to minimize risk to their health and well being? Why were all these issues not addressed before the roll out? Under what conditions will you use the safety net this year? When will the decision be made whether or not to use the safety net? How much extra delay will using the safety net cause? Does implementing the safety net flag a lack of confidence in the program's capacity to process correctly?	Written	19/07/2011	
41	ATO	Xenophon	Private Binding Ruling	What is the service standard for a PBR (private binding ruling)? What is the average handling time for a PBR?	Written	19/07/2011	
42	ATO	Xenophon	Change Program	Regarding the Change Program Steering Committee minutes dated 22 December 2009, which stated that there would be delays of 50 days for the first 6 months, the ATO stated	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
			Steering Committee	during the Budget Estimates hearing this year that this was just one opinion and there were other reports that negated that opinion. Can you please provide details of these reports?			
43	ATO	Cormann	Families Receiving Family Tax Benefit A & B	Senator CORMANN: Can the ATO assist us in any way in relation to the number of families that are currently receiving family tax benefit A and B? Mr D'Ascenzo: Not to my knowledge, Senator, but certainly if we have any information we will provide it on notice.	72 01/06/201 1	19/07/2011	
44	ATO	Cormann	Staffing Numbers – Call Centre	Senator CORMANN: No. The question is whether the ATO has had any change, either up or down, in staffing numbers for your business line call centre. Mr D'Ascenzo: For the business line call centre specifically. Mr Butler: Our call centres have two lines. One is for the tax agents and one is for individuals. So there is no specific business line call centre per se. The numbers go up at tax time every year, so we are planning for additional staff available from 1 July—in fact immediately before 1 July—for our busy tax time period. My recollection is that those numbers go up by about 800 across our processing and call centre staff, with roughly 50 per cent each additional—roughly 400 people additional in call centres and 400 in processing of tax returns. Senator CORMANN: Have you experienced significant increases in the number of calls over the past one, two or three months? Mr Butler: We have had an increase in calls over the last year. This calendar year, particularly with the various natural disasters—for instance we gave extensions of time for people to file business activity statements and we did see quite an increase in calls with people ringing to check when they had to file their business activity statement and that type of thing. There has been a general increase in calls across the board as well, so we have found it difficult at times to answer calls as quickly as we would like. Overall our position is that we are meeting our service standards but more people would get a busy signal than we would like on certain days of the week and at certain times of the day. Senator CORMANN: Are you able to give us some numbers around all of this? Do not do that now; take it on notice. Essentially you say there has been significant increase over last year. Maybe for the last 12 months we could have a month by month breakdown as to how the numbers have been tracking. I am sure you collect that internally in any event. But then the aggregate figure for the year—if you could compare	87-88 01/06/201 1	27/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				that with what has been happening over the last two or three years. The context is that a lot of my colleagues and I have been getting feedback that people are struggling to get through. As people ring the 13 28 66 number and select an option to speak to an operator, the message is 'Our service is currently experiencing peak demand' at whatever time of the day, whether it is morning, midday or afternoon hours. Whatever day of the week, that seems to be the message. You really have to persist in order to get through.			
45	ATO	Abetz	Sham Contracting	<p>Senator ABETZ: Continuing from just before dinner on the \$41.6 million in relation to contractors and tax compliance, how many extra staff will be employed? Is it envisaged that more individuals will be engaged? If I recall correctly there was a budget measure of \$41.6 million for the collection of an extra \$513 million. Continuing in that vein, do we have an anticipated extra staff complement?</p> <p>Mr D'Ascenzo: The breakup of that includes staffing components. Mr Quigley might have precise details on the \$41 million we have budgeted for in terms of the forward estimates.</p> <p>Mr Quigley: No, I have not.</p> <p>Mr Heferen: Perhaps I can help. The figure is \$46.4 million.</p> <p>Senator ABETZ: You are quite right. That is the figure I quoted before dinner as well.</p> <p>Mr Heferen: That is right.</p> <p>Senator ABETZ: Sorry. I see now that the \$41.6 million is the extra GST further on in the document that I confused in my mind. You are quite right: \$46.4 million—even more money for potentially even more staff. Do we not have a figure on that as yet?</p> <p>Mr Quigley: We would have an estimated figure of how that would be broken up between staffing and—</p> <p>Senator ABETZ: And what is that figure?</p> <p>Mr Quigley: I do not have it with me. I would have to take it on notice, but we certainly would have that figure. It would also include some capital costs as well as supplier costs</p> <p>Senator ABETZ: You must have convinced the government that you needed that sum of money for certain purposes. I would imagine that would have included extra staff.</p> <p>Mr Quigley: It does.</p> <p>Mr D'Ascenzo: Yes, it does.</p> <p>Senator ABETZ: And you will get that to me on notice?</p> <p>Mr D'Ascenzo: We will provide that information, and the breakdown of the \$46 million.</p> <p>Senator ABETZ: 46.4! This is going to mean a new reporting regime for these contractors.</p> <p>Mr D'Ascenzo: Yes, the proposal is for a new reporting regime.</p>	91-92 01/06/2011	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
46	Revenue Group	Abetz	Sham Contracting Reporting	<p>Senator ABETZ: ...Minister, on 13 October 2010, Mr Shorten, the Assistant Treasurer, pledged not to change personal service income tax law 'or make life difficult for self-employed working people'. Would it be fair to say that this measure will make life more difficult for at least some self-employed working people, given the new reporting requirements that will become necessary?</p> <p>...</p> <p>Senator Sherry: Firstly, I do recall generally comments of that nature but not the specific detail. Secondly, I will have to take it on notice for Mr Shorten, despite the long list of titles that I read.</p> <p>...</p> <p>Senator ABETZ: All right. We have identified the building and construction sector with a view to moving on to the cleaning sector. Do we have a third one in mind—another sector—or do we think that would pull it up?</p> <p>Mr Heferen: As I understand the measure in BP2, there will be consultation. The government will also consult publicly on options to introduce a similar reporting regime for payments as to contracts in the commercial cleaning industry.</p> <p>Senator ABETZ: That is right.</p> <p>Mr Heferen: That is the only one highlighted.</p> <p>Senator ABETZ: So the only one highlighted. I am interested in the ones that might not be highlighted but might expect a similar regime.</p> <p>Senator Sherry: Well, there is nothing beyond what has been publicly announced. I am happy to take it on notice and see if there is anything else.</p> <p>Senator ABETZ: Thank you. It was publicly announced as well that there had been a carbon tax. It was publicly announced that we would not make life difficult for self-employed working people. Anyway, we shall see what comes out of it. If I may, I will hand over to Senator Ryan</p>	93 – 94 01/06/2011	27/07/2011	
47	ATO	Ryan	Superannuation	Senator RYAN: So to clarify, if I am such a person, I get one of these letters. I then	96-97	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
			Letters	<p>decide to start paying my contractor's superannuation. There are no means for you to follow up, although mechanisms do, with that contractor who is suddenly getting superannuation as to whether or not they are going to be treated differently tax-wise?</p> <p>Mr Olesen: I would be surprised if a recipient of these letters were not using the services of a tax agent or another adviser. I assume they would be going to that adviser and seeking advice about what the letter might mean for them. That would be a routine experience.</p> <p>Senator RYAN: I am thinking more of the third party, I suppose. You are writing this letter to ensure that someone is getting superannuation, from what you said earlier, if they are entitled to it. I am more wondering here what happens where I get the letter from you. I am employing Senator Abetz and he suddenly starts getting superannuation. Is there any mechanism by which you can follow up Senator Abetz or that third party because they are suddenly receiving superannuation? There have been apocryphal stories of follow-ups.</p> <p>Mr Olesen: Yes, is the short answer, to the extent that we would receive information from super funds annually, which we do, which says that a superannuation contribution is being paid for Senator Abetz. But if it turns out we cannot find the tax return for Senator Abetz or the income on that tax return looks a bit low relative to the superannuation contributions that are being paid on his behalf, that could be a trigger for us to follow up.</p> <p>Senator RYAN: Does that also go to the test as to whether or not Senator Abetz or the third party might be defining themselves as an independent contractor and, therefore, receiving personal services income as opposed to potentially being considered an employee? Does it go to that as well?</p> <p>Mr Olesen: I am kind of speculating. It is hypothetically possible. We would have the information to identify potentially a mismatch between super contributions made and income being returned by that person. If we were to choose to then audit that and follow up on that information, then pretty much all issues are potentially on the table.</p> <p>Senator RYAN: So do you have any program in place to try to join these two sides of the triangle?</p> <p>Mr Olesen: I am not expressly aware of it. I am happy to take that on notice and check that for you, if you like.</p> <p>Senator RYAN: I would appreciate that because there are some stories that or some fear that this is being used to trigger the different treatment of contractors by the tax office.</p>	01/06/2011		
48	ATO	Xenophon	Tax Return	Senator XENOPHON: That is good. The ATO's own service standards for lodgements	99-100	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
			Service Standards	<p>is to aim to process electronic returns for individuals and non individuals within 14 days of receipt within the ATO and paper returns for individuals in 42 days and 56 days for non individuals with paper returns. At paragraph 3.62 of the inspector-general's report, at page 35, he refers to the change program's steering committee minutes of 22 December 2009, which stated that:</p> <p>... between January and June 2010 most returns would not be processed in less than 50 days and this situation is likely to continue in the second half of the calendar year. Industry benchmarks and experience from previous deployment(s) shows that fixing errors and design issues in production can cost up to 4-5 times more than fixing these errors in a testing environment ...</p> <p>I take it you are familiar with those minutes?</p> <p>Mr D'Ascenzo: Well, there are a lot of minutes. Those particular words do not necessarily come to mind. But maybe Mr Butler might know them more intimately than me.</p> <p>Senator XENOPHON: Commissioner, it was subject to some very specific commentary by the inspector-general in his report. It was a key part of his report in terms of recommendations made.</p> <p>Mr D'Ascenzo: Yes. But there were other key parts of that report as well.</p> <p>Senator XENOPHON: Well, this is the key part I would like to focus on now.</p> <p>Mr D'Ascenzo: I am sure Mr Butler can answer it.</p> <p>Mr Butler: To clarify, you are referring to—</p> <p>Senator XENOPHON: This is 3.62 at page 35 of the inspector-general's report. Go to paragraph 5 on the next page. Do you see the reference there? This comes from the minutes of the change program steering committee.</p> <p>Mr Butler: Yes.</p> <p>Senator XENOPHON: Basically, an internal document of 22 December said that for about five or six months you were not likely to process returns in less than 50 days.</p> <p>Mr Butler: That was a view put forward by people to the steering committee.</p> <p>Senator XENOPHON: So you are familiar with that?</p> <p>Mr Butler: I have read this report a few times.</p> <p>Senator XENOPHON: In terms of that view from the steering committee, was that communicated to tax agents and to the public?</p> <p>Mr Butler: We told tax agents for a long time leading up to deployment that we would not be able to process any returns or any new returns received after the end of December for six weeks, when assessments switched off, and then it would take us some time to catch up. So that took us through the whole of January and the first part of February. We</p>	01/06/2011		

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>made it clear to the tax professionals that we would not start processing again until mid-February. What I believe—</p> <p>Senator XENOPHON: That is a little different, though, Mr Butler, from the information that is contained in this internal document from the change program steering committee. You acknowledge that? It actually goes beyond that.</p> <p>Mr Butler: Well, I was going to explain a bit more about that. Where I think we, with the benefit of hindsight, could have been clearer about the delays was that even once we started to process returns, it would take us many weeks to catch up. The view put to the committee was that the delays of 50 days would continue into the second half of the calendar year. It does not mean that the committee necessarily agrees with that particular view. I would have to go back and check more fully the minutes of that meeting.</p> <p>Senator XENOPHON: Take that on notice.</p>			
49	ATO	Xenophon	CDDA Scheme for Compensation	<p>Senator XENOPHON: I do appreciate what you have said. On notice, could you provide details of where there was a confusion as to a delay and the standard compensation payable if there is a delay in getting a refund cheque or something going beyond that under the CDDA scheme? I think that would help clarify things.</p> <p>Ms Granger: I want to clarify what you are asking. I am sorry, but I am not clear.</p> <p>Senator XENOPHON: In terms of the number of claims made that were clearly not claims related to the compensation payable for a delay. It is the interest that is payable on a delayed refund cheque in terms of, I think, the standard 30 days.</p> <p>Ms Granger: Yes. That is right. Taxpayers themselves mostly would not be eligible under this scheme for that reason.</p>	102 01/06/2011	26/07/2011	
50	ATO	Xenophon	Change Program System Defects	<p>Senator XENOPHON: On those, can you give me an idea of how many—you have already answered for severity 1—severity 2, 3 and 4 defects have been currently identified in the system? When will they be fixed, or what is the timeframe for that?</p> <p>Mr Butler: It might be more useful, perhaps, that I give you a program of work that pulls together in four tranches things we want to improve with the system. But these are really improvements going forward. I mentioned to you earlier today with tax time that the extra people we need to manage processing returns at tax time this year is the same as tax time 2009. And tax time 2012 is expected to be 200 people less. So we are going from 400 extra this year to 200 extra next year. So we are seeing efficiencies in the new system coming through already.</p>	103 01/06/2011	26/07/2011	
51	ATO	Xenophon	Comcare Claims	<p>Senator XENOPHON: Sure. I only wish that all our major banks would take the same</p>	104	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
			Relating to Siebel	<p>attitude as the ATO in terms of offshoring information. I think a lot of people would applaud that. In last year's annual report, it was stated that Comcare claims had been reduced by 9 per cent. I note that Comcare policy premiums, from my reading of it, have increased \$4.7 million, or in another way it has been increasing by \$90,000 a week. To what extent is this related to the Siebel program? In earlier reports we heard about RSI and other injuries. How many notifications have been reported to ATO management that could be linked to the Siebel program? I am happy for that to be taken on notice. There seems to be a disconnect between the number of claims being reduced by 9 per cent but the premiums with Comcare increasing by \$90,000 a week.</p> <p>Mr D'Ascenzo: I can actually explain that one.</p> <p>Senator XENOPHON: Can you understand that? It is curious.</p> <p>Mr D'Ascenzo: What happens is that the claims have a lag effect. In other words, we can be reducing the incidence of claims but the premiums are worked out on a four-year marked average. We did have a height in terms of claims some four-odd years ago or thereabouts or a past legacy of those claims. We have been reducing them down. But it does not catch up until—</p> <p>Senator XENOPHON: I understand that there is a tail in workers compensation matters.</p> <p>Mr D'Ascenzo: The tail actually calculates the premium whereas the incidence of claims is going down.</p> <p>Ms Granger: That is exactly right.</p> <p>Senator XENOPHON: Does that include the quantum of claims? There has been a 9 per cent reduction in claims. Does that include a 9 per cent reduction in the quantum of claims and payouts?</p> <p>Ms Granger: The quantum of claims is also driven by the type of claim. The most expensive claims are ones where there is a psychic injury—stress et cetera. A small number of those, even if you are reducing through other occupational health strategies, are physical injuries, which can in fact be very expensive because they take a lot longer to resolve.</p> <p>Senator XENOPHON: Sure. I might put some questions on notice.</p> <p>Ms Granger: And that is actually what has been in our premium.</p>	01/06/2011		
52	ATO	Xenophon	Safety Net	<p>Senator XENOPHON: I will put some questions on notice. In terms of the safety net, is that going to be used this year for this year's returns?</p> <p>Mr Butler: We do not plan to. It is there to use if we need it, but we do not expect we need to use it. In tax time last year—</p>	104 01/06/2011	19/07/2011	

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				<p>Senator XENOPHON: It was used last year, though, was it not?</p> <p>Mr Butler: It was for some higher education loan borrowers and for a limited number of eligible termination payment cases. It was used for about two weeks for one and three weeks for the other during July, but we have not used it since July last year. We do not expect to use it. But it is there in case we need it.</p> <p>Senator XENOPHON: Because the risk assessment is that it is not needed?</p> <p>Mr Butler: Well, the safety net is really a safety net. It is there to make sure we do not do assessments that are wrong. As I explained to you, that has been the most important thing for us in the deployment of this system. We have issued 16 million assessments now and there are no assertions that the calculations are wrong, which is a really important thing. Where we had concerns, we just held them in the safety net, did some more testing and then released them. That is what we did.</p>			
53	ATO	Xenophon	Electronic Tax Return Lodgement Service Standards	<p>Senator XENOPHON: Minister, I would not want to leave you alone that long. At page 104 of the Inspector-General's report, the Inspector-General identified a reactive procedure for handling hardship cases and suggested it should be more proactive. He said:</p> <p>The ATO does seek to address hardship situations as raised by affected parties, but perhaps this area requires deeper consideration in a proactive management sense as other agencies like Centrelink recognise.</p> <p>Commissioner, do you take on board that concern from the Inspector-General that there could be a more proactive culture of dealing with hardship cases?</p> <p>Mr D'Ascenzo: Well, we actually have significantly increased the number of hardship cases. We can provide the statistics about the increase over time. We have been very receptive to hardship in terms of natural disasters and the like. I am not sure how current those comments are.</p> <p>Senator XENOPHON: To be fair, this report was written in December before those terrible natural disasters. Have processes changed? Have there been any structural changes to—</p> <p>Mr D'Ascenzo: Again, I think you will see that we actually spent a lot of time revamping our hardship area and hardship procedures starting from the beginning of the global financial crisis, which was some time before that. That has played out very well in terms of hardships that we have seen, unfortunately, through the Queensland floods and fires in Western Australia.</p> <p>Senator XENOPHON: I think that puts it in perspective. I have a couple more questions. Do you expect to meet your service standards this year?</p>	105-106 01/06/2011	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Mr D'Ascenzo: For the electronic lodgement of individual returns? Senator XENOPHON: Yes. Mr D'Ascenzo: No. Senator XENOPHON: Why not? Mr D'Ascenzo: This is the coming year or the past year? Senator XENOPHON: The coming year. For the current financial year, sorry. Mr D'Ascenzo: That is what I am saying. For the current financial year, no, because of the first period in terms of the slow ramp-up of the new system. That means that for that first month we did not meet the service standards. Because we work at such a tight level of efficiency, if you fail in a certain way one month, it is hard to catch up for the remaining 11. Mr Butler can give you some more details on that. Senator XENOPHON: That is fine. I am happy to take that on notice. I will be interested to see what happens in the next estimates.</p>			
54	ATO	Bushby	Education Tax Refund – Number of Eligible Children	<p>Senator BUSHBY: I have some questions about the education tax refund. On 24 July 2010, the <i>Australian</i> reported that the number of eligible children for the ETR the government was using was estimated at 2.1 million when the assumptions were previously said to be 2.7 million, a difference of about 600,000 children. The article reported that the ATO told the government some two weeks earlier that a more accurate estimate was only 2.1 million students were eligible for the education tax rebates. When did the ATO first become aware of more accurate estimates for the eligible children? Mr Quigley: Senator, I cannot answer when we became aware but I assume it would be once returns were lodged and the claims were made. I have not got that information with me, I am sorry. Senator BUSHBY: Is that the basis on which you calculated whether it was 2.1 million or 2.7 million or some other figure? Was it on the basis of past claims? Mr Quigley: I am not sure. Senator BUSHBY: You are not sure where you got that figure from? Mr Quigley: No. I am not sure whether we got the figure or Treasury. I assume we would have provided that, but I just do not know. Senator BUSHBY: Is there anybody here who can assist with that from Treasury? Mr Heferen: I am not sure at the moment. Mr Quigley: It is quite possible, Senator, that we actually got the information from Centrelink. Senator BUSHBY: Take that on notice and find out where you got the information from and the date on which you received that information, when you first became aware of it.</p>	112 01/06/2011	2/08/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				Mr Quigley: Yes.			
55	ATO	Bushby	Education Tax Rebate - Expenditure	Senator BUSHBY: As at 2008-09, when the ETR was first a budget measure, it was originally estimated to cost \$4.4 billion over four years in the Tax Laws Amendment (Education Refund) Bill 2008. Are you able to tell me, for the 2008-09 year, how much of the \$1,115 million that was budgeted in that bill was actually expended? Mr Quigley: No. I cannot give you that figure either, Senator. Senator BUSHBY: Can you take it on notice? Mr Quigley: Yes.	112 01/06/201 1	19/07/2011	
56	ATO	Bushby	Education Tax Refund - Rebates Claimed	Senator BUSHBY: I suspect you probably do not have it today as well. Are you able to provide on notice in percentage terms the amount of rebates claimed for, firstly, primary school children, secondly, secondary school age children and, thirdly, the percentage of total eligible population? Mr Quigley: What was the question again, Senator? Senator BUSHBY: I am interested, in percentage terms, in the amount of rebates claimed in the 2008-09 year for primary school age children, secondary school age children and as a percentage of the total eligible population. Mr Quigley: I can give you that. For the 2008-09 year, primary school students was 972,815 and secondary school students was 838,945. Senator BUSHBY: So that is how many? Mr Quigley: How many, yes. Senator BUSHBY: Can you work out the percentages? What about the percentage of total eligible population? Do you have that? That is the total claims as a percentage of those who are eligible. Mr Quigley: No. I do not have that, Senator. Senator BUSHBY: Can you take that on notice? Mr Quigley: Will do.	113 01/06/201 1	26/07/2011	
57	ATO	Bushby	Education Tax Rebate Claims	Senator BUSHBY: What was the percentage of processed ETR claims from the maximum entitlement for the 2008-09 year for primary school children, in particular, or firstly? Mr Quigley: I have not got it split up by the number of children. If that would equate, then, to five or more children being the maximum; is that the question? Senator BUSHBY: No. I am talking about how many claims actually claimed the maximum amount that they were entitled to.	113 01/06/201 1	26/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Mr Quigley: No. The only thing I have is that average claim I quoted before.</p> <p>Senator BUSHBY: Would the ATO have that information somewhere?</p> <p>Mr Quigley: I suspect we would be able to get it, Senator. I can certainly take it on notice to attempt to get that to you.</p> <p>Senator BUSHBY: I have a couple more questions. I will give them to you on notice because I think they are probably fairly detailed and probably easier if you have a chance to have a look at them first.</p> <p>Mr Quigley: Thank you, Senator.</p>			
58	ATO	Bushby	Education Tax Refund – Primary School Children	<p>Senator BUSHBY: According to the Australian Taxation Office budget statements at page 204, the estimated expenses for 2009-10 on this particular measure were \$1,062 million. The original estimate in the 2008 bill was \$1,095 million, which is a difference of some \$33 million. What is the reason for the variation?</p> <p>Mr Quigley: I could not tell you that, Senator.</p> <p>Senator BUSHBY: Are you able to tell me how much for 2009-10 of the \$1,062 million has been expended?</p> <p>Mr Quigley: No. I will take that on notice.</p> <p>Senator BUSHBY: According to the Australian Taxation Office budget statements at page 204, the estimated expenses for 2009-10 on this particular measure were \$1,062 million. The original estimate in the 2008 bill was \$1,095 million, which is a difference of some \$33 million. What is the reason for the variation?</p> <p>Mr Quigley: I could not tell you that, Senator.</p> <p>Senator BUSHBY: Are you able to tell me how much for 2009-10 of the \$1,062 million has been expended?</p> <p>Mr Quigley: No. I will take that on notice.</p> <p>Senator BUSHBY: Take those on notice. Can you tell me how many claims were processed by the ATO for the eligible primary school children for the 2009-10 year?</p> <p>Mr Quigley: No. I do not have that, Senator.</p> <p>Senator BUSHBY: I think I will put the rest of those on notice.</p> <p>Mr Quigley: What was that question again, Senator? Primary school?</p> <p>Senator BUSHBY: Yes. For the primary school children.</p> <p>Mr Quigley: No. I have not got that, Senator.</p> <p>Senator BUSHBY: I will put these on notice.</p> <p>Mr Quigley: I will be able to give you that.</p>	113 01/06/2011	19/07/2011	

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59	ATO	Bushby	Temporary Residents Superannuation	<p>Senator BUSHBY: I will change the subject completely. I have questions about temporary residents' superannuation. What is the most recent figure available for the number of individuals who have had their superannuation balances paid to the commissioner under the Superannuation (Departing Australia Superannuation Payments Tax) Act?</p> <p>Mr Olesen: The balance as at 31 March 2011? The total amounts we have collected for temporary residents?</p> <p>Senator BUSHBY: I do want that and the number of individuals.</p> <p>Mr Olesen: It is \$407 million, but I do not have the figure about the number of individuals that relates to.</p> <p>Senator BUSHBY: Take that on notice, please. Are you able to tell me how many individuals have sought to claim back their superannuation under this act?</p> <p>Mr Olesen: We have made payments of \$24.9 million. Again, Senator, I do not have the number of individuals that relates to.</p> <p>Senator BUSHBY: What efforts are made by the commissioner to connect the owners of that superannuation with their money?</p> <p>Mr Olesen: We have been working pretty hard to up the level of awareness with temporary residents of their entitlements to claim this money as they leave Australia. We have been working in particular with universities, the specialist recruitment agencies that bring in people on 457 visas and large organisations that particularly hire staff on 457 visas. We can have some confidence that we are having an effect there because the level of claims that we are seeing both online and via paper for people leaving Australia to claim their superannuation has gone up considerably in the last 12 months as a result of those efforts.</p> <p>Senator BUSHBY: When you provide me with the information you have agreed to take on notice, can you show me by year since the act was passed how many claims and the value of the claims back so I can compare that with how much has been actually taken in each of those years?</p> <p>Mr Olesen: Sure.</p>	114 01/06/2011	22/07/2011	
60	ATO	Bushby	Audit Terms	<p>Senator BUSHBY: Thank you. I have asked some questions of the ATO about coercive powers at previous estimates. I wonder whether the next ATO annual report will include any material on its use of its various coercive powers as well as any discursive material when it alerts the parliament to emerging issues and concerns in that regard.</p> <p>Mr D'Ascenzo: I have not drafted my report yet so I am not sure what can be put in there. I will certainly take on note what the senator says.</p>	117 01/06/2011	19/07/2011	

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				<p>Senator BUSHBY: Thank you. I am also looking at some of the ATO's operations. I have some queries. How many audit teams does the ATO have respectively for small business, medium business and large business?</p> <p>Mr Quigley: How many teams?</p> <p>Senator BUSHBY: Teams, yes.</p> <p>Mr Quigley: Senator, I will have to take that on notice.</p>			
61	ATO	Bushby	Audit Teams – Experience - Qualifications	<p>Mr D'Ascenzo: We will take that on notice. I think that is a very simplistic way of looking at what we do in terms of our compliance work. We do a lot of functions. They are not necessarily allocated specifically functionally across our resources. So you could have a team that may well do some audit work, but it may also be a key client manager for some large taxpayers or it might do a range of other work. Having said that, we will certainly provide you with as much as we can, Senator, to fill in your question.</p> <p>Mr Quigley: I will add to that, Senator. A lot of the work is integrated. I do not think I will be able to provide you with figures about a team.</p> <p>Senator BUSHBY: Hard figures, yes. I understand that. I guess you are probably not able to tell me—or perhaps you are—what the average size of an audit team would be. It does not sound like an audit team is a structure that you use.</p> <p>Mr Quigley: That varies significantly from whether you are dealing with, say, teams looking at individuals right up to the largest corporates in the country. What I can provide that may be useful to you, Senator, is FTEs—that is, full-time equivalents—that work on active compliance.</p> <p>Senator BUSHBY: Okay. That would be good. I am also interested in knowing the level of training and what levels of seniority are involved in audit team members or compliance team members. What is the level of rigour that the ATO applies in ensuring that the people who do this work have a suitable education, experience and capability?</p> <p>Mr Quigley: Senator, are you interested in any particular market segment or do you want that right across the board?</p> <p>Senator BUSHBY: I am not looking for you to tell me individuals.</p> <p>Mr Quigley: No.</p> <p>Senator BUSHBY: People who might go out and audit large, small or other businesses. What is the degree to which we can have confidence that they are appropriately experienced and qualified to be able to do that job? So that is their seniority, education, any minimum professional requirements and what else you might look at to ensure that those people are the appropriate people to be doing that job. In doing so, do you have any industry exchange programs to skill your auditors? How many ATO officers</p>	117 01/06/2011	26/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				participate in those sort of programs? What do you do to ensure that they are appropriately qualified and skilled? Mr Quigley: Yes. We will be able to provide that to you, Senator.			
62	ATO	Bushby	Denlay Queensland Appeal Court Case	Senator BUSHBY: During the previous round of estimates I also asked a question about the Queensland appeal court case of ATO v Denlay, during which I asserted that you had lost the case in the appeal court. You countered that you had won. Mr D'Ascenzo: I apologise about that. There were two cases. Senator BUSHBY: I was going to ask whether you had your officers brief you on that. Senator Sherry: You would be in trouble with two cases. Mr D'Ascenzo: I did not mean it. Honestly, I had one case in my mind. Senator BUSHBY: I understand. I did not ask the question, because I thought you would no doubt be right and I was wrong. But, as it turned out, it was the other way around. Have you had the opportunity to review that case now and confirm that the ATO proposition in taking on the case itself was, to quote the judge, preposterous? Have you had a chance to review that decision? Is the ATO looking at taking any action as a result? Mr D'Ascenzo: We did review it. I am not precise on the details. But my advice is that we did review it and that we did change our processes to take into account the comments made by the judge. I could perhaps clarify that in more detail on notice. Senator BUSHBY: Thank you very much. I have other questions, but I will put them on notice.	119-120 01/06/2011	26/07/2011	
63	ATO	Cormann	Bad and Doubtful Debt	Senator CORMANN: Thank you, Mr Heferen. In relation to bad and doubtful tax debts, how much money is currently owed to the ATO by taxpayers? Mr D'Ascenzo: Total debt is \$27.09 billion. Senator CORMANN: Is that reflected anywhere in the budget papers? Mr D'Ascenzo: Not that I know of. Senator CORMANN: How does that figure compare to total debt outstanding 12 months ago? Mr D'Ascenzo: It is actually down 1.8 per cent since 30 April 2010. Senator CORMANN: So what has caused the improvement? Mr D'Ascenzo: If I can go further, we have \$13.082 billion collectible debt; that is debt that is payable and there is no impediment on the ATO following it up. We are following it up, but sometimes it is hard to have in. It is up 0.2 per cent. There is \$9.26 billion in disputed debt. That is down 12.6 per cent. That is probably what brings the total down. Senator CORMANN: So the level of disputed debt is down?	123-124 01/06/2011	19/07/2011	

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				<p>Mr D'Ascenzo: That is right. The other one is the \$4.8 billion insolvency debt, which is up 20 per cent.</p> <p>Senator CORMANN: Sorry, which one is that?</p> <p>Mr D'Ascenzo: It is \$4.8 billion in insolvency debt. In other words, it is individuals who have gone bankrupt or companies in liquidation.</p> <p>Senator CORMANN: Are you able to break the \$27.09 billion down by sector, such as individuals, small business, large business?</p> <p>Mr D'Ascenzo: It is hard to do that in precise terms, but I can say that, of the micro and small to medium businesses, micro is up to \$2 million in our classification and small to medium goes all the way up to \$100 million. But they continue to account for 80 per cent of collectible debt.</p> <p>Senator CORMANN: So this year it is \$27.09 billion, which is down 1.8 per cent from the year before. How much was it the year before that?</p> <p>Mr D'Ascenzo: I do not have those specific figures.</p> <p>Senator CORMANN: Maybe you can provide us that on notice. Have you got any expectations on how that figure is going to move over the next few years? Have you got any estimates? Have you got a target as to what you would expect your bad and doubtful tax debts to be?</p>			
64	ATO	Cormann	Bad or Doubtful Debt – Provisions	<p>Senator CORMANN: How much of the \$27.09 billion that is outstanding would you expect to be written off as bad or doubtful debt over the next few years?</p> <p>Mr D'Ascenzo: We do have provisions for doubtful debt. I cannot recall them off the top of my head.</p> <p>Senator CORMANN: You do have provisions. It was supposed to go down by \$473 million in the last financial year.</p> <p>Mr D'Ascenzo: In 2009-10, we did write down \$1.7 billion.</p> <p>Senator CORMANN: That was in 2009-10?</p> <p>Mr D'Ascenzo: Yes.</p> <p>Senator CORMANN: Why do you expect a \$473 million decline next year?</p> <p>Mr D'Ascenzo: Sorry? What was that question?</p> <p>Senator CORMANN: In your bad and doubtful debts, you are expecting a decline by \$473 million for the next financial year in the provision for bad and doubtful debts.</p> <p>Mr D'Ascenzo: I do not have the specific details for that, but I can provide them on notice.</p>	124 01/06/2011	19/07/2011	
65	ATO	Cormann	ATO Workplace	<p>Senator CORMANN: What is the average number of workplace absences, which is</p>	125	19/07/2011	

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			Absences	defined as sick leave, carers leave, compensation leave, specific types of miscellaneous or other leave and unauthorised leave, across the ATO? Ms Granger: I would be guessing. It is 16 or 17 days. I will take it on notice and confirm it for you. It is actually trending down. Senator CORMANN: But it is around 16 days? That is what I have. Ms Granger: Yes. The last figures I saw showed it was either 16 or 17.	01/06/2011		
66	ATO	Cormann	ATO Workplace Absences – Compared to APS	Senator CORMANN: How does that compare with the average across the Public Service? Ms Granger: We were above that and we are working on bringing it back down. Senator CORMANN: So the average is around 10, is it not? Ms Granger: I am sorry, but I just do not have the figures with me, so I will need to confirm that.	125 01/06/2011	19/07/2011	
67	ATO	Cormann	ATO Workplace absences Work days lost	Senator CORMANN: So across your whole workforce, would it be fair to say that it is about 356,400 work days a year lost because of workplace absences? Is that a figure that rings a bell? Ms Granger: No, it does not ring a bell, but I am happy to take it on notice and get you an answer.	125 01/06/2011	19/07/2011	
68	ATO	Cormann	ATO Workplace Absences - Reasons	Senator CORMANN: Did you have a review recently into the issue of workplace absences across the ATO? Ms Granger: We have an ongoing focus on it—it is not a specific review—to see what we can do to reduce those and come into line with the public sector figures. Senator CORMANN: If you are having an ongoing review, if you are monitoring on an ongoing basis— Ms Granger: An ongoing strategy. Senator CORMANN: Are there any identified reasons as to why there is, on the face of it, such a large discrepancy between workplace absences in the ATO compared to the APS more generally? Ms Granger: As I said, I am happy to take those questions on notice and get you a better answer. Senator CORMANN: Sorry—you took on notice some of the numbers but, given that you are monitoring it on a regular basis, have you identified some particular issues that are specific to the ATO that cause a higher number of workplace absences on average than across the broader public sector? Ms Granger: We have not really been able to do a comparative analysis of those things. One of the obvious things to say is that we are a very large organisation and a very distributed organisation around the country with very different functionality. Just to give	125 01/06/2011	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>you an example of that, only 14 per cent of our staff are here in Canberra— Senator CORMANN: Lucky them! Ms Granger: whereas, for many of the other agencies, 100 per cent of their staff are here in one building. We have large call centres; we have a whole range of different processes. So it is very difficult to make a comparison and average out our profile and benchmark it against organisations that have very different functions. What we have focused on is: what are the drivers of those in our own workforce and how can we address that?</p>			
69	ATO	Cormann	ATO Workplace Absences – Compared to Centrelink	<p>Senator CORMANN: Would Centrelink be a comparable organisation that should be equally decentralised— Ms Granger: We do look at Centrelink. There are some aspects that do compare, but, at the other end of the scale, we also have in this area, as you know, large numbers of auditors and large numbers of law professionals. We have a very mixed organisation compared to others. Senator CORMANN: Are you saying that auditors and lawyers are more frequently absent than— Ms Granger: No, in fact I am not; it is the opposite. Senator CORMANN: So you should be doing better than Centrelink. Ms Granger: What I am saying is that it is difficult to benchmark the entire organisation against another one, because we have a range of functions. It would be more typical for us to, for example, look at the call centre industry and compare it to our call centre in some ways. We do try to measure ourselves against others but, because of that very diverse range of functionalities, it is a bit difficult. Senator CORMANN: So you try, but do you know where you sit compared to Centrelink in terms of workplace absences? Ms Granger: I think Centrelink's figures were slightly better than ours the last time I looked, but, again, I can take that on notice and get back to you. Mr D'Ascenzo: Perhaps I could add to that. I think the comments you make are very appropriate in that absences can affect productivity in any large organisation. We have had that focus on workplace absence. You have to look at the definition of workplace absence as well. The definition does include people being sick and people having to go to hospital and the like. So you would expect some proportion of that. Why our proportion is higher than the APS average is matter that we have been looking at. Senator CORMANN: Is your staff more stressed perhaps? Mr D'Ascenzo: I do not know what the answer is. As Ms Granger said, we have tried</p>	126 01/06/2011	19/07/2011	

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				<p>very hard to do it. If there is some silver lining it is that we are trending downwards in terms of that figure. It is something that we keep a close eye on and something that we have tried to work out both in terms of the processes and procedures that we have and also in terms of the cultural aspects of work. I think Ms Granger made a fair point that the larger the organisation and the more dispersed it is, the higher the rate of absences you tend to see.</p> <p>Senator CORMANN: Do you assess and measure how much it costs you on a yearly basis? I am reading from a briefing note. It says: 'The current rate of leave over the year equals around 356,400 working days lost in one year.' Do you know what that means in cost to the ATO?</p> <p>Mr D'Ascenzo: Sometimes you measure an organisation by the number of what we call full-time equivalents. So you can divide those days by the appropriate number and you get the full-time equivalent cost of people being away on leave. We have done that in terms of what each day means to us in costs. We have done the calculations that you have done, Senator. At the end of the day it is a lot and therefore it is something we need to keep a focus on. But the fact is that it is trending down and we have got a very organisational focus on trying to improve that even further.</p> <p>Senator CORMANN: Are you able to put a figure on what it costs on a yearly basis to have that level of workplace absences?</p> <p>Mr D'Ascenzo: I do not have that figure offhand. I know that we have done it in terms of one day meaning a certain number of FTEs. If you multiply that by the 15 or 16 days that occur I am sure that will be the figure.</p> <p>Senator CORMANN: But it is something that you are focused on?</p>			
70	ATO	Cormann	Technical Expertise	<p>Senator CORMANN: Sorry, before we get there: out of your team of people who are involved in auditing small to medium-sized enterprises, can you—maybe on notice—give me the statistics as to how many of those people directly involved in audits of small to medium-sized enterprises have accounting or other relevant business degree qualifications and how many of them do not, and, to the extent that that is not too difficult, how that has been tracking in recent years? On the face of it, I would have thought any private auditing firm would not use staff without accounting qualifications, so it seems a bit odd that the ATO would use staff that are not qualified.</p> <p>Mr D'Ascenzo: I am not sure we have those details. We will certainly see, but the short answer is that you have to have the skills and capabilities to compete for those positions. All our positions, by the way, are out to the public so it is open for anyone with the relevant expertise and skills to compete in selection processes. At the end of the day we</p>	129 01/06/201 1	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				get people who have the best experience and the best fit and technical capabilities to do the job.			
71	ATO	Cormann	Valuing and Asset	<p>Senator CORMANN: I am interested in how you go about valuing an asset. In particular, what laws must you adhere to when you are valuing an asset from a state, territory or federal point of view?</p> <p>Mr D'Ascenzo: These are valuers with valuation qualifications and they apply the normal standards expected of that profession.</p> <p>Senator CORMANN: Are the valuations that you do consistent from New South Wales to Western Australia or from Queensland to the Northern Territory?</p> <p>Mr D'Ascenzo: If it is a property valuation, and that is often the case to determine whether or not people have property assets that are over certain thresholds, it is basically done in the same as any other valuer would do that. You would take into account the market value of properties around that area and you work out what the market value is for that area. It is dependent on the area.</p> <p>Senator CORMANN: But as you say, the valuation process has certain consequences for people in the context of Centrelink, principally. Are you suggesting, though, that similar assets are valued differently due to their location because of differing state and territory laws?</p> <p>Mr D'Ascenzo: Not the laws, but a house in one location would be worth less than a house in another location because location adds to the market value of a house.</p> <p>Senator CORMANN: So you are quite adamant that it is only based on local market conditions that may change? Is there no issue about the different application of relevant state and territory laws on a state-by-state basis in the absence of relevant federal legislation?</p> <p>Mr D'Ascenzo: My understanding is that a valuation is a valuation. What is the market price of a particular piece of property or asset?</p> <p>Senator CORMANN: You may want to perhaps reflect upon that on notice and see whether you can assist the committee any further in relation to this. I am quite interested to just make sure. Essentially, the exercise of valuation is on a state-by-state basis, subject to different frameworks. As I understand it, those can result in different valuation outcomes which then have consequences within a framework that is nationally consistent through Centrelink. Is Centrelink your only customer?</p>	130 01/06/2011	19/07/2011	
72	ATO	Xenophon	Credited client accounts	Regarding interest paid by the ATO that is credited to a client's account, will that be	Written	19/07/2011	

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				available on the pre-fill report for the 2011 tax year? If not, why not			
73	Fiscal Group	Mason	Review of Australian Higher Education (Bradley Report)	<p>Will the Minister confirm for the Committee whether the Treasury has undertaken any specific economic modelling relating to the overall economic and fiscal impact and effects of implementing the Government's Response to the Bradley Review's proposed reforms to the higher education sector?</p> <p>(a) If such modelling has been undertaken, will the Minister provide to the Committee:</p> <p>i. details of the assumptions contained therein, the key conclusions, and the key recommendations arising from that modelling?</p> <p>ii. a copy of the Departmental brief relating to the analysis of that Treasury modelling?</p> <p>iii. details of any internal and/or external reports that have been undertaken by the Treasury in relation to that modelling?</p> <p>iv. confirmation of whether the Minister for Tertiary Education and/or his personal office and/or his Department have been advised that the Treasury has undertaken this modelling, and if so, advise specifically when was this advice first provided to each of the DEEWR and/or the Minister's office?</p> <p>v. confirmation of whether copies of the analysis and major conclusions of this modelling have been provided to the Minister for Tertiary Education and/or his Department, and if so, advise specifically when was this was first provided to each of the DEEWR and/or the Minister's office?</p> <p>2. If no such economic modelling has been undertaken by the Treasury, has the Treasury commissioned any independent studies by economists to assess these economic impacts?</p> <p>(a) If not, why not?</p> <p>(b) If so, will the Minister provide to the Committee details of the scope of that commissioned research, who has been commissioned to undertake the study, what specific type of modelling will be undertaken as part of that study and how extensive is it</p>	Written	08/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				proposed to be, and when it is due to be completed and provided to the Treasury and/or the Government for consideration and evaluation?			
74	Revenue Group	Payne	Taxation treatment of mining (and other) royalties	<p>The Minerals Council of Australia, which represents the sector that employs the most Indigenous Australians, has highlighted in a joint paper with the National Native Title Council some serious gaps in the taxation treatment of native title revenue, such as from mining royalties. I refer particularly to the lack of means for Indigenous communities to receive royalties and attribute them in ways that ensure these royalties can be maximised for the long term development of communities.</p> <p>What progress has been made on reforms to ensure the taxation of mining royalties, and other native title revenue sources, are fairly taxed and can be structured in a way to ensure long term development of Indigenous communities?</p> <p>Is the Government considering establishing an Indigenous Community Development Corporation structure?</p> <p>I understand this issue was first raised, and this solution proposed, some years ago. What has been the delay in making appropriate reforms in this area?</p>	Written	4/10/2011	
75	Fiscal Group	Xenophon	Rent Assistance	<p>What percentage of the average rent paid by rent assistance recipients is covered by rent assistance? How has this changed over time?</p> <p>What measures are in place, or being considered, to ensure that Indigenous rent assistance recipients are not cut off from rent assistance due to a failure to verify their rent details with Centrelink?</p> <p>How many Rent Assistance recipients have benefited from the bulk verification of community housing rents?</p>	Written		
76	Revenue Group	Colbeck	Luxury Car Tax	Through the Budget, the Government is amending the luxury car tax legislation to allow eligible entities to import cars free from the luxury car tax. Please provide the full list of these "eligible entities".	Written	11/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
77	Fiscal Group	Bushby	Expenses Reconciliation for 2010-11	<p>Table 2 on p. 6-4 of BP #1, which provides a reconciliation of expense estimates, disaggregates the impact of parameter variations on the 2010-11 budget position. It shows that over the six months since the 2010-11 MYEFO the total effect of parameter variations on the expenses side has been to improve the bottom line by \$5½ billion. Of this, however, \$4.981 billion of the reduction in expenses is simply classified under “other variations”. (Note that the figures for “other variations” for 2011-12, 2012-13 and 2013-14 are much smaller, being all well below \$1 billion.)</p> <p>The other categories of parameter variations are (for 2010-11):</p> <ul style="list-style-type: none"> • “total economic parameter variations” – reduction in expenses of \$1,418m • Public debt interest – additional expense of \$154m • “program specific parameter variations” – additional expense of \$823m • “slippage in 2010-11 Budget decisions – reduction in expenses of \$94m <p>Given that there are all these categories separately identified, the “other variations” category usually consists of sums taken out of the Contingency Reserve (CR), typically because a policy decision for which money had been set aside in the CR is finalised so that its cost is then transferred to the relevant portfolio and the allowance in the CR is removed.</p> <p>Can you advise us what these “other variations” consist of?</p>	Written	17/10/2011	
78	Revenue Group	Bushby	Mineral Resources Rent Tax and modelling	<p>Could Treasury confirm that revenue estimates for the MRRT are based on a State royalty rate of 7.5%?</p> <p>Could Treasury confirm the effect on expected Australian Government revenue if Western Australia or other States raise their royalties collected above 7.5%?</p> <ul style="list-style-type: none"> • If revenue is in fact reduced as a result of this, would Government expenditure also be reduced? • What areas of government expenditure would be cut? 	Written	18/08/2011	
79	Revenue Group	Bushby	Fringe Benefit Tax changes to cars, anticipated	<ul style="list-style-type: none"> • Could the Treasury/ATO please provide: <ul style="list-style-type: none"> ○ The total number of individuals, and businesses that will be affected by this change, and a further breakdown by state/electorate. 	Written	19/10/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled											
			revenue from changes in the Budget	<p>The policy costing document which was released by the Greens in November last year suggests that Treasury has previously had difficulties in estimating the revenue this change will provide the Government.</p> <p>Revenue estimates are dependent upon behavioural estimates and, when looking at the Greens policy costing document, many of these assumptions have changed dramatically in the past -refer to page 3 & 4 of Greens policy costing document.</p> <p>Budget in May 2011:</p> <table border="1" data-bbox="824 598 1621 703"> <thead> <tr> <th data-bbox="824 598 1108 624">Revenue (\$m)</th> <th data-bbox="1108 624 1211 665">2010-11</th> <th data-bbox="1211 624 1314 665">2011-12</th> <th data-bbox="1314 624 1417 665">2012-13</th> <th data-bbox="1417 624 1520 665">2013-14</th> <th data-bbox="1520 624 1621 665">2014-15</th> </tr> </thead> <tbody> <tr> <td data-bbox="824 665 1108 703">Australian Taxation Office</td> <td data-bbox="1108 665 1211 703">5.0</td> <td data-bbox="1211 665 1314 703">30.0</td> <td data-bbox="1314 665 1417 703">140.0</td> <td data-bbox="1417 665 1520 703">335.0</td> <td data-bbox="1520 665 1621 703">460.0</td> </tr> </tbody> </table> <p>The Greens policy document also states the following:</p> <p>As a result, this estimate is of low to medium reliability. It is highly sensitive to a number of the assumptions, in particular:</p> <ul style="list-style-type: none"> • The distribution of kilometres travelled and hence the number of cars under each statutory rate. • The extent to which individuals using the Employee Contribution Method change their post-tax contribution amounts in response to an increase (or decrease) in the statutory rate. • The cash-out rates of employees, where contracts are not renewed and cash salary is taken instead of salary packaging a car. • Given the significant amount of revenue this measure is expected to bring the government over the forward estimates, how reliable are the revenue forecasts in light of the sensitivities previously identified? • Has Treasury taken into consideration, when costing this Budget policy, that 	Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15	Australian Taxation Office	5.0	30.0	140.0	335.0	460.0		
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BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>there are in fact 2 methods for calculating FBT for cars (statutory and operating cost method), and that surely most individuals and businesses will look to minimise this expense through switching the method used to calculate their liability?</p> <ul style="list-style-type: none"> Given the above, what impact will this have on the expected revenue to be raised over the forward estimates? 			
80	Revenue Group	Bushby	Marginal Tax Rates	<p>Can you advise what will be the top and second-top marginal tax rates facing individual taxpayers in 2011-12, taking into account the medicare levy, the medicare levy surcharge and the flood tax?</p> <p>In light of these high marginal tax rates, can you advise me what work Treasury is currently doing for the government on achieving its “aspirations for the tax system”, set out in the 2008-09 Budget (BP #1, p. 1-10), to:</p> <ul style="list-style-type: none"> Reduce the number of marginal tax rates from four to three; Reduce the top marginal tax rate to 40%; and Reduce the second-top marginal tax rate to 30% <p>by 2013-14, now only two years away?</p>	Written	01/07/2011	
81	Revenue Group	Bushby	Excise on Tobacco	<p>Could Treasury advise what assumptions they have used when forecasting these increases in revenue from tobacco excise over the forward estimates?</p> <p>If quantities are forecast to increase over time – does this increase incorporate a reduction in consumption based on the government’s proposal for plain packaging of tobacco products?</p> <p>Has Treasury been asked to model the effect of the government’s proposal to introduce plain packaging for tobacco and its likely impact on forecast excise revenue?</p> <p>Can you take us through how the proposed plain packaging initiative will impact the government’s forecast excise revenue from tobacco?</p> <p>The legislation is planned to take effect from 1 July 2012, the year the Government is forecasting a surplus. Will the surplus be affected by a reduction in excise on tobacco as a result of these changes?</p>	Written	12/10/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled																																				
82	Markets Group	Bushby	Future of Financial Advice	<p>Has the Treasury performed any research on overseas regulation re payment for advice in relation to its FoFA reform work?</p> <p>If so could you advise the committee so that the following matrix can be completed...with tick in the box if the country concerned has banned payments to financial planners in relation to superannuation products, managed investments and life insurance?</p> <p>Tick if country has banned payments for advice in relation to product genre.</p> <table border="1"> <thead> <tr> <th>Product</th> <th>Super</th> <th>Managed Investment</th> <th>Life Insurance</th> </tr> </thead> <tbody> <tr> <td>USA</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Canada</td> <td></td> <td></td> <td></td> </tr> <tr> <td>UK</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Hong Kong</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Singapore</td> <td></td> <td></td> <td></td> </tr> <tr> <td>New Zealand</td> <td></td> <td></td> <td></td> </tr> <tr> <td>South Africa</td> <td></td> <td></td> <td></td> </tr> <tr> <td>France</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Product	Super	Managed Investment	Life Insurance	USA				Canada				UK				Hong Kong				Singapore				New Zealand				South Africa				France				Written	26/07/2011	
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83	Markets Group	Bushby	General modelling/mark et impacts	<p>What modelling has been done on the impact of the FoFA reforms?</p> <p>Does Treasury expect the number of financial advisers to increase or decrease in the short to medium term?</p> <p>Has the increased cost to industry of the reforms been estimated? If not why not?</p> <p>Does Treasury expect compliance costs to increase for advisers compared to current levels?</p>	Written	4/10/2011																																					

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>What is the expected increase in compliance costs for advisers?</p> <p>What is the expected impact on the cost of advice?</p> <p>Does Treasury expect more people to seek advice as a result of these reforms?</p> <p>What market impacts does Treasury expect as a result of the reforms: more or less competition? Greater or lesser industry concentration? Impact on small business? Greater or lesser choice of products and investment platforms?</p>			
84	Markets Group	Bushby	Intra-fund advice	<p>Why has Intra-Fund Advice (IFA) been carved out of FoFA?</p> <p>If IFA is ongoing, why is it not subject to the renewal?</p> <p>On what basis is it appropriate to allow personal advice delivered by a superannuation fund to be cross-subsidised? Doesn't this place non-superannuation funds at a competitive disadvantage?</p> <p>Will super fund members paying for cross-subsidised advice be able to opt-out of the advice cost if they do not wish to access the advice?</p>	Written	13/07/2011	
85	Markets Group	Bushby	Insurance	<p>Can you explain the rationale for why commissions have been banned inside super?</p> <p>Why has the same type of insurance advice been treated differently depending on whether a client pays for it out of superannuation or other moneys?</p> <p>Has Treasury considered how advisers are to discharge their best interest duty in the context of differential remuneration arrangements? Is Treasury concerned about the conflict this will create - a conflict that does not exist today?</p> <p>If the total cost (advice plus premium) is lower when the premium is bundled with a commission, why are superannuation fund members not able to choose the most affordable mechanism to take out their life insurance?</p>	Written	08/08/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Has Treasury modelled the impact on under-insurance of this measure?</p> <p>If this measure results in a reduction in insurance coverage, will this ultimately cost the government through increased social security/welfare outlays?</p>			
86	Corporate Services Group	Bushby	Consultants	<p>In AET85, you provide a list of consultants used. I note on the same date, 28/9/09, 3 different consultants were engaged, at a total cost of \$100,500, each listed as providing ergonomic assessment / evaluations, rehabilitation services and occupational health and safety training.</p> <ul style="list-style-type: none"> • Why were 3 consultants engaged on the same day to provide the same services? Was it different aspects of, or different geographical locations? <p>I also see in AET85, that Open Mind research has been allocated an amount of \$972,763 to provide market research services for tax reform information campaign.</p> <ul style="list-style-type: none"> • What were these services, what was their brief, with whom did they conduct research and when did they report? <p>I also see in AET85 that the sum of \$2,400,000 has been allocated to The Shannon Company and that it has been paid over \$1.5m to provide creative agency services for tax reform information campaign.</p> <ul style="list-style-type: none"> • What were these services, what was their brief, with and how far are they through the campaign? • • Is the remaining \$1m still in the budget for future spending? <p>I also see in AET85 that Point Project Management P/L was paid \$418,817 to provide engineering consultancy services to Treasury.</p> <ul style="list-style-type: none"> • What were these services and what was their brief? 	Written	19/07/2011	
87	Fiscal Group	Bushby	Debt Ceiling	<p>I note that within a couple of years of lifting the debt ceiling under which the Government can operate from \$75 billion, which was essentially a cash flow operating figure, to \$200 billion, we are now facing the need to increase it again</p>	Written	7/10/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>to \$250 billion.</p> <ul style="list-style-type: none"> • On Treasury's projections and forecasts and in the absence of a major economic shock, is this the highest we will need to take the debt ceiling? • What legislative changes need to be made to allow this increase? • How many such legislative changes have been made in the past? Were they made through a specific bill or as part of other bills? • When was the last time it was included in an Appropriation Bill? 			
88	Treasury	Bushby	In relation to SBT 59	<p>In SBT 59, it is noted that work is proceeding on the Delivering for Seniors – greater protection on reverse mortgages policy. Where is that now at? Are there any timelines that the Government has placed on meeting any milestones in delivering this policy? If so, what are they?</p> <p>Where are we at with the Tax System Advisory Board?</p> <p>Where are we at with the Fairer Simpler Superannuation?</p> <p>Tax compliance – addressing fraudulent phoenix activity?</p>	Written	19/07/2011	
89	Revenue Group	Bushby	In relation to AET 95	Improving the operation of anti-avoidance provisions in the income tax law?	Written	19/08/2011	
90	Markets Group	Bushby	In relation to AET 116	At the last estimates, I asked on notice, for details of the differences between dates on the initial website for the Competitive and Sustainable Banking System reforms and those that were likely at that date. The answer fails to provide these details. Can you provide the details of what were the indicative only consultation timeframes that were published publicly on that website at the time of the release of that package?	Written	19/07/2011	
91	ATO	Bushby	ATO – compensation to taxpayer	On how many occasions during 2010 did ATO find it necessary to compensate a taxpayer because ATO had caused a wrong to a taxpayer?	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>How many apologies have been issued?</p> <p>How do these statistics compare to previous years?</p> <p>When will ATO be posting on its web site data on the use of its coercive powers?</p> <p>When will ATO be posting on its web site its policy and procedures in relation to its use of coercive powers?</p> <p>What plans does ATO have to publish comprehensive data on compliance costs for taxpayers, and then publish targets for reduction of compliance costs for taxpayers in the same way that tax authorities do in, for example, the UK and NZ.</p>			
92	ATO	Bushby	ATO – AFR article of 26 May 2011	<p>Has ATO read the article by Hannah Low in the AFR of 26 May 2011, page 7 entitled ‘QC alleges deals for tax evaders’?</p> <p>The article reports that ‘In an unrelated case this week, lawyers for DPP told the court the ATO had failed to disclose documents of “principal” importance to the case. The information came to light after the DPP interviewed an ATO auditor, but the ATO had not yet handed it over even though the DPP might have a “duty of disclosure” to deliver the new documents lawyers said’.</p> <p>Is this particular report correct?</p> <p>Why hasn’t the ATO handed over the documents?</p> <p>When will ATO provide the materials to DPP?</p> <p>Has ATO provided the AFR with a response to this article?</p> <p>What can ATO do to ensure that the DPP embarks on cases in compliance with its obligations as a model litigator, but also has full knowledge of salient material to ensure that it is sufficiently informed to ensure that its actions bring to the court all available</p>	Written	26/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>material evidence?</p> <p>Would the ATO agree that the current model litigant rules are too loose and do not impose a serious burden on agencies, with no apparent sanctions for poor behaviour – if so is it time that they were enshrined in statute and become justiciable?</p>			
93	ATO	Bushby	ATO Business Line	<p>When calling the ATO Business Line (13 28 66) and you select option to speak to an operator you are often told “our service is currently experiencing peak demand”. This has happened during AM, Midday and PM hours over a number of weeks/days.</p> <ul style="list-style-type: none"> • Has the ATO had any change in staffing numbers of their business line call centre? • Have they experienced increased calls over the past one, two, three months? • Have they experienced fewer calls over the past one, two, three months? • Have they had a reduction/increase in funding for the business line call centre? (i.e. could ask if it is due to the Efficiency Dividend). • Have they received complaints from the public regarding these issues? • Please explain why callers are not able to get through. • What will the ATO do to resolve this issue? <p>When callers do manage to get through they are told that they will have to wait in excess of one hour to talk with someone. Why is this?</p>	Written	26/07/2011	
94	ATO	Bushby	ATO – in relation to AET 98	<p>I refer to the ATO answers to my Questions on Notice AET 98 (RE Saxby v R), and now seek answers to the following questions:</p> <p>During the past 25 years is it correct to say that there are no other reported cases of taxpayers being prosecuted by the Commonwealth for making a false representation in</p>	Written	26/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>an objection to a tax assessment?</p> <p>If this is the case then is it correct to say that ATO has adopted a new policy in the administration of its parent Act to prosecute taxpayers who make false representations in objecting to a tax assessment?</p> <p>Does the ATO have an internal policy which sets out which cases will be taken for prosecution and which ones will not (e.g. false statements on tax objections)?</p> <p>Has the ATO published any statements on this matter other than the statement in its answers to QoN AET 98?</p> <p>If there have been no prosecutions in relation to the matter above, other than Saxby, when will the ATO advise the Government of its decision to change a longstanding practice in the way it administers its Act?</p> <p>How many similar cases (false statement in objections to an assessment) are currently before the DPP, and did the ATO bring these cases to notice of the DPP?</p> <p>What is the procedure for ATO bringing a matter before the DPP?</p> <p>Can the ATO advise the Senate to the best of its knowledge whether it knows of any tax cases which have been initiated by the DPP without a reference by the ATO and/or a reference by another Commonwealth Agency other than ATO?</p> <p>Is it therefore correct to say that a taxpayer engaged in an objection to an ATO assessment risks the prospect of three possible outcomes in relation to a tax assessment in dispute:</p> <ul style="list-style-type: none"> Liability for tax owed to ATO plus penalty tax and statutory interest charges; Liability for criminal prosecution, for example, for conspiring to defraud the ATO; and Liability for criminal prosecution for making a false statement in a tax objection. 			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				If this is the case then has the ATO issued warnings (especially in relation to self incrimination) to taxpayers who object to a tax assessment advising that they could be subject to at least three adverse outcomes should they not be in compliance with their tax obligations if there are such warnings on the objection forms please furnish a copy to Senate.			
95	ATO	Bushby	ATO – ATO Media function	<ul style="list-style-type: none"> • Which Division and Branch of ATO is responsible for media and public relations? • What are the main functions of ATO's media function – which campaigns and issues are currently a priority? Which media is given priority? • What is the reporting line for this ATO function? • What are the total number of SES and non SES staff allocated to this function? • Where are these members located by city and regional centre? • What is the sectional break up of personnel in this division/branch? • What is the total annual budget cost for the ATO media and public relations function? • How many trained journalists does ATO employ? • Does ATO have its own media clipping and monitoring facility, and how many ATO officers perform this function? • What is the total cost of externally provided media clipping services? • How does ATO ensure that its media and public relations teams respect the statutory privacy obligations applicable to ATO staff? • Does the ATO have a 'Chinese wall' between its media and operational functions, and how does this operate and with what checks and balances? • Do non-media staff make contact with the media, if so for what reasons and with what checks and balances? • How does ATO educate, train and trains its media staff in their ATO privacy obligations? • During the past 5 years have there been any instances where media briefings by ATO officials have breached their statutory obligations, and if so what were the follow up procedures? 	Written	26/07/2011	
96	ATO	Bushby	ATO – Trust Streaming Draft Legislation	I refer to the Assistant Treasurer's announcement on 16 December 2010 to conduct a public consultation as the first step towards updating the trust income tax provisions in Division 6 of Part III of the Income Tax Assessment Act 1936. On 4 March 2011, a	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>discussion paper was released to better align the concept of “income of the trust estate” with “net income of the trust estate”; and to enable the streaming of capital gains and franked distributions. Substantial feedback however pointed out the complexities involved, and the Government then sensibly decided to defer the better alignment concept until the proposed broader rewrite of Division 6.</p> <p>The Government is now proceeding with draft legislation to enable the streaming of capital gains and franked distributions.</p> <p>The ATO stated on 28 April 2011 “Therefore in framing a resolution, a trustee may need to also consider its tax effect should the law not be enacted as proposed.” This is an uncertain outcome.</p> <p>When faced with uncertainty after the 2010 High Court decision in Bamford’s case, the ATO in its Practice Statement Law Administration, PS LA 2010/1, effectively permitted an amnesty for 30 June 2010 streaming.</p> <p>Why cannot the same amnesty be extended for 30 June 2011, rather than making taxpayers wait for complex legislation to hopefully be passed between now and 30 June? The chances of getting rushed legislation correct from the outset is highly unlikely and will only add to the confusion of small business owners and their advisers.</p>			
97	Revenue Group	Bushby	ATO – Division 7A – Unpaid Present Entitlements (“UPEs”)	<p>During 2009 and 2010 the ATO announced a quantum change to the previously understood application of Division 7A of Part III of the Income Tax Assessment Act 1936 to unpaid UPEs between a trust and a private company beneficiary.</p> <p>The ATO’s view that a UPE turns into a Division 7A loan was widely criticised and challenged by the professional bodies as being legally incorrect and inconsistent with the original policy intent of Division 7A.</p> <p>Despite this, the ATO published its final view in Taxation Ruling, TR 2010/3 on 2 June 2010, and provided difficult to understand administrative solutions in its Practice Statement Law Administration, PS LA 2010/4, on 14 October 2010.</p> <p>Because none of this changed ATO view is supported by legislation, we now have small business owners trying to work with provisions that are difficult to analyse and apply.</p>	Written	3/08/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>This is made worse by the possibility of a future Court decision following the legislation rather than the ATO's view, when the small business owner has tried to follow the ATO's currently published view.</p> <p>Section 109RB of Division 7A allows the Commissioner of Taxation to exercise his discretion to disregard the operation of Division 7A in certain circumstances where there has been "an honest mistake or inadvertent omission".</p> <p>The ATO has issued its views in Taxation Ruling, TR 2010/8 on 15 December 2010, but is still finalising its administrative solutions in draft Practice Statement Law Administration, PS LA 2843 (draft), which was issued on 31 March 2011. The time that this is taking demonstrates the difficulty that even the ATO is experiencing.</p> <p>Small business owners and their advisers are now trying to deal with the fall out of the ATO's administrative pronouncements, where certain actions are required by 30 June 2011, the date when 30 June 2010 UPEs convert to a Division 7A loan unless certain steps are taken.</p> <p>These administrative pronouncements have had, and continue to have, significant impacts on small business structuring , tax planning and tax compliance.</p> <p>If the ATO's view regarding UPEs is correct, then why is the legislation not changed to clearly reflect this?</p>			
98	ATO	Bushby	Education Tax Refund	<p>On 24 July 2010, the Australian reported that the number of eligible children for the ETR the Government were using at estimated at 2.1 million, when the assumptions were previously said be 2.7 million, a difference of 600,000 children.</p> <p>The article reported that the ATO tax office told the government some two weeks earlier that a more accurate estimate was that only 2.1 million students were eligible for the education tax rebates.</p> <ul style="list-style-type: none"> • When did the ATO first become aware of more accurate estimates for eligible children? • Why was the 2.1 million figure deemed to be more accurate by the ATO than 	Written	2/08/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled								
				the 2.7 million? What was the basis for the change?											
99	ATO	Bushby	Funds expended 2008/09 Budget year	<p>The ETR was a 2008–09 budget measure, which had its basis in a 2007 ALP election policy commitment. At the time, the ETR was originally estimated to cost \$4.4 billion over four years (<i>Tax Laws Amendment (Education Refund Bill) 2008</i>.</p> <table border="1"> <thead> <tr> <th>2008-09 (\$m)</th> <th>2009-10 (\$m)</th> <th>2010-11 (\$m)</th> <th>2012-13 (\$m)</th> </tr> </thead> <tbody> <tr> <td>1015</td> <td>1095</td> <td>1135</td> <td>1165</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • For the 2008/09 year, how much of the 1015 million was expended? • For the 2008/09 year if the 1015 was not fully expended, how much was underspent? • For the 2008/09 year if underspent, what accounted for the underspend? • For the 2008/09 year eligible expenses for the ETR included the purchase, lease or hire-purchase of, computers and computer-related equipment, such as printers and disability aids, and associated costs, a home Internet connection, computer software, school textbooks and other paper-based school learning material, including stationery. Is it possible to provide a breakdown of claims by item type, for example information that will give an indication of the most popular type of item claimed, ranging to the least popular etc..? <p>For the 2008 -2009 income year parents could claim a maximum refund of \$375 for each primary school child, and a maximum refund of \$750 for each secondary school child.</p>	2008-09 (\$m)	2009-10 (\$m)	2010-11 (\$m)	2012-13 (\$m)	1015	1095	1135	1165	Written	19/07/2011	
2008-09 (\$m)	2009-10 (\$m)	2010-11 (\$m)	2012-13 (\$m)												
1015	1095	1135	1165												
100	ATO	Bushby	Rebates for 2008/09 Budget year	<p>I noted that PM's press release of 22 January 2010 provided some statistics based on data from the ATO on the ETR such as "According to the ATO, as at 13 November 2009, 794,720 claims for the Education Tax Refund have been processed for 1,375,167 children of an estimated 2,669,000 eligible children. Of the 1,375,167 eligible children, approximately 740,000 are primary school children and 635,000 are secondary school children. Only \$488 million of the projected \$1.02 billion cost has been claimed in tax refunds. Of the 794,720 ETR claims processed, 259,150 claims (32.6</p>	Written	19/07/2011									

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p><i>per cent) were for the maximum entitlement and 535,570 claims (67.4 per cent) were for a proportion of the maximum entitlement. The average amount claimed for primary school students was \$246.99 while the average for secondary school students is \$495.73”.</i></p> <ul style="list-style-type: none"> • Which agency provides advice to the Treasury on the number of eligible children for the purpose of the 2008/09 forecasts and how often was information provided? • How many claims were processed by the ATO for the eligible primary school children for the 2008/09 year? • What was the total number of eligible primary school children for the 2008/09 year? • How many claims were processed by the ATO for the eligible secondary school children for the 2008/09? What was the total number of eligible secondary school children for the 2008/09 year? • Can you please provide, in percentage terms the amount of rebates claimed for (1) primary schools children and (2) secondary school children and (3) percentage of the total eligible population. • What was percentage of processed ETR claims for the maximum entitlement for the 2008/09 year for claims for primary school children? (for example of the \$375.00 how many claims were fore the full \$375.00) • What was average claim percentage of processed ETR claims for the maximum entitlement for the 2008/09 year for claims for primary school children? (for example of the \$375.00 what was the average claim in dollar figures out of the full \$375.00) • What was percentage of processed ETR claims for the maximum entitlement for the 2008/09 year for claims for secondary school children? (for example of the \$750.00 how many claims were fore the full \$750.00) <p>What was average claim percentage of processed ETR claims for the maximum entitlement for the 2008/09 year for claims for primary school children?</p>			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
101	ATO	Bushby	Funds expended 2009/10 Budget year	<p>I note that the estimates for the education tax refund changed very little in the 2009/10 Budget, where the Australian Taxation Office Budget Statements (page 204) estimated expenses were still at 1,015 million for 2008-2009 in comparison with the figures provide in the <i>(Tax Laws Amendment (Education Refund Bill) 2008</i>.</p> <ul style="list-style-type: none"> • According to the Australian Taxation Office Budget Statements (page 204) estimated expenses were still reduced for 2009/10 to 1062 million, differing from the figures provide in the <i>(Tax Laws Amendment (Education Refund Bill) 2008 which estimated</i> 1095 million for 2009/10. What was the reason for the variation? • For the 2009/10 year, how much of the 1062 million was expended? • For the 2009/10 year if the 1062 was not fully expended, how much was underspent? • For the 2009/10 year if underspent, what accounted for the underspend? • For the 2009/10 year eligible expenses for the ETR included the purchase, lease or hire-purchase of, computers and computer-related equipment, such as printers and disability aids, and associated costs , a home Internet connection ,computer software, school textbooks and other paper-based school learning material, including stationery. Is it possible to provide a breakdown of claims by item type, for example information that will give an indication of the most popular type of item claimed, ranging to the least popular etc..? 	Written	19/07/2011	
102	ATO	Bushby	Rebates for 2009/10 Budget Year	<p>For the 2009 -2010 income year parents could claim a maximum refund of \$390 for each primary school child, and a maximum refund of \$779 for each secondary school child.</p> <ul style="list-style-type: none"> • How many claims were processed by the ATO for the eligible primary school children for the 2009/10 year? • What was the total number of eligible primary school children for the 2009/10 year? • How many claims were processed by the ATO for the eligible secondary school children for the 2009/10? What was the total number of eligible secondary 	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled										
				<p>school children for the 2009/10 year?</p> <ul style="list-style-type: none"> • Can you please provide, in percentage terms the amount of rebates claimed for (1) primary schools children and (2) secondary school children and (3) percentage of the total eligible population. • What was percentage of processed ETR claims for the maximum entitlement for the 2009/10 year for claims for primary school children? (for example of the \$390.00 how many claims were fore the full \$390.00) • What was average claim percentage of processed ETR claims for the maximum entitlement for the 2009/10 year for claims for primary school children? (for example of the \$390.00 what was the average claim in dollar figures out of the full \$390.00) • What was percentage of processed ETR claims for the maximum entitlement for the 2009/10 year for claims for secondary school children? (for example of the \$779.00 how many claims were fore the full \$750.00) <p>What was average claim percentage of processed ETR claims for the maximum entitlement for the 2009/10 year for claims for primary school children? (for example of the \$779.00 how many claims were fore the full \$779.00).</p>													
103	ATO	Bushby	Funds expended 2010/11 year to date	<p>The estimates for the 2010-11 budget measure for the ETR were substantially different to the estimates in the 2009/10 ATO Budget statements. For example, the 2009/10 Budget statements indicated that the original estimate for the ETR was 1062 million, and then the 2010/11 statements put this at 515 million.</p> <table border="1"> <thead> <tr> <th>2009-10 (\$m)</th> <th>2010-11 (\$m)</th> <th>2011-12 (\$m)</th> <th>2012-13 (\$m)</th> <th>2013-14 (\$m)</th> </tr> </thead> <tbody> <tr> <td>515</td> <td>742</td> <td>858</td> <td>888</td> <td>933</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Why was the forecast so different? i.e 1062 million to 515 million? • For the 2010/11 year, how much has been expended to date? • For the 2010/11 year were there any difference in eligible expenses for ETR compared with previous years for items? I.e the purchase, lease or hire-purchase 	2009-10 (\$m)	2010-11 (\$m)	2011-12 (\$m)	2012-13 (\$m)	2013-14 (\$m)	515	742	858	888	933	Written	19/07/2011	
2009-10 (\$m)	2010-11 (\$m)	2011-12 (\$m)	2012-13 (\$m)	2013-14 (\$m)													
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				of, computers and computer-related equipment, such as printers and disability aids, and associated costs , a home Internet connection ,computer software, school textbooks and other paper-based school learning material, including stationery.			
104	ATO	Bushby	Claims to date for 2010/11 Budget year	<p>For the 2010 -2011 income year parents can claim a maximum refund of \$397 for each primary school child, and a maximum refund of \$794 for each secondary school child.</p> <ul style="list-style-type: none"> • Which agency provides advice to the Treasury on the number of eligible children and how often if this information provided? • How many claims have been processed by the ATO for the eligible primary school children for the 2010/11 year to date? • What is the estimated total number of eligible primary school children for the 2010/11 year? • How many claims have been processed by the ATO thus far for the eligible secondary school children for the 2010/11? What is the total estimated number of eligible secondary school children for the 2010/11 year? • Can you please provide, in percentage terms the amount of rebates claimed thus far for (1) primary schools children and (2) secondary school children and (3) percentage of the total eligible population. • What was percentage of processed ETR claims thus far for the maximum entitlement for the 2010/11 year for claims for primary school children? (for example of the \$390.00 how many claims have been for the full \$390.00) • What was average claim percentage of processed ETR claims for the maximum entitlement for the 2010/11 year for claims for primary school children? (for example of the \$390.00 what was the average claim in dollar figures out of the full \$390.00) • What was percentage of processed ETR claims to date for the maximum entitlement for the 2010/11 year for claims for secondary school children? (for example of the \$750.00 how many claims have been for the full \$750.00) 	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				What was average claim in percentage terms of processed ETR claims to date for the maximum entitlement for the 2010/11 year for claims for primary school children?			
105	Revenue Group	Bushby	Costing to include school uniforms from 2011/12	<p>In relation to the Government's commitment to include school uniform expenses (uniforms purchased after 1 July 2011 will be claimable in the 2011-12 financial year.</p> <ul style="list-style-type: none"> • Did ATO undertake the modelling on how much the inclusion of the school uniform would increase the amount of claimable families (i.e the "take-up") of the ETR? If so, what is the predicated increase in the take-up of the ETR? • Did projections ATO undertake any projections to account for an increase in the average amount claimed per child as a result of the inclusion of the ETR? If so, what the prediction? 	Written	08/08/2011	
106	ASIC	Bushby	Compulsory training	What compulsory training do ASIC officers complete regarding the existence of and compliance with the 20 principles set out by the Administrative Review Committee?	Written	08/07/2011	
107	ASIC	Bushby	Compliance	What measures are in place to ensure that notices seeking information of compliance with certain matters, are accurate and targeted, so as to avoid the imposition of considerable expense and effort by those subject to the notices, in meeting that required, on matters not relevant to any investigation?	Written	19/07/2011	
108	ASIC	Bushby	Coercive powers	Can you outline the general approach provided to the time taken to comply by those subject to ASIC's coercive powers? For example, how would you ensure that notices requiring documents to be prepared/found/delivered etc include sufficient and reasonable time to enable the subject to comply, without placing unreasonable burdens on them or their businesses?	Written	19/07/2011	
109	ASIC	Bushby	Reductions in time to comply	Has there been any reduction in the time to comply available under any of your coercive powers in recent years? To what extent are the times provided for compliance under your respective powers at ASIC's discretion?	Written	19/07/2011	
110	ASIC	Bushby	Section 912C	Are section 912C Notices ever used to compel the production of documents? Does ASIC consider this section provides the power to compel the production of documents?	Written	19/07/2011	

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111	ASIC	Bushby	Formal and informal powers	Does ASIC acknowledge that the use of a formal coercive power to require certain information to be disclosed can in many circumstances protect a company etc from allegations of breaches of other duties it might have, such as confidentiality, privacy or secrecy? Where a company is requested to informally disclose information to ASIC and that company refuses because of such a duty, does this have any impact on how ASIC would subsequently conduct its investigation or otherwise treat that company? Why would ASIC use an informal request for such information when it has formal powers under which it can conduct investigations?	Written	19/07/2011	
112	ASIC	Bushby	Personnel in investigatory teams	How does ASIC ensure that changes to personnel in investigatory teams does not lead to doubling up of compliance burdens by those subject to notices – ie, what measures are in place to ensure that they wont be asked for the same information again, ore similar overlap in investigatory burden?	Written	19/07/2011	
113	ASIC	Bushby	Production of information in prescribed formats	Is it the case that ASIC is now requiring the production of some information in prescribed formats? What consideration was given to the regulatory compliance impact of requiring this prior to adopting this requirement?	Written	19/07/2011	
114	ASIC	Bushby	Return of documents in timely manner	What processes and timelines are in place to ensure that documents provided to ASIC are returned in a timely manner?	Written	06/07/2011	
115	ASIC	Bushby	S19 Examination	What power exists for ASIC to adjourn or hold over a s19 examination to another date?	Written	19/07/2011	
116	ASIC	Bushby	Production of documents outside S19 examination	Does ASIC consider s19 provides it with the power to demand production of documents outside of a s19 examination?	Written	19/07/2011	
117	ASIC	Bushby	S13 and s19	To what extent does an examination under s19 need to be relevant to an investigation commenced under s13? Does ASIC consider it has the power during a s19 examination to ask questions on matters beyond that relevant to an investigation commenced under s13?	Written	19/07/2011	
118	ASIC	Bushby	Superannuation	Do you think that the representative trustee model is outmoded, now that we are in a Choice of Fund environment, and many industry super funds are public offer and contain members with no direct connection to the industry represented?	Written	08/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Can (or does) ASIC regulate specific conflicts of interest that arise from mandatory equal representation on trustee boards?</p> <p>For example, the <i>Australian Financial Review</i> reported on 27 May 2011 that ASU nominated trustees are preventing Vision Super from merging with Equipsuper – even though the merger was approved by APRA – because they would have to be elected rather than appointed. The collapse of this \$9b merger could have serious financial consequences for 100,000 Vision Super members, because most of the fund's assets are in a defined benefit fund that has already come under pressures as older members retire.</p> <p>Some super funds have billions of dollars of funds under management, yet do not declare the remuneration of their trustees. Do you think this is appropriate?</p> <p>Will the Government's proposal to ban commissions on life insurance sold within super – but not outside super – increase the upfront cost of life insurance sold through super and induce regulatory arbitrage?</p>			
119	APRA	Bushby	Mergers of superannuation funds	<p>I note the exchange on 24 Feb 2011 between Senator Cormann and APRA on the prudential issues which arise in relation to mergers of superannuation funds. The answers by APRA, unfortunately, were narrower in scope and focus than would have been anticipated and, instead, focussed solely on the potential cost reduction benefits which might accrue as a result of economies of scale.</p> <p>Consequently, there was no mention of the more critical prudential risks which might arise in mergers of superannuation funds, for example, loss of investment earnings when funds liquidate assets, loss of liquidity as a result of integrating funds with different member and investment profiles, loss of member records, loss of trustee supervision and attention during the transition, breakdowns in customer service standards (e.g. causing delays in processing switch transactions in the midst of volatile markets), loss of key management personnel and wastage of corporate memory capability.</p> <p>By reading in the AFR on 1 March 2011, I found that APRA does have a concern (which it did not convey to the Committee) on these material manifestations of prudential risk. In this regard one of APRA's senior managers, Greg Brunner, has apparently written to trustees warning them of the inherent risks of merger procedures, and alerting them inter</p>	Written	22/07/2011	

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				<p>alia to take care to avoid conflicts of interest.</p> <ul style="list-style-type: none"> Without naming funds, could you instance practical examples of these concerns, and what has APRA done to rectify the matters? Can APRA provide to the committee the relevant correspondence between APRA and its regulated funds on this matter? 			
120	APRA	Bushby	Fund Returns	<p>I note that at the last Estimates, ABS indicated that it had no knowledge of the controversy which has long surrounded the publication of super fund returns. (sustained criticism in trade and general media of APRA's methodology in formulating super fund return data).</p> <ul style="list-style-type: none"> Doesn't APRA consult with ABS on its Super Fund collections, including fund returns? Has the fund return issue been placed on the APRA/ABS meeting agendas? Has APRA given thought to using ABS expertise in its future data collection so as to enhance its super fund return data, and thereby minimise the controversy and noise which surrounds the release of APRA data? Has APRA considered allowing ABS to sample return data and thereby produce quarterly and reliable and up to date (APRA data is 12 months stale by the time it is released) data based on representative samples of super funds from the various segments, including self managed super funds? What is the annual internal cost of APRA's super fund return data collection, and what would it cost to outsource this function to an external provider who would collect the data from a representative sample and publish same within one month of each data period close? 	Written	22/07/2011	
121	APRA	Bushby	MTAA Super fund	<p>What is the mandate and powers that APRA has conferred on Jane Paskin in relation to MTAA's affairs?</p> <p>What events triggered the decision of APRA to appoint a special counsel in relation to MTAA?</p>	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>What is the cost of appointing special counsel to investigate certain investment decisions of the Trustee?</p> <p>Does APRA have sufficient resources to conduct such investigations, and if not why not?</p> <p>What advice has the MTAA given its members re APRA's appointment of special counsel?</p> <p>For how long has APRA been taking a special interest in MTAA, beyond the regulatory effort allocated to a superfund of MTAA's size, and what costs both salary and non salary has APRA incurred?</p> <p>Has APRA considered making changes to the governance structure and if so what options does it have under SIS?</p> <p>Is APRA satisfied that currently the Board of Trustees is a workable and cooperative body, and if not what measures will APRA take to ensure that Member moneys are protected?</p> <p>Is APRA satisfied that MTAA's current investment strategy is in accordance with SIS?</p> <p>In relation to the FWA decision to give MTAA default fund status for SG moneys, did FWA seek APRA's advice on the appropriateness or otherwise of this decision?</p> <p>If APRA advice was sought what was that advice?</p>			
122	ACCC	Bushby	Predatory pricing	<p>Do you think the current powers to deal with predatory pricing under s46(1) and s46(1AA) and related sections of the Competition and Consumer Act are adequate?</p> <p>How many complaints of predatory pricing have been received by the ACCC in 2010-11?</p> <p>How many have been investigated by ACCC?</p>	Written	19/07/2011	

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				<p>How many have warranted a case being brought by the ACCC?</p> <p>How many convictions in the last year have the ACCC?</p> <p>What are the main impediments in prosecutions for predatory pricing?</p> <p>Before a prosecution, what is the internal process in the ACCC of determining whether a firm is engaging in predatory pricing “for the purpose of eliminating or substantially damaging a competitor”? (contained in s46(1) CCA).</p> <p>How does the ACCC assess whether a firm holds a ‘substantial market power’ in a market?</p> <p>Have the ACCC been successful in securing convictions or penalties in any cases under s46(1AA) of the CCA(‘Birdsville amendment’)? If not, why not?</p> <p>Did the ACCC investigate Coles or Woolworths under s46 or any related subsection of the Competition and Consumer Act?</p> <p>If so, what is the status of those investigations?</p> <p>Coles and Woolworths have repeatedly said their \$1 per litre milk is not below the cost price for the item. What powers does the ACCC have to verify these claims?</p> <p>Is the ACCC supportive of greater investigative powers to verify the claims that a firm with substantial market power is not, for an extended period of time, selling a good under their cost price?</p>			
123	ACCC	Bushby	Recinded s49 of the Trade Practices Act	<p>The National Association of Retailer Grocers of Australia has called for the reintroduction of section 49. We know that this was recinded after the Hilmer review in the mid 1990s.</p> <p>The ACCC has not expressed an opinion for almost half a decade on its reintroduction.</p> <p>Is it time for a debate on the reintroduction of s49 that outlawed price discrimination?</p>	Written	21/07/2011	

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124	ASIC	Bushby	ASIC - Media Monitoring	What was the total cost of media monitoring services, including press clippings, electronic media transcripts etcetera, provided to the Minister's office so far this financial year? Which agency or agencies provided these services?	Written	04/07/2011	
125	ACCC	Bushby	ACCC - Media Monitoring	What was the total cost of media monitoring services, including press clippings, electronic media transcripts etcetera, provided to the Minister's office so far this financial year? Which agency or agencies provided these services?	Written	15/07/2011	
126	ATO	Bushby	ATO - Media Monitoring	What was the total cost of media monitoring services, including press clippings, electronic media transcripts etcetera, provided to the Minister's office so far this financial year? Which agency or agencies provided these services?	Written	26/07/2011	
127	ASIC	Bushby	ASIC – Social Media	<p>Has the department instituted any changes to policies or protocols since last estimates that restrict or deny staff the use of Youtube; online social media, such as Facebook, MySpace and Twitter; and access to online discussions forums and blogs? If yes, please explain what changes have been put in place. Why were these changes put in place?</p> <p>Are staff utilising these sites during work hours? If yes, how many hours are spent on these sites? What time these sites are most accessed</p> <p>Will measures be introduced to restrict access to these sites?</p>	Written	19/07/2011	
128	ACCC	Bushby	ACCC – Social Media	<p>Has the department instituted any changes to policies or protocols since last estimates that restrict or deny staff the use of Youtube; online social media, such as Facebook, MySpace and Twitter; and access to online discussions forums and blogs? If yes, please explain what changes have been put in place. Why were these changes put in place?</p> <p>Are staff utilising these sites during work hours? If yes, how many hours are spent on these sites? What time these sites are most accessed</p> <p>Will measures be introduced to restrict access to these sites?</p>	Written	19/07/2011	
129	ATO	Bushby	ATO – Social Media	Has the department instituted any changes to policies or protocols since last estimates that restrict or deny staff the use of Youtube; online social media, such as Facebook, MySpace and Twitter; and access to online discussions forums and blogs? If yes, please	Written	19/07/2011	

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				<p>explain what changes have been put in place. Why were these changes put in place?</p> <p>Are staff utilising these sites during work hours? If yes, how many hours are spent on these sites? What time these sites are most accessed</p> <p>Will measures be introduced to restrict access to these sites?</p>			
130	ASIC	Bushby	ASIC – Efficiency Dividend	<p>Have there been any changes to your portfolio's approach to implementing the Government's savings election commitment of a maintaining the annual efficiency dividend on departmental expenses at 1.25 per cent since last estimates? If yes, give details.</p> <p>Will any agencies in your portfolio be seeking an exemption to implementing the efficiency dividend?</p>	Written	19/07/2011	
131	ACCC	Bushby	ACCC – Efficiency Dividend	<p>Have there been any changes to your portfolio's approach to implementing the Government's savings election commitment of a maintaining the annual efficiency dividend on departmental expenses at 1.25 per cent since last estimates? If yes, give details.</p> <p>Will any agencies in your portfolio be seeking an exemption to implementing the efficiency dividend?</p>	Written	19/07/2011	
132	ATO	Bushby	ATO – Efficiency Dividend	<p>Have there been any changes to your portfolio's approach to implementing the Government's savings election commitment of a maintaining the annual efficiency dividend on departmental expenses at 1.25 per cent since last estimates? If yes, give details.</p> <p>Will any agencies in your portfolio be seeking an exemption to implementing the efficiency dividend?</p>	Written	19/07/2011	
133	ASIC	Bushby	ASIC - Staffing Levels	<p>What is the total expenditure on staffing for the Department and for all portfolio agencies? What is the SES and non-SES breakdown?</p> <p>What are the current staffing levels for SES and non-SES officers?</p> <p>How many SES were employed in your Department and portfolio agencies as of today?</p>	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>What is the breakdown by each level (each SES band, each Executive Level band and each APS band)?</p> <p>What is the gender breakdown by each level (each SES band, each Executive Level band and each APS band)?</p> <p>What is the breakdown by location for each level (each SES band, each Executive Level band and each APS band)?</p> <p>What is the breakdown by each level of ongoing staff and non ongoing staff (each SES band, each Executive Level band and each APS band)?</p> <p>What have been the changes in staffing levels since February Estimates 2011? Why have these changes occurred? What have been the budgetary implications? In the case of reductions in staff numbers, how have these reductions been absorbed by the Department? What functions these staff performed have been sacrificed and why?</p> <p>Are there expected changes to current staffing levels over the next 12 months? If yes, provide details including a breakdown of each level staff (each SES band, each Executive Level band and each APS band) detailing the changes. Will this be different to what was reported in the 2010-11 Budget?</p> <p>Is there a target for staff reductions to achieve savings? What is that target and what strategy is being implemented to achieve this? Will staff reductions be used to achieve the Government's election commitment to maintain the 1.25 per cent efficiency dividend?</p> <p>Have any voluntary or involuntary redundancies been offered to staff? If so, how have staff been identified for such offers? Are there such plans for the future?</p> <p>How many permanent staff recruited since February Estimates 2011? What level are these staff? Where is their location?</p> <p>Since February Estimates 2011, how many employees have been employed on contract</p>			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>and what is the average length of their employment period?</p> <p>Have staffing numbers been reduced as a result of the current efficiency dividend and/or other budget cuts since February Estimates 2011? If so, where and at what level?</p> <p>Are there any plans for staff reduction? If so, please advise details i.e. reduction target, how this will be achieved, services/programs to be cut etc.</p> <p>What changes are underway or planned for graduate recruitment, cadetships or similar programs? If reductions or increases are envisaged please explain including reasons, target numbers etc.</p>			
134	ACCC	Bushby	ACCC - Staffing Levels	<p>What is the total expenditure on staffing for the Department and for all portfolio agencies? What is the SES and non-SES breakdown?</p> <p>What are the current staffing levels for SES and non-SES officers?</p> <p>How many SES were employed in your Department and portfolio agencies as of today?</p> <p>What is the breakdown by each level (each SES band, each Executive Level band and each APS band)?</p> <p>What is the gender breakdown by each level (each SES band, each Executive Level band and each APS band)?</p> <p>What is the breakdown by location for each level (each SES band, each Executive Level band and each APS band)?</p> <p>What is the breakdown by each level of ongoing staff and non ongoing staff (each SES band, each Executive Level band and each APS band)?</p> <p>What have been the changes in staffing levels since February Estimates 2011? Why have these changes occurred? What have been the budgetary implications? In the case of reductions in staff numbers, how have these reductions been absorbed by the Department? What functions these staff performed have been sacrificed and why?</p>	Written	19/07/2011	

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				<p>Are there expected changes to current staffing levels over the next 12 months? If yes, provide details including a breakdown of each level staff (each SES band, each Executive Level band and each APS band) detailing the changes. Will this be different to what was reported in the 2010-11 Budget?</p> <p>Is there a target for staff reductions to achieve savings? What is that target and what strategy is being implemented to achieve this? Will staff reductions be used to achieve the Government's election commitment to maintain the 1.25 per cent efficiency dividend?</p> <p>Have any voluntary or involuntary redundancies been offered to staff? If so, how have staff been identified for such offers? Are there such plans for the future?</p> <p>How many permanent staff recruited since February Estimates 2011? What level are these staff? Where is their location? Since February Estimates 2011, how many employees have been employed on contract and what is the average length of their employment period?</p> <p>Have staffing numbers been reduced as a result of the current efficiency dividend and/or other budget cuts since February Estimates 2011? If so, where and at what level?</p> <p>Are there any plans for staff reduction? If so, please advise details i.e. reduction target, how this will be achieved, services/programs to be cut etc.</p> <p>What changes are underway or planned for graduate recruitment, cadetships or similar programs? If reductions or increases are envisaged please explain including reasons, target numbers etc.</p>			
135	ATO	Bushby	ATO - Staffing Levels	<p>What is the total expenditure on staffing for the Department and for all portfolio agencies? What is the SES and non-SES breakdown?</p> <p>What are the current staffing levels for SES and non-SES officers?</p>	Written	26/07/2011	

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				<p>How many SES were employed in your Department and portfolio agencies as of today?</p> <p>What is the breakdown by each level (each SES band, each Executive Level band and each APS band)?</p> <p>What is the gender breakdown by each level (each SES band, each Executive Level band and each APS band)?</p> <p>What is the breakdown by location for each level (each SES band, each Executive Level band and each APS band)?</p> <p>What is the breakdown by each level of ongoing staff and non ongoing staff (each SES band, each Executive Level band and each APS band)?</p> <p>What have been the changes in staffing levels since February Estimates 2011? Why have these changes occurred? What have been the budgetary implications? In the case of reductions in staff numbers, how have these reductions been absorbed by the Department? What functions these staff performed have been sacrificed and why?</p> <p>Are there expected changes to current staffing levels over the next 12 months? If yes, provide details including a breakdown of each level staff (each SES band, each Executive Level band and each APS band) detailing the changes. Will this be different to what was reported in the 2010-11 Budget?</p> <p>Is there a target for staff reductions to achieve savings? What is that target and what strategy is being implemented to achieve this? Will staff reductions be used to achieve the Government's election commitment to maintain the 1.25 per cent efficiency dividend?</p> <p>Have any voluntary or involuntary redundancies been offered to staff? If so, how have staff been identified for such offers? Are there such plans for the future?</p> <p>How many permanent staff recruited since February Estimates 2011? What level are</p>			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>these staff? Where is their location?</p> <p>Since February Estimates 2011, how many employees have been employed on contract and what is the average length of their employment period?</p> <p>Have staffing numbers been reduced as a result of the current efficiency dividend and/or other budget cuts since February Estimates 2011? If so, where and at what level?</p> <p>Are there any plans for staff reduction? If so, please advise details i.e. reduction target, how this will be achieved, services/programs to be cut etc.</p> <p>What changes are underway or planned for graduate recruitment, cadetships or similar programs? If reductions or increases are envisaged please explain including reasons, target numbers etc.</p>			
136	ASIC	Bushby	ASIC – Consultancies	<p>How much has the Department spent on consultancy services this financial year? Please identify the name of the consultant, the subject matter of the consultancy, the duration and cost of the contract, and the method of procurement (ie. open tender, direct source, etc).</p> <p>How many consultancies have been undertaken or are underway since February Estimates 2011? Please identify the name of the consultant, the subject matter of the consultancy, the duration and cost of the contract, and the method of procurement (ie. open tender, direct source, etc).</p> <p>Is the Department/agency up to date with its reporting requirements on the Government's tenders and contacts website? Are the figures available on that site correct?</p> <p>Has there been any changes in the consultancies that are planned for this calendar year since February Estimates 2011? If yes, have these been published in your Annual Procurement Plan (APP) on the AusTender website and if not why not? In each case please identify the subject matter, duration, projected cost and method of procurement as above, and the name of the consultant if known.</p> <p>Could the Department provide a complete list of current consultancy services. For each consultancy, please indicate the rationale for the project and its intended use. For each consultancy, please indicate why the Department or its agencies could not have</p>	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				undertaken the work themselves.			
137	ACCC	Bushby	ACCC – Consultancies	<p>How much has the Department spent on consultancy services this financial year? Please identify the name of the consultant, the subject matter of the consultancy, the duration and cost of the contract, and the method of procurement (ie. open tender, direct source, etc).</p> <p>How many consultancies have been undertaken or are underway since February Estimates 2011? Please identify the name of the consultant, the subject matter of the consultancy, the duration and cost of the contract, and the method of procurement (ie. open tender, direct source, etc).</p> <p>Is the Department/agency up to date with its reporting requirements on the Government's tenders and contacts website? Are the figures available on that site correct?</p> <p>Has there been any changes in the consultancies that are planned for this calendar year since February Estimates 2011? If yes, have these been published in your Annual Procurement Plan (APP) on the AusTender website and if not why not? In each case please identify the subject matter, duration, projected cost and method of procurement as above, and the name of the consultant if known.</p> <p>Could the Department provide a complete list of current consultancy services. For each consultancy, please indicate the rationale for the project and its intended use. For each consultancy, please indicate why the Department or its agencies could not have undertaken the work themselves.</p>	Written	14/07/2011	
138	ATO	Bushby	ATO – Consultancies	<p>How much has the Department spent on consultancy services this financial year? Please identify the name of the consultant, the subject matter of the consultancy, the duration and cost of the contract, and the method of procurement (ie. open tender, direct source, etc).</p> <p>How many consultancies have been undertaken or are underway since February Estimates 2011? Please identify the name of the consultant, the subject matter of the consultancy, the duration and cost of the contract, and the method of procurement (ie. open tender, direct source, etc).</p>	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Is the Department/agency up to date with its reporting requirements on the Government's tenders and contracts website? Are the figures available on that site correct?</p> <p>Has there been any changes in the consultancies that are planned for this calendar year since February Estimates 2011? If yes, have these been published in your Annual Procurement Plan (APP) on the AusTender website and if not why not? In each case please identify the subject matter, duration, projected cost and method of procurement as above, and the name of the consultant if known.</p> <p>Could the Department provide a complete list of current consultancy services. For each consultancy, please indicate the rationale for the project and its intended use. For each consultancy, please indicate why the Department or its agencies could not have undertaken the work themselves.</p>			
139	ASIC	Bushby	ASIC – Advertising and Marketing	<p>How much has the Department and portfolio agencies spent on advertising and marketing since February Estimates? YTD?</p> <p>Could the Department provide a complete list of current contracts? Please indicate the rationale for each service provided and its intended use.</p> <p>What communications programs has the Department and portfolio agencies undertaken since October estimates and what communications programs are planned to be undertaken? For each program, what is the total spend?</p>	Written	08/07/2011	
140	ACCC	Bushby	ACCC – Advertising and Marketing	<p>How much has the Department and portfolio agencies spent on advertising and marketing since February Estimates? YTD?</p> <p>Could the Department provide a complete list of current contracts? Please indicate the rationale for each service provided and its intended use.</p> <p>What communications programs has the Department and portfolio agencies undertaken since October estimates and what communications programs are planned to be undertaken? For each program, what is the total spend?</p>	Written	14/07/2011	
141	ATO	Bushby	ATO – Advertising and	<p>How much has the Department and portfolio agencies spent on advertising and marketing since February Estimates? YTD?</p>	Written	27/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
			Marketing	<p>Could the Department provide a complete list of current contracts? Please indicate the rationale for each service provided and its intended use.</p> <p>What communications programs has the Department and portfolio agencies undertaken since October estimates and what communications programs are planned to be undertaken? For each program, what is the total spend?</p>			
142	ASIC	Bushby	ASIC - Discretionary Grants	<p>Could the Department provide a list of all discretionary grants, including ad hoc and one-off grants since February Estimates 2011? Please provide details of the recipients, the intended use of the grants and what locations have benefited from the grants.</p> <p>Has the Department complied with interim requirements relating to the publication of discretionary grants?</p>	Written	19/07/2011	
143	ACCC	Bushby	ACCC - Discretionary Grants	<p>Could the Department provide a list of all discretionary grants, including ad hoc and one-off grants since February Estimates 2011? Please provide details of the recipients, the intended use of the grants and what locations have benefited from the grants.</p> <p>Has the Department complied with interim requirements relating to the publication of discretionary grants?</p>	Written	19/07/2011	
144	ATO	Bushby	ATO - Discretionary Grants	<p>Could the Department provide a list of all discretionary grants, including ad hoc and one-off grants since February Estimates 2011? Please provide details of the recipients, the intended use of the grants and what locations have benefited from the grants.</p> <p>Has the Department complied with interim requirements relating to the publication of discretionary grants?</p>	Written	19/07/2011	
145	ASIC	Bushby	ASIC – Commissioned Reports	<p>How many Reports have been commissioned by the Government in your portfolio since February Estimates 2011? Please provide details of each report including date commissioned, date report handed to Government, date of public release, Terms of Reference and Committee members.</p> <p>How much did each report cost? How many departmental staff were involved in each report and at what level?</p>	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				What is the current status of each report? When is the Government intending to respond to these reports?			
146	ACCC	Bushby	ACCC– Commissioned Reports	<p>How many Reports have been commissioned by the Government in your portfolio since February Estimates 2011? Please provide details of each report including date commissioned, date report handed to Government, date of public release, Terms of Reference and Committee members.</p> <p>How much did each report cost? How many departmental staff were involved in each report and at what level?</p> <p>What is the current status of each report? When is the Government intending to respond to these reports?</p>	Written	19/07/2011	
147	ATO	Bushby	ATO – Commissioned Reports	<p>How many Reports have been commissioned by the Government in your portfolio since February Estimates 2011? Please provide details of each report including date commissioned, date report handed to Government, date of public release, Terms of Reference and Committee members.</p> <p>How much did each report cost? How many departmental staff were involved in each report and at what level?</p> <p>What is the current status of each report? When is the Government intending to respond to these reports?</p>	Written	19/07/2011	
148	ASIC	Bushby	ASIC – Hospitality Spend	<p>What is the Department's hospitality spend since February Estimates 2011? Please detail date, location, purpose and cost of all events.</p> <p>For each Minister/Parl Sec's office, please detail total hospitality spend FYTD. Please detail date, location, purpose and cost of each event.</p>	Written	19/07/2011	
149	ACCC	Bushby	ACCC – Hospitality Spend	<p>What is the Department's hospitality spend since February Estimates 2011? Please detail date, location, purpose and cost of all events.</p> <p>For each Minister/Parl Sec's office, please detail total hospitality spend FYTD. Please detail date, location, purpose and cost of each event.</p>	Written	15/07/2011	
150	ATO	Bushby	ATO – Hospitality Spend	<p>What is the Department's hospitality spend since February Estimates 2011? Please detail date, location, purpose and cost of all events.</p>	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				For each Minister/Parl Sec's office, please detail total hospitality spend FYTD. Please detail date, location, purpose and cost of each event.			
151	ASIC	Bushby	ASIC – FOI requests	How many FOI requests has the Department received since February 2011 Estimates? How many have been granted or denied? How many conclusive certificates have been issued in relation to FOI requests?	Written	08/08/2011	
152	ACCC	Bushby	ACCC – FOI requests	How many FOI requests has the Department received since February 2011 Estimates? How many have been granted or denied? How many conclusive certificates have been issued in relation to FOI requests?	Written	19/08/2011	
153	ATO	Bushby	ATO – FOI requests	How many FOI requests has the Department received since February 2011 Estimates? How many have been granted or denied? How many conclusive certificates have been issued in relation to FOI requests?	Written	19/07/2011	
154	ASIC	Bushby	ASIC – Community Cabinet	What was the cost of Minister's travel and expenses for any Community Cabinet meetings held since February Estimates 2011? How many Ministerial Staff and Departmental officers travelled with the Minister for the Community Cabinet meeting? What was the total cost of this travel? What was the total cost to the Department and the Minister's office?.	Written	04/07/2011	
155	ACCC	Bushby	ACCC – Community Cabinet	What was the cost of Minister's travel and expenses for any Community Cabinet meetings held since February Estimates 2011? How many Ministerial Staff and Departmental officers travelled with the Minister for the Community Cabinet meeting? What was the total cost of this travel? What was the total cost to the Department and the Minister's office?.	Written	19/07/2011	
156	ATO	Bushby	ATO –	What was the cost of Minister's travel and expenses for any Community Cabinet	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
			Community Cabinet	<p>meetings held since February Estimates 2011?</p> <p>How many Ministerial Staff and Departmental officers travelled with the Minister for the Community Cabinet meeting?</p> <p>What was the total cost of this travel?</p> <p>What was the total cost to the Department and the Minister's office?.</p>			
157	ASIC	Bushby	ASIC - Reviews	<p>What is the total number of Reviews both completed and ongoing in the portfolio/agency or affecting the portfolio agency this financial year?</p> <p>Please provide a breakdown of reviews completed this financial year including:</p> <ul style="list-style-type: none"> i. when those reviews were provided to Government, ii. estimated cost of producing each review (and total cost) and iii. if the Government has responded to the review or information about when the Government has indicated it will/will not respond to the review. <p>How many reviews are ongoing?</p> <p>How many reviews have been completed since February 2011 estimates?</p> <p>What further reviews are planned in the portfolio/agency?</p>	Written	19/07/2011	
158	ACCC	Bushby	ACCC - Reviews	<p>What is the total number of Reviews both completed and ongoing in the portfolio/agency or affecting the portfolio agency this financial year?</p> <p>Please provide a breakdown of reviews completed this financial year including:</p> <ul style="list-style-type: none"> i. when those reviews were provided to Government, ii. estimated cost of producing each review (and total cost) and iii. if the Government has responded to the review or information about when the Government has indicated it will/will not respond to the review. 	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>How many reviews are ongoing?</p> <p>How many reviews have been completed since February 2011 estimates?</p> <p>What further reviews are planned in the portfolio/agency?</p>			
159	ATO	Bushby	ASIC - Reviews	<p>What is the total number of Reviews both completed and ongoing in the portfolio/agency or affecting the portfolio agency this financial year?</p> <p>Please provide a breakdown of reviews completed this financial year including:</p> <ul style="list-style-type: none"> i. when those reviews were provided to Government, ii. estimated cost of producing each review (and total cost) and iii. if the Government has responded to the review or information about when the Government has indicated it will/will not respond to the review. <p>How many reviews are ongoing?</p> <p>How many reviews have been completed since February 2011 estimates?</p> <p>What further reviews are planned in the portfolio/agency?</p>	Written	19/07/2011	
160	ASIC	Bushby	ASIC – Media Subscriptions	<p>If your department or agencies within your portfolio subscribe to pay TV (for example Foxtel). please advise the cost to date this financial year.</p> <p>If your department or agencies within your portfolio subscribe to newspapers please advise the cost to date this financial year.</p> <p>If your department or agencies within your portfolio subscribe to magazines please advise the cost to date this financial year.</p>	Written	19/07/2011	
161	ACCC	Bushby	ACCC – Media Subscriptions	<p>If your department or agencies within your portfolio subscribe to pay TV (for example Foxtel). please advise the cost to date this financial year.</p> <p>If your department or agencies within your portfolio subscribe to newspapers please advise the cost to date this financial year.</p>	Written	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				If your department or agencies within your portfolio subscribe to magazines please advise the cost to date this financial year.			
162	ATO	Bushby	ATO – Media Subscriptions	If your department or agencies within your portfolio subscribe to pay TV (for example Foxtel). please advise the cost to date this financial year. If your department or agencies within your portfolio subscribe to newspapers please advise the cost to date this financial year. If your department or agencies within your portfolio subscribe to magazines please advise the cost to date this financial year.	Written	19/07/2011	
163	ASIC	Bushby	ASIC - Travel Costs	How much has your department and portfolio agencies spent on travel to date this financial year?	Written	19/07/2011	
164	ACCC	Bushby	ACCC - Travel Costs	How much has your department and portfolio agencies spent on travel to date this financial year?	Written	08/08/2011	
165	ATO	Bushby	ATO - Travel Costs	How much has your department and portfolio agencies spent on travel to date this financial year?	Written	22/07/2011	
166	Corporate Services Group	Bushby	Media Monitoring	What was the total cost of media monitoring services, including press clippings, electronic media transcripts etcetera, provided to the Treasurer's office since the February 2011 estimates? Which agency or agencies provided these services? What was the total cost of media monitoring services, including press clippings, electronic media transcripts etcetera, provided to the Department and its agencies since the February 2011 estimates? Which agency or agencies provided these services?	Written	07/09/2011	
167	Corporate Services Group	Bushby	Social Media	Has the department instituted any changes to policies or protocols since last estimates that restrict or deny staff the use of Youtube; online social media, such as Facebook, MySpace and Twitter; and access to online discussions forums and blogs? If yes, please explain what changes have been put in place. Why were these changes put in place? Are staff utilising these sites during work hours? If yes, how many hours are spent on these sites? What time these sites are most accessed Will measures be introduced to restrict access to these sites?	Written	27/07/2011	
168	Corporate Services	Bushby	Staffing Levels	What is the total expenditure on staffing for the Department and for all portfolio agencies? What is the SES and non-SES breakdown?	Written	13/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
	Group			<p>What are the current staffing levels for SES and non-SES officers?</p> <p>How many SES were employed in your Department and portfolio agencies as of today?</p> <p>What is the breakdown by each level (each SES band, each Executive Level band and each APS band)?</p> <p>What is the gender breakdown by each level (each SES band, each Executive Level band and each APS band)?</p> <p>What is the breakdown by location for each level (each SES band, each Executive Level band and each APS band)?</p> <p>What is the breakdown by each level of ongoing staff and non ongoing staff (each SES band, each Executive Level band and each APS band)?</p> <p>What have been the changes in staffing levels since February 2011 Estimates? Why have these changes occurred? What have been the budgetary implications? In the case of reductions in staff numbers, how have these reductions been absorbed by the Department? What functions these staff performed have been sacrificed and why?</p> <p>Are there expected changes to current staffing levels over the next 12 months? If yes, provide details including a breakdown of each level staff (each SES band, each Executive Level band and each APS band) detailing the changes. Will this be different to what was reported in the 2010-11 Budget?</p> <p>Is there target for staff reductions to achieve savings? What is that target and what strategy is being implemented to achieve this? Will staff reductions be used to achieve the Government's election commitment to maintain the 1.25 per cent efficiency dividend?</p> <p>Have any voluntary or involuntary redundancies been offered to staff? If so, how have staff been identified for such offers? Are there such plans for the future?</p>			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>How many permanent staff recruited since February Estimates 2011? What level are these staff? Where is their location?</p> <p>Since February Estimates 2011, how many employees have been employed on contract and what is the average length of their employment period?</p> <p>Have staffing numbers been reduced as a result of the current efficiency dividend and/or other budget cuts since February 2011 Estimates? If so, where and at what level? Are there any plans for staff reduction? If so, please advise details i.e. reduction target, how this will be achieved, services/programs to be cut etc.</p> <p>What changes are underway or planned for graduate recruitment, cadetships or similar programs? If reductions or increases are envisaged please explain including reasons, target numbers etc.</p>			
169	Corporate Services Group	Bushby	Consultancies	<p>How much has the Department spent on consultancy services this financial year? Please identify the name of the consultant, the subject matter of the consultancy, the duration and cost of the contract, and the method of procurement (ie. open tender, direct source, etc).</p> <p>How many consultancies have been undertaken or are underway since February Estimates 2011? Please identify the name of the consultant, the subject matter of the consultancy, the duration and cost of the contract, and the method of procurement (ie. open tender, direct source, etc).</p> <p>Is the Department/agency up to date with its reporting requirements on the Government's tenders and contacts website? Are the figures available on that site correct?</p> <p>Has there been any changes in the consultancies that are planned for this calendar year since February Estimates 2011? If yes, have these been published in your Annual Procurement Plan (APP) on the AusTender website and if not why not? In each case please identify the subject matter, duration, projected cost and method of procurement as above, and the name of the consultant if known.</p> <p>Could the Department provide a complete list of current consultancy services? For each consultancy, please indicate the rationale for the project and its intended use. For each consultancy, please indicate why the Department or its agencies could not have</p>	Written	08/09/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				undertaken the work themselves.			
170	Corporate Services Group	Bushby	Advertising and Marketing	<p>How much has the Department and portfolio agencies spent on advertising and marketing this financial year?</p> <p>Could the Department provide a complete list of current contracts? Please indicate the rationale for each service provided and its intended use.</p> <p>What communications programs has the Department and portfolio agencies undertaken since October estimates and what communications programs are planned to be undertaken? For each program, what is the total spend?</p>	Written	12/10/2011	
171	Corporate Services Group	Bushby	Discretionary Grants	<p>Could the Department provide a list of all discretionary grants, including ad hoc and one-off grants since February Estimates 2011? Please provide details of the recipients, the intended use of the grants and what locations have benefited from the grants.</p> <p>Has the Department complied with interim requirements relating to the publication of discretionary grants?</p>	Written	11/07/2011	
172	Corporate Services Group	Bushby	Commissioned Reports	<p>How many Reports have been commissioned by the Government in your portfolio since February Estimates 2011? Please provide details of each report including date commissioned, date report handed to Government, date of public release, Terms of Reference and Committee members.</p> <p>How much did each report cost? How many departmental staff were involved in each report and at what level?</p> <p>What is the current status of each report? When is the Government intending to respond to these reports?</p>	Written	08/07/2011	
173	Corporate Services Group	Bushby	Hospitality Spend	<p>What is the Department's hospitality spend since February Estimates 2011? Please detail date, location, purpose and cost of all events.</p> <p>For each Minister/Parl Sec's office, please detail total hospitality spend FYTD. Please detail date, location, purpose and cost of each event.</p>	Written	08/08/2011	
174	Corporate Services Group	Bushby	FOI requests	<p>How many FOI requests has the Department received since February Estimates?</p> <p>How many have been granted or denied?</p> <p>How many conclusive certificates have been issued in relation to FOI requests?</p>	Written	19/10/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
175	Corporate Services Group	Bushby	Community Cabinet	<p>What was the cost of Treasurer's travel and expenses for any Community Cabinet meetings held since February Estimates 2011?</p> <p>How many Ministerial Staff and Departmental officers travelled with the Treasurer for the Community Cabinet meeting?</p> <p>What was the total cost of this travel?</p> <p>What was the total cost to the Department and the Treasurer's office?</p>	Written	01/07/2011	
176	Corporate Services Group	Bushby	Reviews	<p>What is the total number of Reviews both completed and ongoing in the portfolio/agency or affecting the portfolio agency this financial year?</p> <p>Please provide a breakdown of reviews completed this financial year including:</p> <p style="padding-left: 40px;">i. when those reviews were provided to Government, ii. estimated cost of producing each review (and total cost) and iii. if the Government has responded to the review or information about when the Government has indicated it will/will not respond to the review.</p> <p>How many reviews are ongoing?</p> <p>How many reviews have been completed since October estimates?</p> <p>What further reviews are planned in the portfolio/agency?</p>	Written	19/07/2011	
177	Corporate Services Group	Bushby	Media Subscriptions	<p>If your department or agencies within your portfolio subscribe to pay TV (for example Foxtel). please advise the cost to date this financial year.</p> <p>If your department or agencies within your portfolio subscribe to newspapers please advise the cost to date this financial year.</p> <p>If your department or agencies within your portfolio subscribe to magazines please advise the cost to date this financial year.</p>	Written	13/07/2011	
178	Corporate Services Group	Bushby	Travel Costs	How much has your department and portfolio agencies spent on travel to date this financial year?	Written	13/07/2011	
179	Markets	Williams	Bank Accounts	Background to these questions –	Written	13/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
	Group			<p>*The majority of banks present 2 balances at the head of the statement (actual balance and available funds). The difference reflects cards presented to merchants for the payment of goods and services or accounts that are delayed by the merchant process but not deducted from the actual account balance and do not influence interest received or charged to the account holder. Only when the merchant is paid does the bank deduct the amount from the actual balance.</p> <p>1. Why do some Australian banks remove funds from interest bearing accounts on the date a card is first presented to the merchant, rather than the date the merchant receives the account holder's funds?</p> <p>2. As the Bank(s) is holding the account holders funds in trust for merchant payment, why does the bank charge the account holder interest during the period of delay?</p> <p>3. Why do some banks claim the account holders funds are the property of the bank during the delay period after the card is first presented?</p> <p>4. Why do some banks fail to show funds available and the true account balance on the account holder's statement without adversely affecting the account holder with regard to interest earned or charged by the bank to the account?</p> <p>5. Why do banks hold and delay account holders funds for periods of up to and over three days after having received the funds, before crediting the receiving bank holders accounts?</p> <p>6. Why do banks refuse to account for or claim they are unable to account for funds during periods of card payments or fund transfers?</p>			
180	ASIC	Cormann	Forced and Voluntary Redundancies	<p>Senator CORMANN: Could you give us the numbers over the last 12 months—how many redundancies there were, how many forced and how many voluntary, and then what your expectations are over the next three years in terms of redundancies, forced and voluntary, and what the total cost has been in payouts for those redundancies.</p> <p>Mr Medcraft: I am happy to take that on notice.</p>	62 31/05/2011 1	19/07/2011	
181	ASIC	Cormann	Number of SES Positions	<p>Senator CORMANN: How many positions over the past 12 months have been designated as SES positions?</p> <p>Mr Medcraft: I will take that on notice. I do not have that information.</p>	63 31/05/2011 1	19/07/2011	
182	ASIC	Cormann	Number of SES	How many positions over the past 12 months have been designated as SES positions?	63	19/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
			position	Mr Medcraft: I will take that on notice. I do not have that information.	31/05/2011		
183	ASIC	Cameron	Breaches of the Corporations Act	<p>Senator CAMERON: So these two operators of LKM, these two solicitors, their reputation is more important than \$63 million of assets of retirees in the Coffs Harbour district?</p> <p>Mr Day: It depends whether you believe in innocent until proven guilty, Senator.</p> <p>Mr Medcraft: Senator, on your point, one of the things that I have asked strategy to look at is communicating better why often we cannot disclose what we are doing on operational matters—to explain the reason why. Secondly—</p> <p>Senator CAMERON: That will be a real comfort for people in Coffs Harbour—that you explain why you cannot tell them anything.</p> <p>Mr Medcraft: Actually the second thing I was going to say is to see, in terms of our current approach, what room we have to disclose more than we currently do.</p> <p>Senator CAMERON: I will come back to you on that. Next time you are here I will be asking you what you have done.</p> <p>Mr Medcraft: I just wanted to highlight that it is something we have discussed, because we do appreciate the frustration. I have asked that we have a look at it.</p> <p>Mr Day: The other thing I would say is that it is something ASIC is monitoring quite closely, has been watching very closely and has not turned its eyes away from.</p> <p>Senator CAMERON: I do not know that that will be great comfort either. We will wait and see what the outcome is. If you can tell me at the next estimates—take it on notice—what your monitoring has delivered, that would be good.</p> <p>Mr Medcraft: We will take that on notice.</p>	73 31/05/2011	21/07/2011	
184	ASIC	Cameron	Statements made by LKM	<p>Senator CAMERON: That is not what I am asking. You have put that on the record. Can you advise me—you can take this on notice as well—if you have not taken proceedings, why you did not take proceedings? Can you advise the committee of the truthfulness or otherwise of the statement made by LKM Capital on page 4 of its continuous disclosure notice of 30 June 2008 to the effect that it had notified debenture holders of the existence of its continuous disclosure notice dated 29 February 2008?</p> <p>Mr Day: I am aware of the notice you refer to. The accuracy of those statements is something we are reviewing at the moment.</p> <p>Senator CAMERON: Can you provide the committee with any documents that would verify the truthfulness of that statement?</p> <p>Mr Day: I do not have any such documents to be able to provide today but I could take that on notice.</p>	74 31/05/2011	21/07/2011	

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185	ASIC	Cameron	LKM Capital, Sandhurst Trustees	<p>Senator CAMERON: Thanks. Did LKM Capital or the trustee, Sandhurst Trustees, have any obligation to advise debenture holders promptly of the continuous disclosure notice of 29 February. If so, why has ASIC shown no interest in LKM's and Sandhurst's failure to carry out their obligations prior to 1 August 2008, when receivers were appointed?</p> <p>Mr Day: There are obligations, as I said at the outset. The statement in your question about ASIC's lack of interest is—as I said, this is something ASIC is monitoring and reviewing, so I do not think it is true to say that there is a lack of interest on ASIC's part.</p> <p>Senator CAMERON: At the next estimates we might have another discussion about how interested you were and what you have done. So could you take that on notice as well.</p> <p>Mr Day: Very good, Senator.</p>	74 31/05/201 1	21/07/2011	
186	ASIC	Cameron	Regulatory Guide 69	<p>Senator CAMERON: For the purposes of paragraph 69, point 110 of regulatory guide 69, what is the period of time within which a trustee would be considered by ASIC to have advised investors promptly?</p> <p>Mr Day: I do not know that regulatory guide 69, or certainly paragraph 110, actually provides the relevant period of time. That is something that would have to be judged given the nature of disclosure and the events that the disclosure relates to.</p> <p>Senator CAMERON: What is your definition of 'properly'?</p> <p>Mr Day: That is what I am saying; I do not have a—are you asking for a strict time frame?</p> <p>Senator CAMERON: I am asking what you consider 'properly'.</p> <p>Mr Day: It depends on the circumstances of the information being disclosed, the time in which they were aware of the information they need to disclose, and any other factors that impact on that. We would have to take that into account.</p> <p>Senator CAMERON: Could you provide this committee with examples of how 'promptly' is operationally dealt with?</p> <p>Mr Day: In what form would you like those examples?</p> <p>Senator CAMERON: In terms of how prompt 'prompt' is in some practical areas that you have dealt with.</p> <p>Mr Day: We can take that on notice.</p>	74 31/05/201 1	21/07/2011	

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187	ASIC	Cameron	Parameters in the Corporations Act	Senator CAMERON: What are the parameters in the Corporations Act against which ASIC will judge whether an issuer or trustee has notified investors and ASIC promptly of any material adverse to the financial position or performance of an issuer? Mr Day: I will take that on notice.	74 31/05/201 1	21/07/2011	
188	ASIC	Cameron	Trustees	Senator CAMERON: Thanks. Is it ASIC's position that it only recommends but does not require trustees having knowledge of adverse changes to the financial position of an issuer to promptly notify ASIC and retail investors of that information? Mr Day: I will take that on notice.	74 31/05/201 1	21/07/2011	
189	ASIC	Cameron	Retail Investors	Senator CAMERON: If ASIC only recommends, does ASIC believe that retail investors in debentures should be made aware of this so that they may be aware that the obligations placed on trustees and issuers under regulatory guides 69 and 198 are not really obligations at all? Mr Day: Again, I will take that on notice.	74 31/05/201 1	21/07/2011	
190	ASIC	Cameron	Disclosure	Senator CAMERON: We are not getting very far. Is it the case that ASIC is concerned that disclosure might cause a run on the bank and that avoiding a run on the bank is a higher priority than ensuring that investors are in possession of all relevant information and protect their financial interests? Mr Day: I will take that on notice.	74-75 31/05/201 1	21/07/2011	
191	ASIC	Cameron	Protection for Elderly Retail Invetors	Senator CAMERON: Does ASIC believe there is sufficient protection in expecting often elderly retail investors to conduct their own searches on the ASIC website and subsequently purchase the necessary documents to carry out their own due diligence? Mr Day: Is this in relation to debentures or more generally? Senator CAMERON: Both. Mr Day: In relation to the debentures I will take that on notice.	75 31/05/201 1	21/07/2011	
192	ASIC	Xenophon	Centrebet	Senator XENOPHON: So ASIC's concerns expressed in their correspondence to Centrebet back in April 2010 are maintained? Mr Price: We are concerned where there is the marketing of financial products, and there will always be a fine matter of judgment whether some of these products are financial products. You need to make an assessment, for example, about whether the purpose of these arrangements is making a financial investment or managing a financial	76 31/05/201 1	19/07/2011	

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				<p>risk. You also need to make an assessment about whether someone in accepting these bets is carrying on a business of doing that activity. When we come across these situations we bring our concerns to the attention of the parties involved and indicate that the law requires them to make an assessment about whether they are in compliance with the act. If we have remaining concerns after we have looked at those issues then it is open for us to take further action.</p> <p>Senator XENOPHON: So at this stage it is not on for Centrebet to offer bets on interest rate rises or the ASX 200?</p> <p>Mr Price: What I have just said is that it is really a matter of judgment about whether these things are a financial product. But clearly when there was that media report saying that ASIC had somehow approved or endorsed the issue of these products, that media report was incorrect.</p> <p>Senator XENOPHON: You say it is a matter of judgment. What is the current judgment? Can Centrebet offer bets on interest rate rises or the ASX 200?</p> <p>Mr Price: Well, are those products being offered with the purpose of making a financial investment or managing a financial risk? These are issues that—</p> <p>Senator XENOPHON: I am asking you. Can they offer it or not? It is a simple question.</p> <p>Mr Price: The rhetorical question I posed to you is simply to indicate that—</p> <p>Senator XENOPHON: I do not have time for rhetorical questions, sorry.</p> <p>Mr Price: I understand what you are saying. But to make it clear, we would need to understand what the position is in answer to those questions before I could answer your question. I cannot answer your question at the moment. So I am happy to take it on notice</p>			
193	ASIC	Xenophon	Insider Trading	<p>Senator XENOPHON: Just finally on this, because I am running out of time. This begs a question about any leaks of information, because it is sensitive market information. Does ASIC have any authority to look behind any bet laid on Centrebet or whomever as to whether there was anything suspect about that bet, or is that another agency?</p> <p>Ms Gibson: We only have authority over financial products. As we were explaining, it is questionable whether a bet is a financial product or a derivative. That involves some sort of assessment vis-a-vis a commentary on a rate or a value. For instance whether a horse is going to win or whether a football team is going to win would not be a derivative and would not be within our purview.</p> <p>Senator XENOPHON: So, if there is insider trading, that has to be looked at with the general law, whether it is the police or—</p> <p>Ms Gibson: Insider trading related to financial products is ours. Anything else would be</p>	77 31/05/2011 1	19/07/2011	

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				<p>a question for the Attorney-General.</p> <p>Senator XENOPHON: So that means that, if somebody has some inside knowledge about an interest rate rise, if this is classified as a bet and it is not seen as a financial product, you do not have jurisdiction? That is the consequence of what you said?</p> <p>Ms Gibson: That is an interesting point. I would need to get some advice. It is tied into whether it is a financial product and whether the issuer—in this case, the betting house—is carrying on a financial business.</p> <p>Senator XENOPHON: But if it is not a financial product and somebody has made a quid out of it because they have some inside information, ASIC cannot do anything about it?</p> <p>Ms Gibson: I would need to take that question on notice with the lawyers, but we will do that.</p>			
194	ASIC	Bushby	Exit Fees	<p>Senator BUSHBY: There are lots of things I would like to ask, but I am not going to have time to. At the last estimates, in answer to question on notice AET 128, Mr D'Aloisio noted that ASIC had commenced a review of early exit fees involving contacting the top 20 lenders to assess how exit fees had changed in response to ASIC regulatory guide 220. Where is that review currently at and do you have any results from that review yet?</p> <p>Mr Medcraft: I am delighted that there is something for Mr Kirk.</p> <p>Mr Kirk: The review is under way. We got data from all of those 20 lenders and analysed it. Because of different business models that different lenders had, that has led to some further questions. So we have gone back to a number of them for more data. That is in the process of coming in and being analysed. We would expect to have all of the information and do the analysis by July and probably get a report out soon after that.</p> <p>Senator BUSHBY: From the preliminary findings that you have received, is it looking like lenders are changing their attitudes to exit fees in response to the regulatory guide?</p> <p>Mr Kirk: Certainly there has been very significant changes to exit fees. Whether or not that is in response to the regulatory guide is a difficult question because, parallel to the regulatory guide, there has been the subsequent ban on exit fees. That is not in place, but in light of the fact that that is coming, an increasing number of lenders have gotten rid of their exit fees already. So it is very hard for us to say whether we caused or whether the coming ban has caused it.</p> <p>Senator BUSHBY: The regulatory guide, though, applies to existing situations whereas the ban will only apply to new contracts entered into after 1 July, assuming it is all—</p> <p>Mr Kirk: That is correct.</p> <p>Senator BUSHBY: And that will be a ban, whereas this imposes fair contract terms,</p>	79 31/05/201 1	19/07/2011	

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				<p>essentially, onto the use of exit fees. So there could be a different response by a financial institution to how it deals with those exit fees that will be ongoing and those exit fees from 1 July. Have you seen any evidence of that?</p> <p>Mr Kirk: It is certainly open to institutions to have a different response for existing contracts as opposed to new contracts after July. At the moment, I do not know enough about the detail of the material we have had back to say whether they are making that distinction or whether, when lenders are getting rid of their exit fees, they are getting rid of them across the board.</p> <p>Senator BUSHBY: I will ask more questions about that next time. In answer to question on notice AET 128, you noted that you had, up until 28 February of this year, received 65 complaints about exit fees. Can you update that number today?</p> <p>Mr Kirk: I am not in a position to update that figure. I suspect, based on my own observations—and I would become aware of most of the complaints we get in that area—that has not greatly increased. We have not been getting large numbers.</p> <p>Senator BUSHBY: Can you take it on notice and give me the actual figure?</p> <p>Mr Kirk: I am happy to do that.</p>			
195	ASIC	Bushby	ESA	<p>Senator BUSHBY: Where is the enforcement special account currently at? How much has been spent this year and on what? What is the current balance? Is there any likelihood of a need to bring forward any money from next year's \$30 million to be able to meet your obligations from this year?</p> <p>Ms Gibson: For the ESA this year we will come close to using our full account availability for the year.</p> <p>Senator BUSHBY: You are looking that way in February.</p> <p>Ms Gibson: But we would not be going over this year.</p> <p>Senator BUSHBY: You will not be going over?</p> <p>Ms Gibson: I do not have that impression, Senator.</p> <p>Senator BUSHBY: How much has been spent since February and on what?</p> <p>Ms Gibson: I cannot give you those numbers exactly.</p> <p>Senator BUSHBY: Can you take that on notice?</p> <p>Ms Gibson: Yes.</p>	80 31/05/2011	19/07/2011	
196	ASIC	Bushby	Summer School	<p>Senator BUSHBY: That is fine. What was the cost of the summer school and were any profits made by ASIC?</p> <p>Mr Price: I would need to take that on notice.</p>	80 31/05/2011	01/07/2011	

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197	ASIC	Cormann	Super Funds	<p>Senator CORMANN: I am interested to read in the business section of the <i>Australian</i> a couple of days ago some comments about _ASIC warns super funds in a hurry to merge'. You would be aware of that story. It is an issue I am interested in. I am just wondering whether you could advise the committee what ASIC's level of involvement is at present in the context of super fund mergers, given that there is a bit of a trend down that path.</p> <p>Mr Medcraft: Basically, what we were doing was reminding super funds that, if they are doing mergers, they need to make sure that their members are properly notified; that, if investors are being rolled into a new fund, PDSs are appropriately modified; and that what comes out of the merger, if it does have impacts in terms of disclosure, is properly disclosed. It is reminding them of the rules of the game and what their obligations are.</p> <p>Senator CORMANN: It is important for members to have appropriate levels of information, but those members will not ultimately have a say either in favour or against the merger, will they? As much as they can be informed, they will not get a say either in favour or against a particular merger—that decision is exclusively up to the trustees, isn't it?</p> <p>Mr Medcraft: I believe so, yes. Mr Price, do you want to comment on that?</p> <p>Mr Price: I believe that is the case, but I am not entirely sure.</p> <p>Mr Medcraft: We will come back to you, but I believe that is the case.</p>	82 31/05/2011	07/09/2011	
198	ASIC	Cormann	Vision Super	<p>Mr Medcraft: The one that we did identify was Vision Super. We are engaging with them to make sure that they are complying with their obligations. It is again back to what we said earlier. It is important to make sure that you do not just warn but that you also engage to make sure that, where you have identified a particular issue, those parties actually meet their obligations.</p> <p>Senator CORMANN: So they were not meeting their obligations and you reminded them of the need to do it?</p> <p>Mr Medcraft: We sent out to the sector—because obviously super funds are looking at merging—a general advisory reminding them of their obligations. And in relation to a particular one that has been identified, Vision Super, we have engaged with them to make sure that their obligations—</p> <p>Senator CORMANN: Is that unique or is that something that happens from time to time?</p> <p>Mr Medcraft: That is part of doing our job in terms of surveillance and engagement.</p> <p>Senator CORMANN: Sure, but is it unique? You mentioned Vision Super. Are there other circumstances over the last 12 or 18 months where there would have been similar communications with other funds that are pursuing mergers?</p>	83 31/05/2011	8/07/2011	

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				Mr Medcraft: I cannot tell you offhand. I am happy to take that on notice and come back to you on it. If we believe there may be an issue in terms of the way the disclosure has been alerted to us, then certainly—but we will come back to you on that.			
199	ABS	Cormann	Superannuation Return Data	<p>Senator CORMANN: Would the ABS, as our premier data collection agency, have the capability to collect superannuation return data using representative sampling techniques and then providing information which is consistently comparable across all funds? Is that something the ABS would have the capability of doing?</p> <p>Mr Ewing: The ABS would have the capability of collecting information in the way you describe but it would not publish that information at the level of the individual fund. Likewise, if we did collect it, we could not provide it to APRA on an individual fund basis for them to carry out their prudential regulation responsibilities.</p> <p>Senator CORMANN: What would prevent you from doing it? There is privacy legislation—</p> <p>Mr Ewing: The statistics legislation which requires us to keep confidential any information we collect from individual businesses.</p> <p>Senator CORMANN: Sure, but you could provide in a de-identified way—using a sampling technique you could essentially provide information about benchmarks and things—</p> <p>Mr Ewing: At an aggregate level or an abstract level but not information that would allow the identification either directly or indirectly of any individual superannuation fund.</p> <p>Senator CORMANN: What sort of resourcing would be would be required for the ABS to do that sort of job?</p> <p>Mr Ewing: I would have to take that on notice and get back to you with that information.</p> <p>Senator CORMANN: Thank you.</p>	86 31/05/2011	2/08/2011	
200	ABS	Abetz	Trade Union Member	<p>Senator ABETZ: Right. There has been a degree of boasting by a particular union that they have seen a growth of 30,000 in their membership, which is interesting, but in fairness to ABS I do not think you could necessarily shed any light on that. Would you consider somebody who said they were a non-financial member as a member? Do you go into that specificity or that detail?</p> <p>Mr Harper: I would have to take that question on notice about the detail around whether we consider somebody to be a trade union member. But even if we collected information about membership of individual unions we would never be able to publish that information, because of our confidentiality requirements. We can only publish</p>	88 31/05/2011	01/07/2011	

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				<p>information in the aggregate.</p> <p>Senator ABETZ: Yes. But if people were to say that they were a member of the—to pick a random example—Australian Workers Union you would then be able to tell us how many had indicated they were members of that union, without disclosing of course who those individuals are?</p> <p>Mr Harper: We actually would ask the question, 'Are you a member of a trade union?' and we would get a yes or no answer to that. There would not be discussion.</p> <p>Senator ABETZ: So you do not ask what particular union. The question is just whether they consider themselves to be a member, I would assume—you do not break it up into financial or non-financial?</p> <p>Mr Harper: I would have to take that level of detail on notice.</p> <p>Senator ABETZ: So if you could take the membership—</p> <p>Mr Harper: We will get back to you with the specific definition that we use in the survey.</p>			
201	ACCC	Cormann	Agency Heads and Statutory Officers	<p>Senator Cormann asked:</p> <p>Senator CORMANN: Why can you not have a merit based selection process just because the states and territories have to agree to the appointment as well? I would not have thought that the fact that there is state involvement in making the decision would preclude merit based selection.</p> <p>Mr Cassidy: Let me put a hypothetical. Supposing you advertised and out of the advertising process you decided John Smith was the best person of the people who had applied. Then the Commonwealth went to the states and territories and the states and territories said they did not like John Smith. How does the advertising mean anything?</p> <p>Mr Samuel: I think, more importantly, what happened was that the government took the view that the nature of the process involving the two stages Ms Cassidy has outlined was sufficiently rigorous and sufficiently testing of the appropriateness of the appointee, be it the commission, a member of the commission or the chairman of the commission, that it would satisfy some of the transparency issues that are otherwise contemplated with other appointments under Senator Faulkner's original proposal.</p> <p>Senator Sherry: Interestingly, I just noticed, in looking through the list attached to the press release, that it does not list the Chair of ASIC as included; it only lists the deputy chair and the member. It does not say it is excluded either. It does not list it at all.</p> <p>Senator CORMANN: You must have a different list from me, Minister, because right at the top of the list is the Chairperson of the Australian Competition and Consumer Commission, the Chairperson of the Australian Securities and Investments Commission,</p>	90 31/05/201 1	26/07/2011	

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				<p>the Chairperson of the Corporations and Markets Advisory Committee, the President of the National Competition Council and so on; so I am not sure what list you are looking at.</p> <p>Mr Cassidy: We are looking at the same press release.</p> <p>Senator Sherry: On the one I am looking at there is no chair.</p> <p>Senator CORMANN: I am happy to give you my document.</p> <p>Senator Sherry: It is on the previous page—sorry.</p> <p>Mr Samuel: We have got it.</p> <p>Senator CORMANN: So it does include the Chairperson of the ACCC.</p> <p>Senator Sherry: Yes, it does. I am sorry, I was looking at the second page, not the first. But, anyway, it was subsequently amended.</p> <p>Senator CORMANN: I would be interested to see any subsequent announcement because we certainly have not been able to source any subsequent announcement.</p> <p>Senator Sherry: That is my advice. I have not got a copy of it, but we will see what we can track down.</p>			
202	ACCC	Ryan	Auditing	<p>Senator RYAN: Thank you. That is very helpful. In outlining your audit program, how far in advance have you done it? You talked about June. Have you planned it out for the next quarter, the first half of the next financial year?</p> <p>Mr Ridgway: We are forecasting through the first tranche for June. Then we have got a number of targets identified for the rest of the balance of the calendar year at this stage.</p> <p>Senator RYAN: So is it possible for you to provide on notice how many franchisors you plan to audit over the course of the remainder of this financial year, given that none have commenced, as I understand it?</p> <p>Mr Cassidy: Let us take that on notice.</p> <p>Senator RYAN: Your second criteria was sectors with a long history of concern. I do not mean to misquote you, but it was something along those lines. Is it possible to provide which specific industry sectors have met this criteria? I would also be interested in, if possible, the geographic nature of that.</p> <p>Mr Cassidy: I think on notice we can happily elaborate more on the criteria we use. You will perhaps understand if we do not particularly want to start identifying sectors that we are going to be auditing.</p> <p>Senator RYAN: In advance.</p> <p>Mr Cassidy: The way the audit power works, it all rests on documents that they are supposed to keep. If we send that sort of signal—</p> <p>Senator RYAN: That is a fair answer, Mr Cassidy. I will come back in October and</p>	92 31/05/201 1	19/07/2011	

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				November and ask for it retrospectively, in that case. Mr Cassidy: Yes. That might be a better way of doing it.			
203	ACCC	Ryan	Birdsville	<p>Senator RYAN: I have a question on behalf of a constituent of a colleague. It may sound a touch obscure but I think it might become something that becomes more prevalent with the increasing use of computer tablets and things. It is a story whereby someone has a GPS system in their car, which is effectively like a mini tablet computer. It runs some third party software on it. These things are often automatically updated by either plugging them into the computer or running them on a network, like an iPad might. Subsequent to one of those automatic updates running, the third party software would not work any more. The owner of the device was not informed that this particular update which happens automatically may render particular software non-functional. This is happening more and more because people are using tablet computers like iPads that have apps. They are regularly updated and they regularly require further updates to software. There are examples now of some programs that have been purchased by Apple iTunes that do not work on the latest version of software because Apple has changed the terms. What particular rights does a consumer have under the Australian consumer law with respect to software they had on a tablet computer or a device like that that is subsequently rendered inoperable by an upgrade provided by the original provider of the tablet or software? Is this something that is coming to your attention more often or something you are looking into? That is my best attempt to explain it.</p> <p>Mr Cassidy: We want to clarify something about the previous question. The four and one figure was in fact correct, but we will on notice—</p> <p>Senator RYAN: What is that, sorry?</p> <p>Mr Cassidy: The four and one figure I gave you previously.</p> <p>Mr Samuel: Are in respect to the Birdsville issue.</p> <p>Mr Cassidy: It was in fact correct. On notice, we will give you the story of what has happened since the last estimates.</p> <p>Senator RYAN: That would be appreciated. It will save me writing it up.</p>	93 31/05/2011	19/07/2011	
204	ACCC	Xenophon	Petrol Retailer	<p>Senator XENOPHON: I want to go to a complaint from a constituent. He does not want to be named or identified but he is a petrol retailer in a country town in South Australia. He says that the service station run by one of the supermarket chains in his town was selling petrol for a number of weeks between eight to 12 cents below the cost that he could buy it for at a wholesale level. That was causing him enormous harm. He was able to stay afloat by virtue of other operations—selling food and other things, non-petrol</p>	101 31/05/2011	13/07/2011	

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				<p>related—but he was bleeding. He had to reduce his prices below cost in order to try and compete with the major supermarket chain. He says that he referred this to his professional body, the MTA in South Australia, in November. This started in early October. He says that the MTA made a complaint, I understand, some time in November. There were subsequently newspaper reports not identifying him but about this town and about a petrol price war and a complaint being made. Things seemed to change a little for this major supermarket chain, but he was still struggling. He finally got a response from the ACCC on 31 March. He received a response after a complaint was made in November. He got a call from the ACCC. He subsequently received some correspondence. He was asked a number of questions about that. Do you think a time delay of three to four months for a person who found real difficulties with an eight to 12 cents reduction wholesale is a satisfactory timeframe? I know you cannot comment on the individual case because I have not specified it. But as a general principle, would you find that satisfactory?</p> <p>Mr Samuel: Well, I would need to know more details about when the complaint was lodged.</p> <p>Senator XENOPHON: I think it was lodged in November. Assume it was lodged in November.</p> <p>Mr Samuel: Lodged with the ACCC or lodged with the MTA?</p> <p>Senator XENOPHON: No. Lodged with the ACCC. That is my understanding.</p> <p>Mr Cassidy: Senator, could we take that on notice, because I do not want to mislead you?</p> <p>Senator XENOPHON: Sure.</p>			
205	ACCC	Xenophon	SeaLink	<p>Senator XENOPHON: There were a number of complaints made. Was SeaLink contacted by the ACCC? There may be a genuine misunderstanding on the part of the senior executive.</p> <p>Mr Gregson: My understanding, Senator, is that in the course of the 2010 consideration we obtained a large amount of information, or at least information that was of assistance to our investigation. The precise source of that I would have to take on notice.</p> <p>Senator XENOPHON: So you did not contact SeaLink? Could you take that on notice?</p> <p>Mr Gregson: Well, the precise answer I will take on notice.</p>	102 31/05/2011	19/07/2011	
206	ACCC	Nash	AWB Sites	<p>Mr Grimwade: Which market are you referring to in this respect?</p> <p>Senator NASH: The wheat market.</p> <p>Mr Grimwade: We looked at a number of different markets. If you are talking about the wheat market, we were looking at Cargill's acquisition of AWB's interest in a joint</p>	104 30/05/2011	08/08/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>venture with GrainCorp.</p> <p>Senator NASH: No. That is something different entirely. I ask you to take on notice, if you refer to that statement, and provide for the committee what the definition _of significant sources' is and what those sources were. If you could do that, that would assist the committee. There are about 22 sites that Cargill are obviously going to have from the old AWB sites. What obligation will Cargill have to post prices and take receivals for other grain traders?</p> <p>Mr Grimwade: There is no obligation imposed by us in relation to that.</p>			
207	ACCC	Bushby	Inquiry into Grocery	<p>Senator BUSHBY: Would you have the power, having conducted the grocery study, if you found there was a competition problem that was impacting on consumers in a certain suburb of Melbourne, to require divestiture, then, of some supermarkets?</p> <p>Mr Samuel: The remedy area is where it is different. We can conduct market inquiries either with the approval of or at the direction of the responsible minister, which either would be the Treasurer or the parliamentary secretary. That is evidenced by the inquiry we conducted into petrol, which was done at our instance but with the approval of the Treasurer, and the inquiry into groceries, which was done at the direction of the Treasurer. So those inquiries under part 7A of the act can be conducted by the ACCC. They are full market inquiries, as is evidenced by those reports. I am not sure about this. I was not aware that the commission in the UK had the ability to unilaterally invoke certain policy determinations.</p> <p>Senator BUSHBY: That is what they told me.</p> <p>Mr Cassidy: I do not think that is right.</p> <p>Mr Pearson: If I may, I have considered the airport action. They do have to face a court, so they cannot necessarily just impose unilaterally without any challenges.</p> <p>Mr Samuel: I could be wrong. I stand corrected. I will perhaps take the question on notice, Senator. I did think that issues that were not already encompassed by the law as it stands were matters, then, that had to be dealt with by parliament. They could not necessarily just be unilaterally dealt with by the commission.</p> <p>Senator BUSHBY: I would appreciate it if you could take that on notice for me. It certainly sounded like that at the remedy end there was a potential there for the Competition Commission to resolve issues in ways that in Australia appear to have festered not through any fault of the ACCC, within certain areas of the community for a long time and in ways that could be quite sophisticated in the way that you could deal with those issues and solve them.</p>	107 31/05/201 1	21/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
208	ACCC	Bushby	Grocery Inquiry	<p>Senator BUSHBY: I would appreciate it if you could take that on notice for me. It certainly sounded like that at the remedy end there was a potential there for the Competition Commission to resolve issues in ways that in Australia appear to have festered not through any fault of the ACCC, within certain areas of the community for a long time and in ways that could be quite sophisticated in the way that you could deal with those issues and solve them.</p> <p>Mr Samuel: For example, you will note that in the grocery inquiry we made certain recommendations, as we did in the petrol inquiry; we made certain recommendations. But ultimately they are matters that have to be determined by parliament under our law. I thought that was the case in the UK, but we will take that on notice.</p> <p>Mr Cassidy: If you look at our grocery inquiry—I was just thinking about it—one of the recommendations was that there should be a code of conduct. But that had to be legislated in the UK. It came into effect in February last year. Another recommendation was that there should be someone to enforce the code of conduct. The OFT tried to get the major retailers to do that on a voluntary basis. They could not get them to agree so there is now a draft exposure bill being released by the UK government to further a body to enforce that code.</p> <p>Senator BUSHBY: The Competition Commission, as Mr Samuel mentioned, is a funny body. What I was hearing was very different to what I was used to.</p> <p>Mr Cassidy: They both operate with the same power with respect to the reviews. The OFT can do it or the Competition Commission can do it. So they have the same head of power. I am suggesting to you that we will take it on notice.</p> <p>Senator BUSHBY: Take it on notice for me.</p> <p>Mr Cassidy: I do not know if it is quite independent of the need for government involvement in legislation that you might be seeking. But let us take it on notice.</p>	107-108 31/05/2011	19/07/2011	
209	ACCC	Bushby	Office Space	<p>Mr Samuel: Well, when we are asked to by the government. I do not think the government has responded to that report, so it is entirely a matter for government. I just want to ask some questions about your new Sydney office. What process was gone through to select the new Sydney office?</p> <p>Mr Cassidy: It is progressing.</p> <p>Senator BUSHBY: How did you actually decide where you would locate?</p> <p>Mr Cassidy: Well, we inspected quite a number of what we thought were suitable sites for our new office. We have requirements in terms of locality to the courts, locality to legal firms and the like. Basically, we inspected a number of sites, assessed them against our requirements and against the requirements that the government has in terms of</p>	108 31/05/2011	15/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>buildings and accommodation for Commonwealth agencies. We decided on the site we have now moved into.</p> <p>Senator BUSHBY: Given we are in budget estimates, I am curious to know how much the ACCC spent to fit out the new office in Sydney?</p> <p>Mr Brocklehurst: The new office was fitted out for approximately \$4½ million.</p> <p>Senator BUSHBY: That is for the fitout. And how many staff are in the new office?</p> <p>Mr Brocklehurst: At the present stage there are approximately a bit over 100 officers.</p> <p>Senator BUSHBY: One hundred officers stationed there?</p> <p>Mr Brocklehurst: It varies. We have a lot of movement between offices in relation to—</p> <p>Senator BUSHBY: What is the maximum that it is designed to take?</p> <p>Mr Brocklehurst: With growth that we have coming on board in relation to NPPs, it can take up to approximately 150-odd staff.</p> <p>Senator BUSHBY: What is the equivalent square metres of office space per staff member in the new Sydney office. Do you know that?</p> <p>Mr Brocklehurst: I will have to take that on notice, Senator.</p>			
210	APRA	Pratt	Religious or Charitable Development Funds	<p>Senator PRATT: Are there non-religious organisations that have access to the same kinds of arrangements? If you look at the ethical and philosophical underpinnings of such funds, although they are defined as being required to be religious institutions, as a matter of principle there is not necessarily a reason for charitable investments to be channelled in such a way.</p> <p>Dr Laker: As a prudential regulator I would be very happy to avoid getting into moral judgments about particular religious institutions or charitable institutions and what their ethical and moral values are. What we are concerned about is their activities, whether those activities are banking type activities and, if they are, why they are not in some way being covered by us.</p> <p>Senator PRATT: To get back to your previous point, it is up to legislators to choose how to define a religious or charitable development fund.</p> <p>Mr Littrell: There is one non-religious fund that is operating under the class order exemption. Currently there are a few dozen institutions that have a Banking Act exemption to do this sort of work. Those exemptions run out in the middle of this year and we have written to them suggesting that we extend the exemption for another couple of years, during which time we will probably review the whole issue.</p> <p>Senator PRATT: Of all religious charitable development funds?</p> <p>Mr Littrell: Yes. Given the press of other issues in the world it is not particularly high on our priority list, but it is something that needs to be looked at at some point.</p> <p>Senator PRATT: There is not any reason why organisations like that would not be able</p>	125-126 31/05/2011 1	11/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>to facilitate investment through other means and would necessarily need these kinds of exemptions, is there?</p> <p>Mr Littrell: The issue of investment differs. The Banking Act turns on whether an institution is taking deposits and making loans. If an institution wishes to engage in investment business outside deposits, that is a matter for ASIC regulation.</p> <p>Senator PRATT: What is the nature of the organisation that is not religious, in that context?</p> <p>Mr Littrell: I have to confess I would take that on notice.</p> <p>Senator PRATT: I would be very interested to know. I have never quite understood why, in tax or within this APRA regulation, there are distinctions between the charitable purposes of religious and other organisations.</p>			
211	MEG	Birmingham	Scenario Modelling	<p>Senator BIRMINGHAM: How many times has the Treasurer requested specific scenario modelling?</p> <p>Ms Quinn: I would have to take that on notice. There has been an ongoing series of discussions about scenarios at different points in time. I would be happy to take that on notice to come up with a precise number. Certainly it has been more than once. As things move through time we get asked to do different things.</p> <p>If I was going to take it on notice I would like to have clarity as well. When you say 'scenarios', in the context of this morning's discussion, I understand it is difficult to be precise in the answer if I do not know precisely what the question is. The big picture scenarios are different from costings of lots of different various components of any policy package. The word 'scenario' is not precise enough for me to know exactly what you are asking.</p> <p>Senator Wong: The word 'scenario' does not have a particular meaning.</p> <p>Senator BIRMINGHAM: Certainly, Ms Quinn. To get a more clear picture of the advice you have been asked for, I would be looking for scenarios based on different pricing mechanisms, obviously, for a carbon tax, also whether you have been asked to complete work specific to not just the consumer price impacts but also in terms of other economic impacts, job impacts, and whether you have been asked to model different scenarios in relation to compensation packages.</p> <p>Ms Quinn: We are certainly examining all those aspects across a range of different scenarios. We look at the international connections of Australia with the rest of the world, Australia at a national level and all the way down to households and other sectors. We certainly have been examining all the questions in that context. Not all of them go to all of those different components, but it is certainly the case that we have been looking at the whole suite of models for the analysis for the government.</p>	26-27 01/06/2011	23/09/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Senator BIRMINGHAM: In terms of the core assumptions that you have taken that underpin the models, are there core assumptions that you have taken in relation to international action on climate change?</p> <p>Ms Quinn: The views about international action on climate change do form part of the analysis that we are doing. We have to make assumptions about international action, yes.</p> <p>Senator BIRMINGHAM: Are you modelling on various scenarios of international action or a fixed scenario of international action?</p> <p>Ms Quinn: We are looking at a range of scenarios.</p> <p>Senator BIRMINGHAM: What are those scenarios?</p> <p>Ms Quinn: That is a matter for government policy so at this stage, unfortunately, I cannot provide that information.</p> <p>Senator BIRMINGHAM: So you are modelling on different scenarios based on what the government has asked you to model on?</p> <p>Ms Quinn: Yes.</p> <p>Senator BIRMINGHAM: This is a request that has come from who in terms of what the government has asked you to model on as to different international scenarios?</p> <p>Ms Quinn: The discussion about what we have been asked to do is a matter for government. The instructions that come to Treasury come through the Treasurer. He has discussions with his colleagues and we work closely with other departments across the Public Service for the analysis that we do. Formally the instructions for the scenarios that we model come through the Treasurer.</p> <p>Senator BIRMINGHAM: You are not looking at a fixed outcome internationally such as, say, taking all of the commitments made under the Copenhagen Accord and simply applying them as the most likely international outcome; you are actually applying a suite of potential different international actions?</p> <p>Dr Gruen: I might just add a bit more to that. When we do this work, to the extent that we are trying to do this, we take into account what the Copenhagen pledges are in terms of putting this together. It is not done in isolation from that.</p> <p>Senator BIRMINGHAM: I understand it is not done in isolation. It seems as if there is not a singular picture of what international action may be either, that the government is accepting there is a spectrum of potential action on the international stage and is modelling that spectrum.</p> <p>Ms Quinn: It is fair to say that there is uncertainty about the precise evolution of international action on climate change. In the modelling that we did in 2008 for the government we explored different scenarios regarding international action. We are looking at a range of scenarios in the system as well.</p>			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Senator BIRMINGHAM: In terms of those different scenarios and your experience of the CPRS modelling, where do those different scenarios most manifest themselves in terms of different outcomes for the Australian economy or impacts on the Australian economy?</p> <p>Ms Quinn: It is difficult for me to answer that question, given that we have not completed the modelling at this stage.</p> <p>Senator BIRMINGHAM: I was asking given the experience of the CPRS.</p> <p>Ms Quinn: I am not quite sure I understand the question. If you are asking what implications does different international action have for carbon pricing in Australia then it is the case that different international action is likely to manifest itself in different international carbon prices, and different international carbon prices to achieve different environmental outcomes will have different implications for Australia. That is what the modelling in general finds. If the world was to take greater action to reduce emissions then you require a higher carbon price, a higher carbon price has implications for Australia, potentially higher economic costs, but you achieve a greater return on the environmental benefit as well.</p> <p>Senator BIRMINGHAM: In those scenarios have you also modelled beyond a carbon tax into a trading scheme as to the extent to which permits would be purchased offshore?</p> <p>Ms Quinn: In the CPRS modelling, we certainly looked at what the implications would be for trade between different nations if there was a price on carbon through allowing international trade.</p> <p>Senator BIRMINGHAM: Are you doing that work again in this modelling?</p> <p>Ms Quinn: That goes to the design of the scenarios that we have been asked to model. At this point we have not finished that modelling.</p> <p>Senator BIRMINGHAM: You have to forgive me for keeping trying with this, Ms Quinn. Have any of the scenarios that you have modelled been at the request of the Australian Greens?</p> <p>Ms Quinn: We work at the direction of the government. To the extent that other members of the Multi-Party Climate Change Committee might desire input then that comes through the government to us. We have been asked to explore elements of policy that have come from members of the Multi-Party Climate Change Committee.</p> <p>Senator BIRMINGHAM: And non-government members of the Multi-Party Climate Change Committee?</p> <p>Ms Quinn: Yes.</p> <p>Senator BIRMINGHAM: Thank you. Are you able to tell me what those scenarios are that perhaps do not relate to government policy because they have come from non-</p>			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>government members of the Multi-Party Climate Change Committee?</p> <p>Senator Wong: It is still the direction of the government.</p> <p>Ms Quinn: We are still working at the direction of the government and the Multi-Party Climate Change Committee has discussion in confidence. Under that confidence the same rules apply in terms of my ability to provide that information.</p> <p>Senator BIRMINGHAM: If, again, you could provide some details on how many requests have specifically come from the Multi-Party Climate Change Committee and when those requests were made of the Treasury.</p> <p>Senator Wong: Senator, we will take that on notice. Just to clarify my understanding of Ms Quinn's evidence, and she can jump in if I have it wrong, her indication is obviously the government—that is, the Treasurer—would seek or request certain work to be done. It may or may not be something that Treasury is aware of, nor indeed should answer what request goes from the MPCCC to the Treasurer. In other words, Ms Quinn can tell you what the Treasurer sought but what has led to his decision to seek that may not be something she can answer.</p>			
212	MEG	Birmingham	Combet and Swan Media Release	<p>Senator BIRMINGHAM: Thank you, Ms Quinn. Lastly, can I just ask: the government has stated—Mr Combet and Mr Swan in their 23 March joint media release—that it is the government's intention to release modelling upon its completion. This is probably more a question for the minister. Can we have some certainty that 'upon its completion' means upon its completion and provision to government in the multiparty committee and not, as has become the case with the Productivity Commission report, that it is completed and handed to government and we do not know when we will actually see it?</p> <p>Senator Wong: Senator, that PC report was provided yesterday, and you are already making those sorts of assertions. I do not have anything to add to what the relevant ministers have already said. But, if there is anything further that I can assist you with, I will take the question on notice and get back to you.</p>	30 01/06/201 1	22/07/2011	
213	MEG	Cameron	Frontier Economics	<p>Senator CAMERON: I must say that I am concerned about Frontier Economics being used in this political way continually. I suppose they leave themselves open to this. You would be aware that Frontier Economics actually did some modelling for both Senator Xenophon and the Liberal Party some time ago.</p> <p>Ms Quinn: I believe that they have released a range of reports over time for various clients.</p> <p>Senator CAMERON: Professor Howes and Dr Jotzo basically pulled that apart and we have not heard any more from the Liberal Party in terms of the modelling that was done.</p> <p>Ms Quinn: It is hard for me to comment on someone else's analysis.</p> <p>Senator CAMERON: I am sorry; I will not go there. A report on the ABC on 12</p>	37-38 01/06/201 1	26/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>October 2009 said that Treasury had found a \$3.2 billion hole in the modelling. Is that correct?</p> <p>Senator XENOPHON: Treasury never release their own documents, Senator Cameron.</p> <p>Senator CAMERON: Don't get too excited, Senator Xenophon.</p> <p>Senator XENOPHON: No, I am not excited. You should state what the facts are. Treasury never release their documents.</p> <p>Senator CAMERON: I am asking the question.</p> <p>Dr Gruen: Senator, I do not think that we are in a position to respond to questions about what happened in October 2009. If you want us to take it on notice, we can.</p> <p>Senator CAMERON: Yes, I am happy for you to take it on notice. I am happy for you also to take on notice whether you can advise me about the basis of this quite alarmist position that the Premier of New South Wales is talking about, 13,000 jobs, and that it is a model issue. I would be happy for you guys to have a look at it. I know that you are very busy, but I would like to get some idea as to whether this modelling is credible modelling. In terms of where we are, the Howes and Jotzo analysis of the modelling that was reported said that it would be more expensive to go down the Frontier model in terms of consumption—more expensive for the economy, and 12 per cent more expensive for each tonne of carbon pollution. Perhaps you could take that on notice and come back to us on that, if that modelling is out there, because it is still being used as some magic pudding approach to climate change. The argument was that it was cleaner, greener and cheaper. You really need to nail this.</p>			
214	Markets Group	Heffernan	Rice Marketing Authority	<p>Senator HEFFERNAN: We could spend hours of bureaucratic mumbo-jumbo on process but on the actual application for SunRice by Ebro, could you give me the working papers for that you have worked with. Take that on notice if you want to. Could we have the working papers—all correspondence between the various players—that made you arrive at a decision where there was Foreign Investment Review Board approval for a global cartel in non-tropical rice with the New South Wales Rice Marketing Authority, which is a statutory, legislated single desk, gifted in the sale process to Spain, which will create a global monopoly cartel in non-tropical rice. I would like to see in the working papers where you do not think that was against the national interest.</p> <p>Mr Murphy: We will review and see what is available to be released. A lot of material that comes before the Foreign Investment Review Board is commercial in confidence. That is the only way the whole thing can work. But we—</p> <p>Senator HEFFERNAN: Well we will be happy to take it in camera with a briefing.</p>	56-57 01/06/2011	08/08/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Mr Murphy: All right. I will speak to the—</p> <p>CHAIR: No, Senator Heffernan, we will not be, because, as I said in my opening comments, these are public hearings.</p> <p>Senator HEFFERNAN: We did this in my committee as well.</p> <p>CHAIR: Perhaps, but not here.</p> <p>Senator HEFFERNAN: Different culture to here.</p> <p>Mr Murphy: We are happy to assist, so long as we meet what our responsibilities are.</p> <p>Senator HEFFERNAN: What consideration did you give—or didn't you know—that this was going to create a global monopoly?</p> <p>Mr Murphy: We would have read—</p> <p>Senator HEFFERNAN: Answer the question. Either you do not or you do.</p> <p>Mr Murphy: We do.</p> <p>Senator HEFFERNAN: You do know. You knew it was going to set up a global monopoly?</p> <p>Mr Murphy: I do not know if you would say it was a global monopoly but in the papers that were put forward it puts forward all the information that is possible.</p> <p>Senator HEFFERNAN: You do not know.</p> <p>Ms Gerathy: The process—</p> <p>Senator HEFFERNAN: This is a global monopoly in non-tropical rice.</p> <p>CHAIR: Senator Heffernan, Ms Gerathy was about to respond.</p> <p>Ms Gerathy: I was just going to talk about the process that—</p> <p>Senator HEFFERNAN: I am not interested in the process. I am interested in this particular application and the details around it. Forget about the process.</p> <p>CHAIR: Senator Heffernan, I do not think you are going to get an answer in the terms you would like.Senator HEFFERNAN: I am trying to find out so they realise. This is the Foreign Investment Review Board that advises the government.</p> <p>CHAIR: If you listened to the answer you might find out.</p> <p>Senator HEFFERNAN: Do they understand they would have created, only the shareholders voted against it—</p>			
215	Markets Group	Heffernan	Great Southern Forest	<p>Senator HEFFERNAN: Did you sign off on the MIS sales of Great Southern's forests to the Canadian super fund?</p> <p>Mr Murphy: When did that one occur?</p> <p>Senator HEFFERNAN: About six weeks ago.</p> <p>Mr Murphy: I will have to check on that one.</p> <p>Senator HEFFERNAN: Can you take that on notice?</p> <p>Mr Murphy: Yes, I will take it on notice.</p>	58 01/06/201 1	08/08/2011	

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216	CGC	Cormann	Royalties on Iron Ore	<p>Senator CORMANN: Okay. This is where my question actually started before the minister interrupted me initially by asking me to respond to her assertions. When you did your analysis before receiving the terms of reference, Mr Spasojevic, what was your assessment of the GST sharing outcome for Western Australia if the royalties on iron ore fines had been moved from the low group to the high group? What was your assessment of what the equalisation outcome would have been?</p> <p>Mr Spasojevic: They would have lost more revenue than they had raised.</p> <p>Senator CORMANN: How much more?</p> <p>Mr Spasojevic: I do not have the numbers in front of me.</p> <p>Senator CORMANN: Would you be able to give that to us on notice?</p> <p>Mr Spasojevic: I think you can go to the web and get the agenda paper.</p> <p>Senator CORMANN: So that is public information?</p> <p>Mr Spasojevic: I believe so. You can ask for that. I can say that it is consistent with the WA analysis.</p> <p>Senator CORMANN: So the WA analysis is right? When they say \$300 million in additional revenue would see us lose three times as much in GST revenue, you are saying that that they are actually accurately—</p> <p>Mr Spasojevic: I do not know whether it was exactly three times, because we had different databases and they built theirs on different data assumptions. But the proposition that they would lose more than the revenue they collected is correct.</p> <p>Senator CORMANN: If it is on the public record I will find it, but if it is not I would appreciate it if you could give us on notice that information. That is hardly redistributing part of the gain. That is essentially redistributing more than what has been raised, isn't it? So states are not always better off by raising more revenue through their own sourced revenue sources?</p>	63-64 01/06/2011	13/10/2011	
217	Revenue Group	Cormann	Model – Private Health Insurance	<p>Senator CORMANN: The private health insurance rebate was administered by the health department. You would have considered that as an expense payment?</p> <p>Mr M Robinson: That is right.</p> <p>Senator CORMANN: You answered detailed questions about the number of people that Treasury expected to be impacted by that. This is a completely new way of going about it.</p> <p>Mr M Robinson: I think the private health insurance tiers policy is slightly different given that the policy had a related revenue impact as well through the linked policy</p>	72 01/06/2011	26/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>change on the Medicare levy surcharge. We provided assistance to the department of health in developing a model around the private health insurance means testing, so we have often answered questions. I think you and I have had some conversations on that at previous estimates.</p> <p>Senator CORMANN: In previous estimates you provided answers to all of these things.</p> <p>Mr M Robinson: Yes, that is right.</p> <p>Senator CORMANN: Now you are no longer able to provide answers about the impact of similar measures that similarly impact on families across Australia?</p> <p>Mr M Robinson: Apart from the word 'tax' appearing in the title of the payment, it is purely an expense payment and we do not have any involvement. In fact, I think in the 2009 budget or 2008 budget there was actually a policy change to completely remove the ability for people to be able to claim the family tax benefit through the tax system. So there is actually no relationship to the tax system now.</p> <p>Senator CORMANN: When was that done?</p> <p>Mr M Robinson: My recollection is that it was either the 2008 or 2009 budget. I think it was 2008, but I would need to double-check that.</p> <p>Senator CORMANN: Can you confirm that on notice?</p> <p>Mr M Robinson: Yes.</p>			
218	Revenue Group	Cormann	Means Test Private Health Insurance	<p>Senator CORMANN: Okay, so 2009-10 and since then we have had the 2010-11 budget and this is now the 2011-12 budget, so there are two years in between. We have had changes in membership profile and changes in rates, yet nowhere can we identify a figure in the budget, and you are not able to tell me, by the sounds of it, for what the revised figure will be.</p> <p>Mr M Robinson: I understand that the policy was originally announced in the 2009 budget, which is where the original budget measure appeared. My understanding is that as a result of the legislation not being passed in 2009-10 the government is planning to reintroduce the policy. As a result there has been, obviously, delay in the start date of the policy.</p> <p>Senator CORMANN: So is it currently not policy as far as the budget is concerned? It has not been reconfirmed as policy right now?</p> <p>Mr M Robinson: My understanding is that the government has made numerous public statements about its intention to reintroduce the policy and that it is still part of its current policy.</p> <p>Senator CORMANN: I understand. But what is the budget treatment of the government's statements that it intends to reintroduce the legislation?</p>	73 01/06/2011	26/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Mr M Robinson: The budget treatment would be that the savings from the policy with a revised start date would be in the budget.</p> <p>Senator CORMANN: So what are the revised saving figures based on a revised expected start date in the budget? That is the figure that I am chasing and cannot find.</p> <p>Mr M Robinson: Treasury has responsibility for the revenue side of those figures. As I mentioned before, the Department of Health and Ageing and the department of finance have responsibility for signing off on the expense figures. So I could take that on notice.</p> <p>Senator CORMANN: So you do not know what that figure is?</p> <p>Mr M Robinson: Senator, I can take that on notice.</p> <p>Senator CORMANN: Okay, but do you know what the figure is?</p> <p>Ms Mrakovcic: Senator, I think we will just have to take it on notice.</p> <p>Senator CORMANN: It looks to me as if you know what the figure is; you just do not want to share it with us. I do not understand why it was not published in the budget papers. It is a measure that we have discussed in detail before, every previous budget. Why is it a national secret?</p> <p>CHAIR: Senator Cormann, the officers have said they will take it on notice.</p> <p>Senator CORMANN: Yes, so we will get the answer two or three months from now.</p>			
219	Revenue Group	Cormann	Taxation – Ready to Drink Alcohol Beverages	<p>Senator CORMANN: I will move through some other issues, because it looks to me as if you will not be able to assist me much more on the private health insurance rebates. Remember the measure in the 2008-09 budget in relation to an increase in taxation applying to ready-to-drink alcohol beverages effective April 2008? The original estimate was that it would raise \$3.1 billion. Then it was revised down, I think initially to \$1.6 billion or \$1.7 billion. Can Treasury advise us on how much additional revenue has actually been received as a result of this measure and how it compares to the original forecasts of May 2008 and June 2009?</p> <p>Ms Mrakovcic: Senator, we would have to take that on notice. We do not have the information here with us.</p> <p>Senator CORMANN: It is a fair question though, isn't it? We come here budget after budget. A budget is always a best guess and it is only really two or three years down the track that you can assess how you have performed against what you thought your best guess was. So I would appreciate it if on notice you could provide us information on that.</p> <p>Ms Mrakovcic: We will certainly look into it.</p>	75 01/06/2011	26/07/2011	
220	Revenue Group	Cormann	PRRT	<p>Senator CORMANN: So do you know how much PRRT will be paid in 2011-12 by taxpayers who were subject to PRRT in previous years, and how much will be from new taxpayers?</p>	76 01/06/2011	26/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Mr Heferen: I do not think we would have that level of detail about specific taxpayers.</p> <p>Senator CORMANN: I am not asking about anything confidential. I am not asking for any names. What I am trying to find out is whether there are new people getting caught in the PRRT net. Is there an increase in the base, essentially, as a result of more people getting caught by the PRRT net? I do not know any better way of putting it. Or is it just an increase based on more revenue collected from the people who have been paying it for some time?</p> <p>Ms Mrakovcic: I do not think we will have that information but we will take it on notice.</p>			
221	Revenue Group	Cormann	Pluto Gorgon Projects	<p>Senator CORMANN: Thank you. Let me be more specific though, because the former prime minister, Kevin Rudd, made a commitment before the 2007 election linking infrastructure funding for Western Australia to PRRT revenue that would come out of the Gorgon and Pluto projects. Is any of the revenue on the forward estimates expected to come from the Pluto or Gorgon projects?</p> <p>Mr Heferen: Again, Senator, we would have to take that on notice. One of the very difficult things there is that to get some of that we may well have to consult with our colleagues in the tax office. And then when it comes down to these things to the extent that it might identify a taxpayer there are obviously constraints around secrecy.</p>	76 01/06/2011	19/08/2011	
222	Revenue Group	Abetz	BP2 – Cleaning Industry	<p>Senator ABETZ: All right. We have identified the building and construction sector with a view to moving on to the cleaning sector. Do we have a third one in mind—another sector—or do we think that would pull it up?</p> <p>Mr Heferen: As I understand the measure in BP2, there will be consultation. The government will also consult publicly on options to introduce a similar reporting regime for payments as to contracts in the commercial cleaning industry.</p> <p>Senator ABETZ: That is right.</p> <p>Mr Heferen: That is the only one highlighted.</p> <p>Senator ABETZ: So the only one highlighted. I am interested in the ones that might not be highlighted but might expect a similar regime.</p> <p>Senator Sherry: Well, there is nothing beyond what has been publicly announced. I am happy to take it on notice and see if there is anything else.</p> <p>Senator ABETZ: Thank you. It was publicly announced as well that there had been a carbon tax. It was publicly announced that we would not make life difficult for self-employed working people. Anyway, we shall see what comes out of it. If I may, I will hand over to Senator Ryan.</p>	94 01/06/2011	27/07/2011	

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223	Revenue Group	Cormann	Revenue – Onshore Expansion of the PRRT	<p>Senator CORMANN: I understand that you have to take a specific figure on notice but I am coming at this from the suspicion that there will not be any revenue from the onshore expansion of the PRRT over the current forward estimates, even if the legislation does pass. I would have thought that if there is going to be no revenue expectation versus 'Well, there is something but we don't know how much it's going to be', you should at least be able to tell me whether it is none or some, and then you can take on notice how much if there is some.</p> <p>Mr Heferen: Senator, I think our puzzled looks mean that we would have to take that on notice.</p>	76 01/06/2011	12/10/2011	
224	Revenue Group	Cormann	RSPT	<p>Mr Heferen: Senator, I do not want to be difficult but you made the proposition that the revenue is at an all-time high. In fact if you look through the budget the tax-to-GDP ratio is relatively low.</p> <p>Senator CORMANN: No, sorry; you are misunderstanding me. When the RSPT was announced it was going to raise \$12 billion. Then a whole heap of concessions were made and surprisingly the revenue only dropped by \$1.5 billion. The reason for that was significant upgrade in commodity price assumptions. The terms of trade are very high. We do not know what your assumptions are because the government does not want to release them publicly, but the commodity prices right now for iron ore are at record highs. I think that that is generally understood. There will be a supply response at some point. The previous secretary of the Treasury has said that on a number of occasions. When you have record high international prices for iron ore, as we have now, those prices are likely to come off to more normal levels over time, and consequently the revenue from the mining tax over time, as your 10-year projections reflect. Your 10-year projections reflect an expectation by Treasury that over time the revenue drops off and plateaus off. The point is that the revenue estimates from the MRRT are quite high now but are likely to plateau off, whereas the cost of the related measures is likely to go up. I am trying to get the same information for the cost of the related measures as we have got for the revenue over 10 years. You might have to take that on notice because I want to move through quite quickly.</p> <p>Ms Mrakovcic: Senator, on the point you are making in relation to the profile of MRRT revenues over the 10-year period, what the former secretary, Dr Henry, mentioned on a number of occasions was that they were projections based on technical assumptions such as—yes, they included a profile full of commodity prices or the terms of trade but more importantly they also assumed things like the exchange rate, for instance, not changing over time.</p>	78-79 01/06/2011	19/08/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Senator CORMANN: I understand.</p> <p>Ms Mrakovic: That would not be credible over a 10-year period. In fact, you would anticipate that you would have some kind of movement of exchange rates in response to terms of trade. I think it is for those kinds of reasons that the former secretary mentioned on a number of occasions how unreliable those estimates were and how it fact coming to a conclusion about what the revenue profile would be in those out years, whether it is flat, rising or declining, would actually not be a sound conclusion to come to.</p> <p>Senator CORMANN: I totally understand how unreliable they are, because in July 2010 we were told that the revenue estimate was \$10.5 billion and by the time of MYEFO four months later it was \$7 4 billion on the basis of exchange rate changes. So I understand that there is a whole heap of variables that will result in changing revenue estimates. However, you have to make a judgment at a point in time. You made a judgment at a point in time as to what the best estimate, based on the best available information, was going to be in terms of the revenue implications. What I am trying to find out is, given that it was announced as an overall package, whether you have next to it a best guess, based on the best available information, on what the cost of the related budget measures was going to be—namely, the proposed reduction in the company tax rate and the proposed increase in compulsory super from nine per cent to 12 per cent. I really would like you to take it on notice so that I do not waste much more time.</p> <p>Senator Sherry: We will take it on notice. When you say 'related measures', there are some other measures as well?</p> <p>Senator CORMANN: There are three that spring to mind—the reduction in company tax, the increasing compulsory super from nine to 12 and the infrastructure fund, but that is of course something figure over—</p> <p>Senator Sherry: There is also the new write-off measures for small business—1,000 to 5,000—and there is also the standard tax deduction.</p> <p>Senator CORMANN: Beautiful. If I could get the cost over the 10-year projection—</p> <p>Senator Sherry: Any of those measures?</p> <p>Senator CORMANN: That is right. Of course, with the infrastructure fund, given that it is \$6 billion over 10 years, we pretty well know what that is going to be over 10 years. But for those other measures can I get the cost on notice.</p> <p>Senator Sherry: Okay, we will take that on notice.</p>			
225	Fiscal Group	Back	BER Funding and P21 Funding	<p>Senator BACK: Yes. The questions relate to whether or not quarterly reports relating to the BER funding and the P21 funding submitted by the states and territories as part of their commitment under the national partnership agreement are considered at the quarterly meetings or whenever the ministerial council meets.</p>	79 01/06/201 1	05/08/2011	

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				Mr Heferen: We would have to take that on notice.			
226	Fiscal Group	Back	Related to BET 225	Senator BACK: In which case, neither would you be able to advise whether or not at each of these meetings further funding on each quarter was approved or given final approval by members of the council? Mr Heferen: We would have to take that on notice as well.	79 01/06/201 1	26/07/2011	
227	Fiscal Group	Back	Relates to BET 225 – BER and P21	Senator BACK: Can you advise me, without having to take it on notice, whether there are benchmarks that would have been prepared against which these sorts of quarterly reports—the ones to which I refer are BER and P21—would be considered? Mr Heferen: I am sorry, no—I do not even know what a P21 is. We would have to take that on notice. Senator BACK: I think then the remainder of my questions, if you have not been able to answer those, would also have to go on notice. It relates to an interchange I had, in my capacity as chairman of the Education, Employment and Workplace Relations References Committee, with the minister in terms of trying to ascertain some information through the Senate regarding performance under P21 and BER. The reason for bringing it here was that the ongoing advice from the minister in his responses was that these were matters for the Department of the Treasury, that the evidence the committee was seeking is being monitored by Treasury on a quarterly basis through the provision of quarterly reports from each of the states and territories. You would not be in a position to comment or advise on that? Mr Heferen: No, that division I mentioned in Fiscal Group—the Commonwealth-state relations division—would be the one that— Senator BACK: In that case, in consideration of the brevity of time, I will place those questions on notice for the fiscal section.	79 01/06/201 1	4/10/2011	
228	Revenue Group	Eggleston	Plain Packaging – Revenue Measures	Senator EGGLESTON: What interested me was that there is a projected increase in revenue and also a projected volume increase of almost two million kilograms of tobacco to the year 2014—that is, consumption. I was just interested to know whether Treasury had been asked to model the effect of the government's proposal to introduce plain packaging for tobacco and its likely impact, because it would seem that, had they been asked to do that and they had come up with these forecasts, the government or the Treasury assumed that plain packaging would actually have no effect. But, obviously, that is not the case. The legislation, I understand, is planned to take effect from 1 July 2012. The government in that year is expecting a surplus. Will the surplus be affected by a reduction in excise on tobacco as a result of the proposed changes? That could have	83 01/06/201 1	12/10/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>some effect, I presume, because there will be less revenue, but not a great one. Would that be accurate?</p> <p>Mr Heferen: To the extent that any of these numbers goes down—</p> <p>Senator EGGLESTON: They are going up at the moment, but if it has some impact it will impact, obviously, on the overall budget and the possibility of a surplus, I would presume.</p> <p>Ms Mrakovcic: The revenue numbers reflect, obviously, the impact of the price increase, in terms of the increase in the excise rate, and volumes. So it is the interaction of both volumes and prices that influences those estimates that you are seeing over the forward estimates period.</p> <p>Senator EGGLESTON: You are predicting quite a substantial increase in volume, I see—from 13,000,866 kilograms to 755 kilograms or 15 million.</p> <p>Senator Sherry: Where are looking? Which page are you looking at for figures about volume use?</p> <p>Senator EGGLESTON: These figures are the calculation of tobacco consumption over the forward estimates based on the 2011-12 budget. But what I was really interested to know was whether or not you had modelled the impact of the plain packaging and it would seem that you have not.</p> <p>Mr Heferen: Just on the volumes, I was not aware that we had volumes in here. It may be that what someone has done is taken the revenue and extrapolated volumes from that. Then there is the question of whether they have properly taken into account the indexation, because excise on tobacco is subject to automatic indexation, I believe, once a year.</p> <p>Senator Sherry: Yes.</p> <p>Mr Heferen: I think it is adjusted to the CPI. I am not aware that in here we actually have volumes. We could take that on notice to explore it further. But, as Ms Mrakovcic said, on the government's package of measures—the plain packaging, excise increase and that range of things taken together—we have to make some judgment about how that might influence demand. To get down to a fine level of calibration to do particular things, identify that and attribute a reduction in demand according to a particular element is a pretty difficult task. It is probably one that would be very challenging to do for the revenue forecasting.</p> <p>Senator Sherry: We will take on notice if you want us to calculate the actual quantity smoked. Presumably we would have had to have done it anyway to get a revenue.</p> <p>Senator EGGLESTON: It was a quite serious question, because you now have proposed to go ahead with plain packaging and yet in fact—</p>			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				Senator Sherry: Okay, we will not do that then.			
229	Revenue Group	Cormann	Resource Tax Implementation Group	<p>Senator CORMANN: I was actually nearly finished with the mining tax stuff when we got into trouble before. Just to conclude on that: has Treasury done any updated modelling consistent with the 10-year modelling of the MRRT that was released under FOI that was done at the time of the MRRT deal? Have you revised those 10-year projections after the exchange rate assumptions changed, resulting in a downward revision of the revenue in MYEFO and then a slight upward revision in this latest budget?</p> <p>Ms Mrakovcic: No, there have not been any updates since I think the last time Dr Henry addressed this committee.</p> <p>Senator CORMANN: Okay. Another specific question: the \$50 million threshold which is to apply under the MRRT but also under the expanded PRRT—I am just trying to understand how the \$50 million threshold is supposed to apply under the onshore expanded PRRT.</p> <p>Mr Heferen: It might be best if we had some assistance from Mr McCullough.</p> <p>Mr McCullough: I am afraid I am going to be a little unhelpful because the process of taking the decisions in principle from the policy transition group into legislation is an ongoing process. It is happening at the moment. A group has been formed by the government—the resource tax implementation group. While I happen to chair that, that detail of precisely how that is working has escaped my knowledge. I am happy to take it on notice.</p>	83 01/06/2011	22/07/2011	
230	Revenue Group	Cormann	Royalty Revenue	<p>Senator CORMANN: The thing is that in the context of it this is not just an example. This is in the context of the mining tax revenue estimates. I am not asking you whether you have just picked an example. I am asking you whether the revenue assumption in the budget, which is the \$11.1 billion over the forward estimates, is based on an assumption that state royalties on iron ore production are at 7.5 per cent, or whether it is based on a differentiated assumption that some are at 7.5 per cent and some are at the lower rate.</p> <p>Mr Brown: The estimates of state royalties that we used in the modelling of the MRRT have been based on ABS data for royalties, which were then calculated as a rate and applied. So it is basically looking at actual royalty collections on particular minerals and then applying that and updating it for subsequent changes in state budgets. So it does not use a 7.5 per cent rate; it actually looked at an empirical calculation of what the royalty rate as a proportion of basically mineral revenues was.</p> <p>Senator CORMANN: Can you explain that? You looked at the royalty revenue—and in</p>	84-85 01/06/2011	19/08/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>relation to iron ore 99 per cent of it of course comes out of Western Australia; that is what the Commonwealth Grants Commission is saying. Then you extrapolate this somehow. How do you get from the royalty revenue to what the expected revenue is going to be from the mining tax? How do you make that leap?</p> <p>Mr Brown: You cannot just take a 7.5 per cent rate and apply it to the revenues from particular minerals that you have. You need to actually work out what an average rate of tax for that mineral actually is that takes into account what the royalty regimes are. As a starting point we had a look at ABS data which gives us the royalties as an expense. Then we updated that royalty expense information by changes that we saw in state budgets. So we are using some state budget information and some ABS data and we calculate the royalty as a rate over time.</p> <p>Senator CORMANN: Okay, we are getting somewhere. Are you looking at the royalty revenue and dividing it by the production volume and coming up with a cost per tonne?</p> <p>Mr Brown: No. The royalties are ad valorem royalties. They are based on the value. So you have to calculate the royalty rate as a proportion of the value of iron ore production.</p> <p>Senator CORMANN: Indeed. So what rate you use?</p> <p>Mr Brown: We use the rate that we calculated based on the ABS data in the first place and then updated by announced changes in state budgets.</p> <p>Senator CORMANN: And what rate did you come up with?</p> <p>Mr Brown: Off the top of my head I cannot tell you. It would be a little less than the 7.5 per cent. But I cannot tell you the exact rate.</p> <p>Senator CORMANN: So it is somewhere between 5.625 per cent and the 7.5 per cent, essentially?</p> <p>Mr Brown: I cannot tell you the exact rate at the moment. I do not have that information available to me.</p> <p>Senator CORMANN: But on notice you will be able to tell us the rate that you have ended up assuming, based on that calculation you have gone through?</p> <p>Mr Brown: We will take that on notice.</p> <p>Senator CORMANN: Thank you. So if Western Australia or any other state increased their royalties on iron ore or on coal above whatever rate you have come up, which is less than 7.5 per cent, the revenue would in fact then be reduced as a result of this, wouldn't it?</p> <p>Mr Brown: The state royalties are creditable against the MRRT. A consequence of that, everything else being equal, is that if the state royalties increase then the Commonwealth take from the tax would decrease.</p> <p>Senator CORMANN: Okay. And your current assumption is not, as is in the fact sheet,</p>			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>7.5 per cent; it is a bit less than 7.5 per cent and you will give us that on notice?</p> <p>Mr Brown: The fact sheet chose 7.5 per cent because it is an illustrative example and it is an actual rate that applies for a particular type of ore.</p> <p>Senator CORMANN: Okay. If the revenue reduces, would government expenditure related to that revenue also be reduced? That would be a policy issue for the government.</p> <p>Mr Brown: That goes to a policy issue.</p> <p>Senator CORMANN: And that is of course as far as we can take that part of it here.</p>			
231	Revenue Group	Cormann	FBT - Cars	<p>Senator CORMANN: And that is of course as far as we can take that part of it here. In relation to the proposed fringe benefits tax changes to cars—anticipated revenue from changes in the budget—is either Treasury or the ATO able to provide the total number of individuals and businesses that will be affected by this change?</p> <p>Mr M Robinson: We do not have information on the number of individuals affected by the change.</p> <p>Senator CORMANN: Why is that?</p> <p>Mr M Robinson: Because we have information on the number of cars that are subject to the statutory formula but during the course of a year an individual might be involved in more than one contract in relation to a car. There might be fringe benefits tax liabilities in relation to more than one vehicle.</p> <p>Senator CORMANN: Or a number of people might be impacted by one car.</p> <p>Mr M Robinson: That is possible, yes, in the case of pooled vehicles and that sort of thing.</p> <p>Senator CORMANN: What is the total number of cars that will be impacted?</p> <p>Mr M Robinson: I think the ATO data from taxation statistics indicates that around 570,000—about that order—of cars are subject to the statutory formula method.</p> <p>Senator CORMANN: Out of those how many will see an adverse change and how many will see a beneficial change? It is getting averaged out, I guess, at one level.</p> <p>Mr M Robinson: That effectively goes to the distribution of kilometres travelled for cars under the statutory formula method. We estimate around 60 per cent of cars are travelling distances of 25,000 kilometres or more and therefore would be impacted by an increase in the statutory fraction.</p> <p>Senator CORMANN: So 60 per cent of those would have an adverse impact, essentially?</p> <p>Mr M Robinson: That is right. The statutory fraction would increase for those cars. A bit less than 15 per cent we estimate are travelling less than 15,000 kilometres a year and would see a benefit through a reduction in the statutory fraction.</p> <p>Senator CORMANN: That is 60 per cent worse off, 15 per cent better off and 25 per</p>	85-86 01/06/2011	19/10/2011	

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				<p>cent business as usual, roughly?</p> <p>Mr M Robinson: Roughly.</p> <p>Senator CORMANN: Out of 570,000 cars. Are you able to provide a breakdown of that figure by state—not now but on notice?</p> <p>Mr M Robinson: Yes, I can take that on notice.</p> <p>Senator CORMANN: Are you able to break that sort of figure down by federal electorate?</p> <p>Mr M Robinson: I do not imagine that that would be possible.</p> <p>Senator CORMANN: I just thought I would ask.</p>			
232	ACCC	Nash	Sumitomo Corporation	<p>Senator NASH: They have indeed. I will quickly take you to that. Correct me if I am wrong, but my understanding is that the ABA is a wholly owned subsidiary of Summit Grain Investments, which is part of the major Japanese conglomerate Sumitomo Corporation. That is correct?</p> <p>Mr Pearson: Senator.</p> <p>Senator NASH: Last March, Sumitomo bought 50 per cent ownership in Emerald, which is interesting given that Emerald is obviously a grain trader. How is that not an associated entity? That would have required an access undertaking from Sumitomo last March.</p> <p>Mr Pearson: Senator, I am sorry, but I do not have any knowledge of that. I would have to take that on notice.</p> <p>Senator NASH: Does anybody? No-one in the room has any idea? I ask you to take on notice, then, given that Mr Woods has indicated to the RRAT committee that the Melbourne port terminal is not required to have an access undertaking due to the fact that there is no associated entity. Sumitomo, which obviously has a significant interest, bought 50 per cent ownership in Emerald, which is a grain trader-accumulator, last March. Why was there not a requirement at that point for Sumitomo to move to an access undertaking? I understand they did in December. But I am very interested in the time lag and why the requirement was not there. There seem to be a lot of mixed messages.</p> <p>Mr Pearson: Senator, I will take that on notice.</p>	105 31/05/2011	05/09/2011	
233		Cameron	BRI Ferrier Website	<p>Senator CAMERON: I know other senators have issues. I have a range of other questions. I will place them on notice. But I am determined to try to get these dots all joined up on this, because I do not think, quite frankly, that these companies, Sandhurst, BRI Ferrier and LKM Capital can take any credit out of this. Can I also ask you—I have tried to find documents on BRI Ferrier's website on this. Every time you click on 'LKM'</p>	75 31/05/2011	19/07/2011	

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				the documents are removed. Can you explain to me why those documents have been removed off BRI Ferrier's website and whether there is a regulatory issue involved? Mr Medcraft: We will look into that.			
234	ATO	Bushby	Coercive Powers	When will the ATO be posting on its web site data on the use of Coercive powers When will ATO be posting on its web site its policy and procedures in relation to its use of coercive powers	Written 10/06/2011	19/07/2011	
235	Referred to Finance	Abetz	Regulations	Senator ABETZ: Minister, the government made a wonderful promise that, for every regulation in, there would be a regulation out. Given that we are going to have a new body of regulation in, in relation to this area, have we identified which regulation is going to be knocked out? Senator Sherry: The first point to make is that the regulations are not drafted. We do not yet know the extent of those regulations, although we do know that there will be some change of regulations. The second point is that the issue of regulatory oversight falls within the Department of Finance and Deregulation, which deals with the consideration of regulatory impact. Senator ABETZ: As you are so committed, as am I, I am sure you will be passing that on to the appropriate committee for an answer. If the secretariat and the Treasury could do that for us—flick that to Finance—I would be much obliged. Senator Sherry: We will.	92 01/06/2011	08/07/2011	
236	Revenue Group	Abetz	AFR - Unions	Senator ABETZ: I thought that would be the answer. For what it is worth, the <i>Australian Financial Review</i> , on Tuesday, 31 May, suggested that people were expressing concerns about giving unions access to reported details. I could not see how that could or would happen, but I thought I might be missing something. Clearly I am not. That will reassure the person who had expressed that concern, if it is reported correctly. Minister, on 13 October 2010, Mr Shorten, the Assistant Treasurer, pledged not to change personal service income tax law 'or make life difficult for self-employed working people'. Would it be fair to say that this measure will make life more difficult for at least some self-employed working people, given the new reporting requirements that will become necessary? Senator Sherry: Firstly, I would have to refresh my memory on what Mr Shorten said. Senator ABETZ: It is the <i>Australian Financial Review</i> , 13 October 2010. Senator Sherry: Firstly, I do recall generally comments of that nature but not the specific detail. Secondly, I will have to take it on notice for Mr Shorten, despite the long list of titles that I read.	93-94 01/06/2011	08/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Senator ABETZ: Sorry, the long list of?</p> <p>Senator Sherry: I said that despite the long list of responsibilities and titles I read earlier I no longer have responsibility for the area. I am here in a representative capacity and it is how helpful I want to be. But I will have to take it on notice and ask Minister Shorten for you.</p>			
237	Revenue	Adams	Private Health Insurance – Means Testing	<p>Would the Department clarify their understanding of the precise levels of expected savings to be under this measure?</p> <p>At what income levels will the three income tiers now apply?</p> <p>Will the proposed changes to the Medicare Levy surcharge still go ahead</p> <p>What will be the savings (from both the rebate changes and from the Medicare Levy surcharge over the forward estimates?</p> <p>Why were these savings estimates not explicitly outlined in the Budget instead of being in Table 8.1?</p> <p>Given that the levels of anticipated savings have nearly doubled to around \$3.4 billion according to Budget paper no 1 (Table 8.1), does this figure remain an accurate estimate in Finance's opinion?</p>	Referred from the Department of Finance and Deregulation	19/07/2011	
238	Fiscal Group	Fierravanti-Wells	HHF	The government committed to provide \$10 billion to the HHF to be funded out of budget surpluses. Given that a budget surplus has not been delivered and this figure has been reduced to \$5 billion, how much of the 2012-13 surplus will be allocated to the health and hospitals fund?	Written	19/10/2011	
239	ATO	Bushby	Publishing Compliance Data	What plans does the ATO have to publish comprehensive data on compliance costs for taxpayers, and then publish targets for reduction of compliance costs for taxpayers in the same way that tax authorities do in, for example, the UK and NZ.	Written	19/07/2011	
240	Fiscal Group	Fierravanti-Wells	Health Funding	<p>I refer to the document <i>Delivering better hospitals, mental health and health services, Budget 2011-12</i>. PM&C officials (Finance and Public Administration Committee, 23 May) referred questions in relation to the same to Treasury. In relation to the graph at p.5 of that document:</p> <p style="text-align: center;">please provide me with the figures that match the graph</p>	Written		

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				provide the figures in terms of yearly funding since 2006-2007 breakdown of those figures since 2006-07			
241	Fiscal Group	Fierravanti-Wells	Health – Modelling	In relation to the document <i>Delivering better hospitals, mental health and health services, Budget 2011-12</i> and any modelling undertaken in relation to aspects of the same, please provide all assumptions provided to Treasury in relation to all mental health measures outlined on p.24.	Written	08/07/2011	
242	Fiscal Group	Fierravanti-Wells	Private Health Insurance Rebate - Modelling	In estimates (Community Affairs, 31 May, p.80-81) it appears that Treasury is undertaking modelling in relation to changes to the private health insurance rebate. In relation to the same, please advise: What assumptions the modelling is premised on; What advice or instruction, if any, has Treasury received from DOHA or any other department in relation to the same?	Written	13/10/2011	
243	Revenue Group	Siewert	Australian Charities	Senator SIEWERT: I asked some questions in PM&C and a lot of them got deferred here, so I will pick up where I left off there with the questions. First, I understand that \$53.6 million over four years is the amount of money that has been allocated to the process. Is that in total or is that the money that is also targeted at the process for re-registering charities? There is \$2.9 million allocated for that. I had it in front of me two seconds ago. I want to clarify, first, whether the money that is allocated—the \$53.6 million—is all up? Is the \$2.9 million included in that, or is that separate? Mr Willcock: The \$2.9 million is separate, Senator. So the \$53.6 million is a measure that is described on page 322 of Budget Paper No. 2. That involves the provision of \$53.6 million. It is all for the purposes of the budget at this stage. It is allocated to the ATO. Of course, the new regulator, the new statutory agency, the Australian charities or not-for-profits commission, does not exist at the moment. Senator SIEWERT: Yes. I understand that. Mr Willcock: So that will not be taking place until parliament passes the relevant legislation. The government hopes that that will allow the commencement of the new body from 1 July 2012. So in the interim, the funding falls to the ATO. Some of the funding is available to assist the ATO to do some work that it will need to do preparatory to the setting up of this new commission, including some structural separation of staff in the ATO, some of whom post 1 July 2012 will migrate to the new authority. Senator SIEWERT: Thank you. I also presume that funding will be available for the implementation taskforce, which I understand is to be set up from 1 July 2011. As I	106-107 01/06/2011	26/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>understand it, it is set up for 2011-12. That will put in place the mechanisms for the commission to be established in 2012?</p> <p>Mr Willcock: That is right.</p> <p>Senator SIEWERT: So that implementation taskforce will have access to some of that money to do the new work?</p> <p>Mr Willcock: To some of that money, that is right. I think it is fair to say that other agencies will be effectively contributing some funding, or at least some resources in the form of people, to that implementation taskforce. Amongst those other agencies will be Treasury itself. Those agency costs are not reflected in that amount.</p> <p>Senator SIEWERT: Thank you. In terms of the amount that will then go to the ATO to do its work, how much will that take?</p> <p>Mr Willcock: Look, I am sorry, Senator, I cannot off the top of my head disaggregate the money that appears there on the table on page 322. I would need to take that on notice.</p>			
244	Revenue Group	Siewert	Not for Profit Sector	<p>Mr Willcock: As I said, I suppose as a general point, the ATO is the body in the Commonwealth that has a lot of, indeed most, regulatory contact with the not-for-profit sector. It is also the fact that the ATO is a body within the Treasury portfolio and the Treasury portfolio is the area that is advising the government and assisting the government in these reforms. That is why that money has gone there. As I mentioned, some of that money will be used by the ATO itself—</p> <p>Senator SIEWERT: That is what I am trying to find out.</p> <p>Mr Willcock: as a precursor. Some of it will actually be used by the new agency when the new agency is in existence. So in order to, if you like, not unscramble the egg but split that \$53.6 million, I am sorry, but I would need to take that on notice.</p> <p>Senator SIEWERT: If you could take it on notice, that would be great. If possible, can you tell me how that figure was arrived at? What is the reasoning behind that amount for those resources? Are you confident it is going to be enough to set it up, for the ATO to do its job and the commission to do its job?</p> <p>Mr Willcock: That is not a rhetorical question for me to take on notice. I can provide you at least with some general response.</p> <p>Senator SIEWERT: Yes.</p>	107 01/06/2011	26/07/2011	
245	Revenue Group	Cash	Dependent Spouse Tax Offset	<p>How does the decision to eliminate the Dependent Spouse Rebate for women under forty without children reconcile with the fact that many of these women care for their extended families and make highly valuable contributions to volunteer organisations? Does this action by the Government impose a 'preferred model' of family that is, a double-income family?</p>	Written	13/10/2011	

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246	PC	Boyce	Productivity Commission Report	The Productivity Commission delivered a draft report on a long-term care and support scheme for people with disability in Australia on 28 February 2011. Is everything on track for the final report to be delivered to government in July 2011?	Written	19/08/2011	
247	MEG	Birmingham	Emissions	To achieve actual reduction of greenhouse gas emissions in Australia of 5 per cent against 2000 levels, what carbon price does the Treasury believe would be necessary?	Written	19/08/2011	
248	MEG	Birmingham	Reductions	Based on a carbon tax starting at each of the following prices in 2012, and increasing by 4 per cent per annum in real terms for a period of five years, what reductions in greenhouse gas emissions in Australia against 'business as usual' levels would be expected to occur? \$5 \$10 \$15 \$20 \$25 \$30 \$35 \$40 \$45 \$50	Written	19/08/2011	
249	MEG	Birmingham	Funding	Has the Treasury provided any funding to any of the following organisations in the current financial year or in any of the previous three financial years? If so, please detail when it was provided and for what purpose. Australian Conservation Foundation Australian Council of Trade Unions Australian Youth Climate Coalition Climate Action Network Australia The Climate Institute Environment Victoria GetUp! Greenpeace Australia Pacific World Wildlife Fund Australia	Written	19/10/2011	

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250							
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253	Revenue Group	Bushby	AET 158	<p>Senator BUSHBY: In answer to question on notice AET 158, we were told that Treasury predicted no increase in income as a result of the changes in the excess contribution rules because there was an assumption built in that people would comply with the rules. Therefore, no excess contributions tax would actually be paid. But as we have heard tonight, \$400 million has already been levied against this particular measure and potentially more, because I presume it is still going; it is not finished at this stage. Is that correct?</p> <p>Mr Olesen: Yes.</p> <p>Senator BUSHBY: So potentially more. How is that \$400 million plus actually accounted for in the budget?</p> <p>Mr Heferen: I will have to seek some assistance there. Not a lot seems to be forthcoming.</p> <p>Mr Gallagher: The original budget estimates for excess contributions tax did assume that people would comply. Therefore, the costings that were in the budget papers relate to the money we expected to lose in the gap between the personal income tax that would have been paid and the contributions tax that we would have got if it had come into the system as super. Obviously, it has been the case that people have paid excess contributions tax. People have continued to put excess money into the system. It is also the case that more people have complied than have not complied, if you look at the prior distributions of the number of people in 2007-08 or 2008-09 who had contributions in excess of the 2009-10 caps. But with the 2009-10 caps, we were expecting to see the numbers go up, as Mr Olesen has reported.</p> <p>Senator BUSHBY: So the \$400 million raised is in respect of last financial year?</p> <p>Mr Olesen: No. The \$400 million liabilities we have raised in respect of all the years.</p> <p>Senator BUSHBY: So which years are they, just for the record?</p> <p>Mr Olesen: 2006-07, 2007-08, 2008-09 and part of 2009-10.</p> <p>Senator BUSHBY: But the money is raised now. Is it received by the ATO now? I am</p>	115-116 01/06/2011	22/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>still curious as to how it actually gets accounted for in the budget papers. Revenue might not be the right group to explain how it is accounted for or how it is shown and actually dealt with in terms of the overall impact on the budget.</p> <p>Mr Gallagher: Well, I am not sure in accounting procedures whether it has been accounted against contributions tax or whether it has been accounted for elsewhere in the budget in terms of the estimates of revenue. But it has been aggregated into one of the other revenue heads.</p> <p>Senator BUSHBY: Well, it would not be treated as a parameter variation or something like that?</p> <p>Mr Gallagher: It has been put under individuals, I have been informed.</p> <p>Senator BUSHBY: Under what, sorry?</p> <p>Mr Gallagher: Under other individuals. So it has been put into a component of individual personal income tax. That is where it is actually being accounted for.</p> <p>Senator BUSHBY: When the act was first changed, fair enough, the tax office assumed that everybody would comply with the law. Now you have the experience to indicate that not everybody has, no fault of their own or otherwise. As such, these assessments are arising. In this year's budget, has an expectation been included of income arising out of excess contributions tax?</p> <p>Mr Gallagher: Although we are interested, largely because of your questions, in how this revenue is accruing, because it is not a separate head of revenue, it has not been separately accounted for in the budget estimates. My understanding is that it would be incorporated in the base of other individuals in terms of the revenue estimation processes of the Treasury.</p> <p>Senator BUSHBY: But there would now be some acknowledgement in the budget papers that there is likely to be revenue raised through the excess contributions tax? It is in the answer to the question on notice.</p> <p>Mr Gallagher: Obviously there are measures in relation to excess contributions tax in the budget, including an announcement of a policy that allows amounts under \$10,000 to be refunded. That is the revenue reporting that I am aware of in the budget papers.</p> <p>Mr Heferen: We can take it on notice and check, but I thought the amount would be relatively small compared with the categories there, particularly other individuals. So it is \$400 million over a period of three years.</p>			
254	Revenue Group	Bushby	Funds Contributed	<p>Senator BUSHBY: So you will learn a lot in the next couple of months in terms of how that year has actually ended up?</p> <p>Mr Olesen: We already have a bit of a sense of what the volumes will be.</p> <p>Senator BUSHBY: They are likely to increase probably to a similar sort of scale to</p>	116-117 01/06/2011	22/07/2011	

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				<p>years prior to it?</p> <p>Mr Olesen: Yes. Perhaps 2009-10 is the first year of the reduced caps. So the incidence is a little higher than the prior years because of that reduction in the concessional cap.</p> <p>Senator BUSHBY: Quite rightly, I understand in answer to the question on notice you said that there was no budget figure included for the amount that you have raised through this because you expect people to comply. The reality, however, indicates otherwise. There will be funds contributed to consolidated revenue as a result. am curious to know to what degree the actual practical outcome has been reflected in the budget papers for next year in terms of the revenue that this particular measure will contribute.</p> <p>Mr Heferen: As Mr Gallagher has said, it is put into the gross other individuals. It is the head category of revenue highlighted on page 525 of budget statement 1. Then it just becomes part of that base that has grown according to the various assumptions we use to grow that in forecast projection years. But we will take that on notice to confirm.</p>			
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262	Revenue Group	Pratt	R&D Tax Bill	<p>Senator PRATT: I believe there are some revenue implications for the amendments associated with the R&D tax bill that is currently before the Senate.</p> <p>Mr McCullough: I think we had this discussion once before. Can I ask what amendments you are referring to, Senator? The current state of the bill, as I understand it, is that it is before the Senate, and I am not aware of any debate of the Senate having taken place or of any amendments having been moved yet.</p> <p>Senator PRATT: I have been advised that the opposition has moved some. I am not aware of the detail. I would assume that perhaps the department might be. I am happy for you to take that on notice. It might have happened quite recently.</p> <p>Mr McCullough: I do not know how that could be, because the bill has not been presented to the Senate. I can take it on notice.</p> <p>Senator Sherry: It was listed, I know, but it was withdrawn or taken off the list.</p> <p>Senator PRATT: We have done some committee work on it.</p> <p>CHAIR: It is on the list but has not been brought on for debate.</p> <p>Senator Sherry: It was listed on the daily program or the weekly program and then it was taken off. There may be opposition amendments circulated, but Treasury have not yet had the chance to put their forensic eye over it to see what destructive force is being applied to our government legislation.</p> <p>Senator PRATT: I might therefore ask you to take it on notice. I am sure it is preparation that you will have to do, in any case, for when the debate in the Senate ensues. I would like to know what the revenue implications would be, in particular the benefits that might accrue to small business in terms of those amendments. But they do not have to be significant revenue implications.</p>	127 01/06/2011	08/07/2011	
263							
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265	Revenue Group	Abetz	In relation to 2010 BET 211	<p>Senator ABETZ: Just a quick question about a question that was taken on notice—BET 211—at estimates 12 months ago, the answer to which was conveniently provided to us just after the February estimates so that it could not be pursued at the February estimates. I asked, in relation to a particular minute dealing with the impact of alternative company tax policies, if the minute was officially released to the public and, if so, by whom. The answer I was given was that there was an authorised release of the minute. So that is</p>	7-9 02/06/2011	22/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>fine—it was authorised. But it conveniently does not answer the question of if so by whom. Can I please have that answered and an explanation provided as to why we were not told by whom this leak or authorised release was made?</p> <p>Senator Wong: Can we see a copy of that, Senator?</p> <p>Senator ABETZ: I have given you the reference—question BET 211. Nobody has it? All right.</p> <p>Senator Wong: If someone either from Treasury or from the committee could give me a copy of the answer, I would appreciate it.</p> <p>Senator CAMERON: I am sure it was sitting on the desk of the secretary while he was dealing with the global financial crisis, just waiting for him to deal with this.</p> <p>Senator ABETZ: The next answer was: ... The Treasury advises the government and will undertake any costing of a policy that the government asks it to examine.</p> <p>So if you could tell us who or what person within government actually asked you to examine that particular opposition policy—if you could take that on notice. I assume that you will not have the answers to this, but if we can have an explanation as to why that information, which was so specifically sought, was quite frankly deliberately denied. If you could answer that I would be much obliged. I understand that the secretariat is arranging for that question and answer to be provided. I want to actually put on the record and in <i>Hansard</i> the obfuscation in relation to the information that was sought, which I think is quite material because it would indicate a manipulation of Treasury minutes being publicly released. And if it is such a good thing to publicly release the information and it is authorised, why hide the name of the person who actually did the authorisation?</p> <p>Senator Wong: I don't think that that was a question. That was another Senator Abetz special, Madam Chair, of giving us a long lecture which probably would have been better served in a press conference or in the parliamentary chamber. Is there a question?</p> <p>Senator ABETZ: I want an answer, Minister.</p> <p>Senator Wong: I do not believe that there was a question.</p> <p>It was the usual Senator Abetz diatribe asserting a whole range of things which are not—</p> <p>Senator EGGLESTON: Point of order, Madam Chair: there was clearly a question.</p> <p>Senator Wong: Deputy Chair, where is the question?</p> <p>Senator ABETZ: Who authorised the release, Minister? If you can't read the question, if you can't understand it, so be it.</p> <p>Senator CAMERON: Calm down!</p> <p>Senator ABETZ: Coming from you, Senator Cameron, please!</p>			

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				<p>Senator Wong: Settle down, Senator.</p> <p>Senator ABETZ: I am accused of engaging in a diatribe when I am seeking an answer to a specific and deliberate question. Unless Treasury and the Treasurer could not comprehend the question, then I think I am entitled to assume—</p> <p>Senator CAMERON: Now you are being condescending and stupid.</p> <p>Senator ABETZ: that there was obfuscation.</p> <p>Senator Wong: I was enjoying the sweetness and light with which we started, but 16 minutes in—</p> <p>CHAIR: It never lasts long.</p> <p>Senator Wong: It didn't last.</p> <p>Senator ABETZ: Well, Minister, the problem always arises when you try to hide the secretary of the department from the committee or when you do not provide us with information. That is the problem.</p> <p>CHAIR: Senator Abetz, Dr Parkinson made himself available yesterday and today.</p> <p>Senator ABETZ: There is no criticism of Dr Parkinson in this.</p> <p>CHAIR: Good.</p> <p>Senator Wong: I am afraid I have to respond to that assertion. This is the problem when Senator Abetz chooses to put things on the public record which are disputed. No-one was trying to hide Dr Parkinson yesterday, and I am surprised that the opposition would want to return to that debate today. The position that I have put on the table is that historically the Treasury secretary has not been required for the entirety of the portfolio estimates—that is under both governments. Historically, the practice has been that the time for the Treasury secretary to attend has been agreed. It has generally been in the macroeconomic group. Dr Parkinson had indicated that he would attend then and he would also be prepared to take fiscal policy questions at that time. So no-one was intending to hide him. Coalition senators chose yesterday to have an argument about him coming at a different time.</p> <p>Senator EGGLESTON: As is their right.</p> <p>Senator Wong: I do want to put that on the public record because Senator Abetz is making a range of assertions that are not correct.</p> <p>Senator ABETZ: Can I just have an answer please: by whom?</p> <p>CHAIR: I think the minister was about to get to the second part.</p> <p>Senator ABETZ: Oh, good!</p> <p>Senator Wong: I would have to take that on notice, Senator.</p> <p>Senator ABETZ: As I thought.</p> <p>Senator Wong: Well, genuinely, Senator, I think this refers to something that occurred</p>			

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				<p>prior to the election. Is that correct?</p> <p>Senator ABETZ: When you leave answers for over 12 months chances are that is right.</p> <p>Senator Wong: I was not actually trying to be difficult. But obviously this precedes my position in this portfolio—in Finance in any event. So I do not have any knowledge that I can provide to you at this point.</p> <p>Senator ABETZ: Of course, I accept that you are a representative minister here. But these were very specific questions, the answers to which were provided at a time that meant I could not pursue them at the next estimates, which was February. Then when this answer was provided it was clearly deficient. So if we can have an explanation as to why it was deficient and an actual answer, please.</p> <p>Senator Wong: I will take that on notice.</p>			
266	Revenue Group	Ludlam	Tax Forum	<p>Senator LUDLAM: I want to ask—I do not know whether it has been canvassed very much this morning—about the tax forum coming up in October. If that has not been addressed—</p> <p>Senator Wong: No, it has not while I have been here. But it might have been done in revenue, when I was not here.</p> <p>Dr Parkinson: That would have been the revenue group last night.</p> <p>Senator Wong: I am sure that the secretary can assist as much as he can.</p> <p>Senator LUDLAM: Could you tell us what preparation you are putting in place in advance of that? I understand that it is going to be a two-day summit for later in October.</p> <p>Dr Parkinson: That is right. We are doing work in the department and are in discussion with the Treasurer about issues that might be covered in the forum. We are talking to a range of interested stakeholders about what their views of things that might be covered could be. I think the Treasurer is on the public record as saying that it is the intention to put out a framing paper prior to the summit and to encourage other interested parties, whether they are attending or not, to either respond to that paper or put forward their own submissions, the idea being that there will be a rich array of background material for the participants at the forum prior to the forum itself.</p> <p>Senator LUDLAM: Who do you define as an 'interested party'? This thing is probably going to impact everybody in Australia, one way or another.</p> <p>Dr Parkinson: That is right. At this stage, we are in very preliminary thinking about which sorts of groups might be represented at the forum, but we are talking to anybody either who wishes to knock on our door or who we know has an interest in this. We have started talking, but we are nowhere near complete. So it is the usual suspects, in other words.</p> <p>Senator LUDLAM: Are you able to tell us when you think the Treasurer's discussion</p>	37 02/06/2011	11/07/2011	

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				paper would be expected to appear? Dr Parkinson: No, I cannot. But— Senator Wong: Why don't we take that on notice, Senator?			
267	Markets Group	Ludlam	Inflationary impact of the FHOS	Senator LUDLAM: To be a bit more specific, though, to your knowledge, has Treasury ever analysed, for example, the impact of the first home owners scheme on house prices or the inflationary impact of the first home owners scheme? Dr Parkinson: In the past—and recall I have only been in the job for three months—my understanding is that that has been the case—that is, in the far distant past. I have a recollection of some of that material appearing in the public domain. In the recent past—I can take that on notice.	38 02/06/201 1	19/08/2011	
268	Markets Group	Ludlam	Inflationary impact of the FHOS #2	Senator LUDLAM: If you could. I refer you to an article that ran in the <i>Financial Review</i> on 27 May this year. It claimed effectively—they have a graph that runs back to 1980 that shows, I think fairly conclusively—that the first home owners scheme has a direct inflationary impact on the housing market. I just wonder whether you could go back and see whether Treasury has done any thinking recently—I know a lot of that is state spending—or whether you have any position papers, statements or research on that? Dr Parkinson: I am happy to do so.	38 02/06/201 1	19/08/2011	
269	Macroecon omic Group	Xenophon	Frontier Economics modelling paper	Senator XENOPHON: I appreciate that. I make no secret of the fact that I, along with the former opposition leader, commissioned Frontier Economics to do some work on this. In a recent paper that they provided to the new taxes committee chaired by Senator Cormann they expressed a view that if the interim carbon tax is set at a similar level to the permanent price in the CPRS and if Treasury modelling is to be believed this would put Australia on track for emissions seven per cent above 2000 levels by 2020. I do not know whether you want to take that on notice or whether, in terms of general high-level principles, you are in a position to comment on that. Senator Wong: This is the Frontier Economics paper? Senator XENOPHON: This is the paper called magic pudding— Senator CAMERON: The magic pudding economists. Senator XENOPHON: I just wanted to say 'magic pudding' before Senator Cameron did. This is the paper that was called magic pudding economics. Dr Parkinson: If you will allow me to, I will take that on notice. Senator XENOPHON: That is fine. Dr Parkinson: I have not read the paper.	44-45 02/06/201 1	27/07/2011	

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270	MEG	Xenophon	Frontier Economics modelling paper #2	<p>Senator XENOPHON: That is right. In your letter to Senator Cormann dated 19 May, you set out, I think quite fairly, the extensiveness of the economic modelling done since 2008. I do not dispute that. I guess the question is about alternative approaches. I refer to the clean energy standard that President Obama set out in his State of the Union address and the Frontier Economics approach, which is an intensity based system with an absolute cap. Is it your understanding that there has been extensive modelling done of that or that the modelling focused on the government's CPRS?</p> <p>Dr Parkinson: Senator, you know that I chaired the Prime Minister's Task Group on Energy Efficiency.</p> <p>Senator XENOPHON: Yes.</p> <p>Dr Parkinson: We did some modelling on a national energy efficiency approach, the so-called NEESI. Clearly, within the confines of a broad package there are initiatives that can help get to areas where a carbon price cannot. There are two points that I would make. One is reflecting on where you went with some of my colleagues yesterday. It is undoubtedly the case that if you are able to remove distortions in the tax system as part of your response you can gain some additional benefits.</p> <p>Senator XENOPHON: This is the tax interaction effect, the multiplication.</p> <p>Dr Parkinson: I am dredging my memory, but I think it was the Congressional Budget Office in the United States, in 2005 or 2006, that, when thinking about the design of emissions trading there, made the point—</p> <p>Senator XENOPHON: You know you are making me have to read it now, don't you? Now you have mentioned it I will have to look it up.</p> <p>Dr Parkinson: You are forcing me to read both Frontier Economics and Resources for the Future. Senator CAMERON: Don't waste your time, Dr Parkinson. Take it from me!</p> <p>Senator XENOPHON: Dr Parkinson, I think it is a fair swap. You can ask me 20 questions on it.</p> <p>Senator CAMERON: Malcolm Turnbull took my advice and stopped being a puppy dog.</p> <p>Dr Parkinson: The particular CBO report that I am thinking of makes the point—forgetting about the distributional impact on households—from a pure economic efficiency approach. I think it was suggesting that using the revenue to eliminate things such as payroll taxes could actually be enhancing economic efficiency. That did not go to the question of what would be the price impact on households, but it was making a similar point to what you were talking about yesterday.</p> <p>Senator XENOPHON: So in any design of an emissions trading scheme or a carbon</p>	45-47 02/06/2011	27/07/2011	

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				<p>tax, what priority will be given to the tax interaction effect? How front and centre is that in any design package?</p> <p>Dr Parkinson: I think it is fair to say that there are lots of issues being considered in the design of potential compensation responses. A range of issues will come up there.</p> <p>Senator XENOPHON: Can I just raise this issue as a result of what President Obama has said and what the Congressional Budget Office has said, and in the context of China looking at an intensity based scheme. Obviously it is not a capped scheme. I understand that they are looking at reducing the energy intensity of certain industries.</p> <p>Dr Parkinson: Can I just clarify that the Chinese government has committed itself to improvements in emissions intensity per unit of GDP and indeed has kicked that off with its new five-year plan. But, in addition, it has commissioned 13 cities and provinces to explore the use of market based instruments, including cap and trade.</p> <p>Senator XENOPHON: Sure, although as I understand it, the primary focus is an intensity based per unit scheme.</p> <p>Dr Parkinson: No. The focus today at a national level is on reducing emissions intensity per unit of GDP, but, at the same time, they are preparing the ground and they have sent eight cities in five provinces, the 13 together, to experiment with different approaches, using market mechanisms, including cap and trade. The NDRC, the National Development and Reform Commission, have been very clear that that is what they have been tasked to do.</p> <p>Senator XENOPHON: Given both the emissions trading approach and the intensity approach, which seems to be an interim measure, and given what is being proposed by President Obama, is that relevant in the design of any scheme, given what our major trading partners may be doing?</p> <p>Dr Parkinson: No.</p> <p>CHAIR: Senator Xenophon, we are getting dangerously close to climate change policy discussion here rather than tax. We had this discussion yesterday.</p> <p>Senator XENOPHON: It is nearly over for me. I was going to ask about the fiscal implications of that for the design. That was the context, Dr Parkinson. I was not being mischievous.</p> <p>Dr Parkinson: I was not assuming you were. It is not actually relevant to us. If we have a cap and trade scheme where we can import permits, those permits do not have to arise from other emissions trading schemes. There are different ways in which permits can be generated that we can accept into our scheme. How we decide to do that is a matter for us.</p> <p>Senator XENOPHON: Do you mean imported permits or permits being generated?</p>			

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				<p>Dr Parkinson: Imported permits, yes. For example, we could simply import clean development mechanism permits. Or we could allow the importation of permits from a country that has an emissions trading scheme—for example, New Zealand.</p> <p>Senator XENOPHON: How far advanced are New Zealand at the moment? Are they up and running?</p> <p>Dr Parkinson: They already have a scheme running.</p> <p>Senator XENOPHON: They are up and running and they are trading permits?</p> <p>Dr Parkinson: Yes.</p> <p>Senator XENOPHON: I will read the Congressional Budget Office report.</p> <p>Dr Parkinson: It is not that worth while.</p> <p>Senator XENOPHON: No, I will.</p> <p>Dr Parkinson: It was an interesting exercise a number of years ago.</p> <p>Senator XENOPHON: Sure. Could you take on notice that question in relation to the assertion by Frontier Economics of an increase in emissions.</p> <p>Dr Parkinson: We will have a look, yes.</p>			
271	Fiscal Group	Bushby	Net Debt	<p>Senator BUSHBY: I do not disagree with that, particularly compared to those and most other OECD countries. But there are other OECD countries that are ahead of us. I am just curious as to why there are no comparisons with those who are in a better position than we are. I thought that might have been instructive. I will move on from there. I accept your answers and I will move on to something else. Still on debt, could you explain the process for calculating net interest payments. We have actually gone over that to some extent.</p> <p>Senator CAMERON: Did Barnaby leave you that one?</p> <p>Senator BUSHBY: We did talk about the difference between gross and net. I will not go into that again. But what I do want to know is: why do net interest payments continue to increase whilst the debt is falling in the budget papers?</p> <p>Dr Gruen: Can you show me the page? This is really a question for Fiscal Group, but I may be able to help you.</p> <p>Senator BUSHBY: It is Budget Paper No.1, table 3, page 10-8.</p> <p>Dr Parkinson: This is net debt. We could take that on notice and come back to you. It will be relatively straightforward. One of the issues could be that gross debt on issue remains high and market interest rates have risen.</p> <p>Senator BUSHBY: It could be assumptions about market interest rates.</p> <p>Dr Parkinson: No. Remember that what we are looking at here is net debt. Net debt is gross debt on issue less the financial assets that we have built up.</p> <p>Senator BUSHBY: Those factors that we have discussed.</p>	49 02/06/201 1	05/10/2011	

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				<p>Dr Parkinson: If the financial assets are essentially cash at the Reserve Bank, we will be earning a very minimal amount of interest on it, whereas we would still be paying market interest rates on the gross debt. It could have something to do with that.</p> <p>Senator BUSHBY: I would appreciate it if you would take that on notice.</p> <p>Dr Parkinson: We will take that on notice and get back to you. It is a straightforward question.</p> <p>Senator BUSHBY: I am sure it is, but it was a curious thing to read that as net debt goes down the interest payments continue to rise. If there are assumptions about it—</p> <p>Dr Gruen: It may also be that there is obviously debt maturity. So, to the extent that some of the things that are maturing have lower interest payments, what is left has—</p> <p>Senator BUSHBY: I was going to say that if there are some assumptions about what might be happening with interest rates as debt comes off and goes on I would be interested in that as part of the answer as well.</p> <p>Dr Parkinson: If our Fiscal Group colleagues were here they would be able to answer this for you off the top of their head. I am afraid I cannot do that.</p> <p>Senator BUSHBY: I would appreciate, then, if you could take that on notice.</p> <p>Senator XENOPHON: Sure. Could you take on notice that question in relation to the assertion by Frontier Economics of an increase in emissions.</p> <p>Dr Parkinson: We will have a look, yes.</p>			
272	Fiscal Group	Bushby	Interest rate used to calculate net interest payment	<p>Senator BUSHBY: I would appreciate, then, if you could take that on notice. What interest rate is used to calculate the net interest payment? It is a reasonably sophisticated approach, isn't it, looking at the issue of what is coming off and then—</p> <p>Dr Parkinson: No, it is the interest rates that the debt is issued at. So when we issue debt today we issue it at a particular interest rate.</p> <p>Senator BUSHBY: I know that, but in the forward estimates you have some debt coming off and you have to make assumptions, presumably, about—</p> <p>Dr Gruen: I think we use the current yield curve. I could stand corrected. As I understand it, we use the yield curve at the time we are putting this together and a weighted average of the yield curve. We obviously issue at different maturities, so it will not just be the 10-year rate. It is a weighted average of the yield.</p> <p>Senator BUSHBY: That is right, because some of it will come off and might go on for 18 months, depending on what—</p> <p>Dr Gruen: Indeed, so I think that is what we do. But I stand to be corrected.</p> <p>Dr Parkinson: We will take that on notice and get back to you. Senator XENOPHON: Sure. Could you take on notice that question in relation to the assertion by Frontier Economics of an increase in emissions.</p>	49-50 02/06/2011	4/10/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				Dr Parkinson: We will have a look, yes.			
273	Fiscal Group	Bushby	Interest Payments	<p>Senator BUSHBY: Thank you. I have a couple of other questions which you might be able to answer or might not. It appears that net interest payments continue to rise until the last figure in that table of 2014-15 to 7,498.</p> <p>Dr Gruen: But not as a percentage of GDP, as you can see.</p> <p>Senator BUSHBY: No, but in terms of actual figures. It is mainly stable as a percentage of GDP.</p> <p>Dr Gruen: Indeed.</p> <p>Senator BUSHBY: It is continuing to increase in terms of actual number.</p> <p>Dr Gruen: Yes.</p> <p>Senator BUSHBY: Are there any projections for what it is likely to do in the years following that?</p> <p>Dr Gruen: Yes. There are in the sense that the chart that we were talking about with Senator Joyce shows you projections of net debt, and in order to get projections of net debt you have to have background information.</p> <p>Senator BUSHBY: So will the \$7½ billion be the peak or does it get higher?</p> <p>Dr Parkinson: I do not know the answer to that.</p> <p>Senator BUSHBY: Could you take that on notice.</p> <p>Dr Parkinson: Yes. Senator, these are questions which AOFM, the Australian Office of Financial Management, and our Fiscal Group colleagues could answer off the top of their head.</p> <p>Senator BUSHBY: They are on later tonight.</p> <p>Dr Gruen: Did you say AOFM are on tonight?</p> <p>Senator BUSHBY: They are on late tonight, yes.</p> <p>Dr Parkinson: Then you will be able to ask them.</p> <p>Senator BUSHBY: Can you take it on notice as well. Even if it is answered tonight, I would appreciate Treasury's perspective on that as well.</p>	50 02/06/2011	4/10/2011	
274	Fiscal Group	Bushby	Depreciation figures	<p>Senator Wong: No, in terms of what is in the CR. I hope we do not have to reprise Senator Cormann's and my lengthy discussion about it.</p> <p>Senator BUSHBY: I cannot speak for my colleagues. I am not intending to go through the contingency reserve data, but I am interested in this particular figure because it does not appear to reflect a significant decline in purchases of non-financial assets, as indicated in table 21 on page 6-50. So, to me, it seems like it must be the result of an increase in depreciation expenses.</p>	51 02/06/2011	17/10/2011	

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				Dr Parkinson: We will take it on notice and see if we can give you an answer.			
275	Fiscal Group	Bushby	Depreciation figures #2	Senator BUSHBY: I will finish up by reading the question I was going to ask and you can take it on notice. My calculations suggest that depreciation expenditures must increase from \$6,156 million in 2011-12 to \$10,534 million in 2012-13 and then drop back to \$5,863 million in 2013-14 and \$6,134 million in 2014-15 on the basis of these figures. Obviously, if you could prove otherwise I would be delighted that you could. So what I want to know is: why are depreciation expenses—if this is indeed what they are—so much higher in 2012-13? I also want to know the degree of latitude that exists for moving depreciation expenses from one year to another when you are putting together the budget. Thank you.	51 02/06/201 1	17/10/2011	
276	ASIC	Heffernan	Superannuati on Recovery Action Group	Senator HEFFERNAN: I have a letter here from the Superannuation Recovery Action Group. There is a company called Ruttley transport and they have a history of probably 10 years of not paying child support across to the agency under great sufferance. They have a history of having their payroll on companies that go into liquidation and do not pay their superannuation, and I have a long line of people who have not been paid superannuation for 10 years who have been employed, with their super still outstanding. The letter says: Dear Senator Heffernan, Thank you for agreeing to receive this documentation as requested by [a certain person] on 14 February [2011]. After overviewing the attached documentation you may appreciate this is a very serious problem that all employees at Ruttleys are facing. There have been many attempts by individuals over many years to rectify this problem. They inevitably fail and they are forced to move on to other employment without receiving the unpaid super payments due to them by Ruttleys. We have started a register for all persons who are current and past employees of Ruttleys and their associated shelf companies— which is how they dodge the business— that are owed superannuation payments, and I have enclosed a few as samples for you to view. Having been in contact with many of the past and present employees, we envisage that we will eventually collect hundreds of these statements and they will tell the same story of nonpayment. While being engaged in the pursuit of unpaid superannuation we have also become aware of a second and perhaps more serious problem, this problem being the failure of Ruttleys to pass on child support payments they have been deducting	55 02/06/201 1	06/07/2011	

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				<p>from some employees' wages to their ex-wives and dependent children. And so it goes on. What is the history of your division or whatever with a company that could get away with—I have the company names here—over a period of years they simply put the company into receivership and do not pay the money. There is an account here where you have them in the courts for \$7 million from the Taxation Office.</p> <p>Mr Murphy: Yes. That would be primarily a concern of ASIC, the Securities and Investments Commission, and, if it is with superannuation, the ATO.</p> <p>Senator HEFFERNAN: But aren't you the superannuation complaints?</p> <p>Mr Murphy: These officers are from the Superannuation Complaints Tribunal, which primarily deals with conflict between parties over the payment of superannuation.</p> <p>Senator HEFFERNAN: Isn't that precisely what this is?</p> <p>Senator Wong: Senator, what I propose—because obviously there are concerns about the facts you have raised—is that, if you provide that information to Mr Murphy, we will take it on notice and we will pass it on to the relevant bodies, which I understand would be the ATO and ASIC.</p> <p>Senator HEFFERNAN: Can I table this letter now, because I have permission? I did not have permission in the ASIC hearing yesterday to table the letter.</p> <p>Senator Wong: No, no. If you give it to Treasury, we will ensure it is passed on to the relevant authorities.</p> <p>Senator HEFFERNAN: Thank you very much, Minister, for your assistance in that matter. I could put on the record the companies that have dodged it but I presume I will pass that on in documentation.</p> <p>Senator Wong: Yes.</p> <p>Senator HEFFERNAN: These people are seriously intimidated. There is one guy here who is owed \$40,000 in unpaid super over a period of 10 years. The company has a history of employing people and, when they complain, shunting them. They do occasionally pick up the child support and send some in—I have been talking to the Child Support Agency—and then they put the company into liquidation and start again. I do not think that in Australia today companies ought to be able to get around like that. These are the guys who drive the flashiest cars, go to the races—</p> <p>CHAIR: Senator Heffernan, this was raised in ASIC yesterday. It will be taken up.</p> <p>Senator HEFFERNAN: Thank you very much, because I now have permission to table the stuff, which I did not have yesterday.</p>			
277	Markets Group	Cameron	Executive remuneratio	<p>Mr Murphy: I think that the questions you are asking—I am trying to be helpful—are actually—</p> <p>Senator CAMERON: You always are, Mr Murphy.</p>	63-64 02/06/201 1	12/10/2011	

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			n	<p>Mr Murphy: Thank you. They are questions that I would have thought the Productivity Commission would look at—that is, social justice in terms of executive remuneration. What the government's policy has been over a number of years has been to try to get more transparency into remuneration reports. There was also an issue about whether the arrangements for incentives that companies were establishing for their executives led to excessive risk-taking, which contributed to financial crises, either in the company or the economy-wide. I think some of those issues are live issues. There is still work going on in the G20 on executive remuneration. There are still issues before the government in particular on whether there should be a clawback provision in terms of executive remuneration pay. I think Mr Kluver's work is one contribution to that broader sweep in terms of executive remuneration. But, as to that issue of social justice or equivalency in treatment between executives and employees, I think that is more a policy issue, which would be either Treasury or the Productivity Commission or someone like that.</p> <p>Senator CAMERON: There are two aspects to that. One is the equity issue and the treatment issue and the other is the implications it has for the economy in terms of comparative wage justice at the executive level. It can drive wages that are not appropriate to the productivity outcome of the firm or the profitability or the share price. It can do all of that. I am just wondering whether anywhere in Treasury this question of comparative wage justice at the executive level has been looked at.</p> <p>Mr Murphy: I think those are the types of things that, as I say, are not really what CAMAC is about or has the capacity—</p> <p>Senator CAMERON: Let us go wider. Is it something that the Treasury—</p> <p>Mr Murphy: Yes, they are issues that would go into macroeconomic policy. It goes into labour policy. It goes into various aspects of what Treasury looks at.</p> <p>Senator CAMERON: Are there any comprehensible papers that you have done—for a layperson—that we could look at?</p> <p>Mr Murphy: I expect there would be. I will take that on notice and talk with my colleagues.</p> <p>Senator CAMERON: Can you take it on notice and let me have a look them?</p> <p>Mr Murphy: I expect there would be.</p> <p>Senator CAMERON: Thank you.</p>			
278	Revenue Group	Cormann	Retiree savings	<p>Senator CORMANN: Has Treasury undertaken any analysis to estimate the number of Australian retirees whose private retirement savings become exhausted and who consequently become totally dependent on the age pension? Do you have some numbers around that?</p> <p>Mr Murphy: Probably there would be but it is not with the Markets Group; it would be</p>	72-73 02/06/201 1	22/07/2011	

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				<p>in—</p> <p>Mr Lonsdale: It would be Revenue Group—Mr Phil Gallagher.</p> <p>Senator CORMANN: So I have to wait till October now.</p> <p>Mr Lonsdale: We are happy to take that on notice if you like.</p> <p>Senator CORMANN: I really appreciate that.</p> <p>Mr Lonsdale: It would be useful to clarify the question. There are a large number of retirees—80 per cent of retirees are on the age pension, either full rate or part rate. Most retirees are on the age pension at some time in their retirement. So it would be very useful to clarify the information that you are asking for.</p> <p>Senator CORMANN: I would be interested to get a better understanding as to what Treasury's expectations are in the context of things like the intergenerational report work and so on as to how that is going to track into the future and how people who might start off with substantial private retirement savings are not able to manage them so that they last for all of their life. You do have the market risk and the longevity risk, which I think sounds terrible—it is the risk of growing old, I guess. People in this industry have strange terminology. But never mind. I am interested to get a bit of a sense as to what your modelling and your expectations are, how that will track and how annuities fit into the overall retirement policies brain work.</p> <p>Mr Lonsdale: We can see what is available.</p> <p>Senator CORMANN: Thank you.</p>			
279	Markets Group	Cameron	Number of clients per financial adviser	<p>Senator CAMERON: Can I come back to the advisers. Is there any analysis of the average size of the client base for advisers?</p> <p>Dr Sandlant: There was some data that was available on that from ASIC—the PJC inquiry. I might have to take that on notice or come back to it. From memory, I think the average number of clients per financial adviser was about 370. But that is from memory.</p>	73 02/06/2011	13/07/2011	
280	Markets Group	Bushby	Competitive and Sustainable Banking System reforms	<p>Senator BUSHBY: I will put that on notice—that is fine. At the last estimates I asked about—and it was taken on notice—the details of the differences between the dates on the initial website for the Competitive and Sustainable Banking System reforms and those that were likely at that date. The answer that was provided in AET 116 does not actually tell me what the dates were on that initial website. I was wondering whether you could provide me with the details of—to use the phrase you used in the answer to the question on notice—indicative-only consultation time frames that were publicly published on that website at the time of the release of that package.</p>	80 02/06/2011	19/07/2011	

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				Mr Lonsdale: We will get you the exact dates.			
281	Markets Group	Bushby	Increase credit limit	<p>Mr Mikula: There was consideration given to that. I think, though, they are quite discrete issues and looking to address quite different topics and problems. The responsible lending is about whether the consumer can afford the repayments, at least in the context in which I think the question might be raised, whereas the credit card reforms, particularly those in relation to prohibiting unsolicited credit limit increases, are about seeking a more active engagement and more active choice by the consumer in deciding whether to increase their credit limit.</p> <p>Senator BUSHBY: While we are on the credit limits, my reading of the draft legislation suggests that it is now very difficult for a credit provider to offer an increased limit. I would be interested in your views on how a credit provider, if this legislation were passed, would actually go about providing the consumer with the choice of an increased credit limit. What would they still be permitted to do?</p> <p>Mr Mikula: The way in which the legislation is structured is that it would—section 133BE contains a prohibition on making unsolicited credit limit increase invitations. That is specifically designed to address the instant 'sign here and return this form' or 'click on this button and you can get an immediate increase' sorts of offers where consumers can make a very simple choice when it is put in front of them. The characteristic that defines those is that there is some level of encouragement or enthusiasm by the lender for this proposition. It has always been contemplated, since the issue was raised in the various consultations we have had, that lenders would still be able to provide neutral factual information about how you could increase your credit limit—for example, a statement that you would be able to discuss this by contacting a particular person or ringing a particular number or doing something like that. That has always been Treasury's position and that is being addressed through the regulations. There is no constraint on communications between lenders and their customers on that topic. They can still discuss it. But they have to do it in neutral ways that avoid the precise—</p> <p>Senator BUSHBY: Could they write a general letter to customers in general saying, 'If you would like to consider an increase in your limit then please talk to us'? Are you saying that sort of thing would be fine?</p> <p>Mr Mikula: That is we what we would anticipate the regulations would allow when they finally—</p> <p>Senator BUSHBY: But if it is a specific letter to a customer, because it may be observed that that customer is continually hitting the limit, saying 'We notice that you're</p>	82-83 02/06/201 1	11/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>continually hitting the limit and we thought that you might like to consider an increased limit', is that something they could do?</p> <p>Mr Mikula: I suppose they would still be able to write to individual customers. The customer themselves would know whether they are going up to or over their limit, so whether they would be able to point that out or just provide the neutral information is still one of those issues of a level of detail that we are still considering.</p> <p>Senator BUSHBY: So that is a bit grey at this point? So it is a bit fuzzy still at this point what they might be able to do in that?</p> <p>Mr Mikula: Yes.</p> <p>Senator BUSHBY: What about—and this is probably less fuzzy—the situation like we had earlier this year with the floods in Queensland? Banks in that case were, I think, asked by the federal and state governments to show a bit of largesse to some of the people who were affected. If in that case a bank wanted to offer the ability to have a higher limit for a period to help people through that, presumably they would not be allowed to send a letter saying that, under this legislation.</p> <p>Mr Mikula: There is possibly a misconception about that sort of scenario. Largesse by the banks in providing such a credit limit may not be in the consumer's best interest if they cannot afford to repay it.</p> <p>Senator BUSHBY: But the responsible lending obligations would surely address that.</p> <p>Mr Mikula: That is correct. So the utility of writing to consumers in that situation is questionable. I think what they did previously in that scenario was mass media messages, which are certainly still allowed. It is only individual written communications that fall within this prohibition.</p> <p>Senator BUSHBY: I will leave that aspect of it there. On what basis has the government decided to only apply these measures to new customers? Did the government obtain legal advice on the issue?</p> <p>Mr Mikula: We did.</p> <p>Senator BUSHBY: On what date was the legal advice provided to Treasury?</p> <p>Mr Mikula: I would have to take that on notice.</p>			
282	Markets Group	Cormann	Order of the Senate	<p>Senator CORMANN: Mr Banks, did you personally review the <i>Hansard</i> of the last Senate estimates?</p> <p>Mr Banks: Yes, I did.</p> <p>Senator CORMANN: So if you read the <i>Hansard</i>, you would be aware that there is significant precedent, and that is in the context of both Labor and coalition administrations, of organisations like yours or, if not yours, the ACCC, ASIC, the</p>	94-96 02/06/201 1	13/07/2011	

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				<p>National Audit Office and a whole series of organisations being ordered or asked by the Senate on various occasions to produce information in relation to matters where they have to actually go out of their way and put that information together, not just make available documents that they already have. Are you aware of that?</p> <p>Mr Banks: Yes. I was. We looked carefully at all of those instances. I did not think any of them really created a precedent in this case.</p> <p>Senator CORMANN: Why is that?</p> <p>Mr Banks: The Productivity Commission's functions as an independent statutory agency are different to the ACCC's and a range of other bodies. Our purpose is to conduct public inquiries for the purposes of making recommendations about public policy to the government. So the nature of the role and the function of the commission differs in that respect. In the instances that you cited, they either involve the collation or collection of documents that were already available, which is a situation where we have responded in the past or, in the case of the ACCC, reflected differences in the ACCC's act that positioned it differently to my organisation. The act refers exclusively to the relationship that we have in reporting through the minister or being asked to do work by the minister.</p> <p>Senator CORMANN: I do not have the list here again. Most of those inquiries, incidentally, were initially by cross-bench senators, by nongovernment senators, that were referred to ASIC, the ACCC or the National Audit Office in relation to smoking policy and a great variety of issues. It was not a matter of the ACCC or others putting together documents they already held. It was about them doing actually work that then had to be provided to the parliament. Just because that has not happened to the Productivity Commission so far—of course, in your current iteration, you have not existed that long—does not mean that you have a different status from any other independent statutory agency that has been created by an act of parliament. I am interested to hear from you your intentions. Is it your intention to just ignore it and not come back because you have not given us conclusive advice as to how you propose to deal with it? The last indication was that you would respond more fully to the matters that you raise in your letter to me once advice becomes available from the Assistant Treasurer. Clearly, there is a deadline here, which ran out two days ago. What is your intention in terms of how you are going to handle this?</p> <p>Mr Banks: Well, I have had advice from the Assistant Treasurer that an inquiry of the kind in question here will be sent to the Productivity Commission next year. So the task will be dealt with by us with a reference from the Assistant Treasurer in the normal way.</p> <p>Senator CORMANN: So when did you get that advice?</p>			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Mr Banks: That is only just in recent days.</p> <p>Senator CORMANN: So eventually you are going to tell the Senate what your intentions are so that the Senate can make a judgement on your approach to this?</p> <p>Mr Banks: Well, I can tell you now, Senator, that my response will be when we receive those terms of reference, we will conduct the inquiry.</p> <p>Senator CORMANN: There is a formal order of the Senate. Now, you might not think that is an important thing, but there is a formal order of the Senate requiring you to do something by a certain time. It has been in place for seven months now. All other parts of government have to take these things quite seriously. Essentially, you think that now telling me in this committee is going to do the job?</p> <p>Senator Wong: Senator, I obviously am at a bit of a disadvantage. I am not Mr Shorten and I do not have all of the relevant documents with me. I understand that there was correspondence to the President outlining PC's response to the order. I understand the government has made its view clear about whether or not the Senate possesses this sort of power. Is this a matter, Senator, where the broader issue of guidance for officials giving evidence and the provision of information to the Senate and its committees—</p> <p>Senator CORMANN: Sorry?</p> <p>Senator Wong: Is this not something that the privileges committee is dealing with?</p> <p>Senator CORMANN: This is something that is quite—</p> <p>Senator Wong: No. Is not the broader issue of the provision of information to the Senate and its committees something that the privileges committee is dealing with?</p> <p>Senator CORMANN: The privileges committee, the procedure committee and various bodies of the Senate are dealing with the fact that under your government, Minister, there is now an increasing trend of statutory agencies and government departments not complying with legitimate orders passed by the Senate for the production of information.</p> <p>Senator Wong: Well, we do not accept this is legitimate, Senator.</p> <p>Senator CORMANN: Absolutely it is legitimate.</p> <p>Senator Wong: No. We do not accept that—</p> <p>Senator CORMANN: Well, indeed.</p> <p>Senator Wong: for the reasons I have outlined.</p> <p>Senator CORMANN: For which reasons? So what are the reasons?</p> <p>Senator Wong: Because, as Mr Banks has said—and I can go on the advice he has provided to the committee today—if you look back to 1973, this is not the sort of order that the Senate has made. Just in terms of public interest, Senator, do you really think it is an appropriate thing that a parliamentary chamber can simply direct a statutory body to go away and do an inquiry?</p>			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Senator CORMANN: They have done it many times before, Minister.</p> <p>Senator Wong: Senator, I am sorry, I do not—</p> <p>Senator CORMANN: Including Labor. Senator Conroy has done it. Senator Conroy initiated motions in the Senate as a nongovernment senator to get the ACCC to do work on telecommunications matters.</p> <p>Senator Wong: We are not going to agree on this, Senator.</p> <p>Senator CORMANN: Well, it is a fact.</p> <p>Senator Wong: Senator, I am just not going to argue with you about it. We are not going to agree. You have a view. We have a view.</p> <p>Senator CORMANN: This is a recent trend under your government.</p> <p>Senator Wong: Well, I do not accept that. But I am saying in relation to this issue, I am not sure where you want to proceed with it. I do not think we are going to be able to resolve this impasse tonight.</p> <p>Senator CORMANN: I am going to proceed with this a bit further. Are you aware of the occasional note that was written by the Clerk of the Senate in February in relation to these issues? Have you seen those?</p> <p>CHAIR: This is really not a question for the Productivity Commission.</p> <p>Senator CORMANN: No. I am asking the Productivity Commission because it is actually directly relevant to the order that was passed by the Productivity Commission and the initial advice that was given.</p> <p>CHAIR: I think the minister has given that response.</p> <p>Senator Wong: We will take that on notice, Senator.</p> <p>Senator CORMANN: I might table it for the benefit of Mr Banks.</p> <p>Senator Wong: I will take that on notice and I will ask Minister Shorten the response he thinks is appropriate.</p> <p>Senator CORMANN: Minister, the answer—</p> <p>Senator Wong: The question is—</p> <p>Senator CORMANN: It is a question for you.</p> <p>Senator Wong: It is unfair. The question I am taking on notice is whether the government is aware of the occasional note.</p> <p>Senator CORMANN: I did not ask about the government. I asked about Mr Banks.</p> <p>Senator Wong: Well, I do not think it is fair to put Mr Banks in this position.</p> <p>Senator CORMANN: Why not?</p> <p>CHAIR: Well, the minister has taken it on notice, and the minister is entitled to do that.</p> <p>Senator Wong: I will take it on notice, thank you.</p>			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
283	Markets Group	Cormann	Order of the Senate #2	<p>Senator CORMANN: The question is for you. Of course, the order of the Senate passed in November last year asking the Productivity Commission to design a process to ensure that the selection of the defined superannuation funds under modern awards was open, transparent, objective, competitive and evidence based was actually an implementation of Labor Party pre-election policy. Why is it that you still have not moved on it?</p> <p>Senator Wong: I will take that on notice. It is not my portfolio. I have to pass it on to the minister who is responsible.</p>	96 02/06/201 1	2/08/2011	
284	PC	Abetz	Wages growth	<p>Senator ABETZ: It has been put to me that in the past four decades or so, 80 per cent of wages growth is in fact related to increased productivity. Is that in general terms a view that the Productivity Commission would share?</p> <p>Mr Banks: It sounds plausible to me. I do not know if my colleagues would comment.</p> <p>Senator ABETZ: Take it on notice. I do not want to make you commit to anything.</p> <p>Senator Wong: Senator, I did not intervene. If you are going to put it on notice, we can take it on notice, but you are asking Mr Banks to give an opinion in that question.</p> <p>Senator ABETZ: No. A professional assessment as to whether or not in the past four decades 80 per cent of wages growth has related to increased productivity. If we are able to measure these things, hopefully an answer can be forthcoming. It has been put to me that in this century or millennium—whatever we want to call it—over the last 11 years, this has not continued. In case the minister or anybody else thinks I am making a political point, the simple fact is that in the last 10 years or so both the coalition and Labor have been in government. The chances are that my side of politics has been in a little longer. So it is not a political comment that I am seeking to make. I am seeking to obtain data as to whether our productivity in the wages area has in fact slipped over the past decade or so.</p> <p>Senator CAMERON: I have made a number of speeches on this, drawing attention to Peter Costello's failure in productivity.</p> <p>Senator ABETZ: And if I had wanted to ask you, Senator Cameron, I would have. But I am actually asking the experts.</p> <p>Senator CAMERON: Just making the point.</p> <p>Mr Banks: The commission has looked fairly closely, as you would expect us to, at the productivity history. We made a submission to the House of Representatives committee at the time it was looking at the question of productivity. In that, we had an analysis of what happened to us both on the way up and on the way down. When you look at it in multifactor productivity terms and in terms of the productivity cycles that the Australian Bureau of Statistics uses to define and allow us to make proper comparisons over time,</p>	100 02/06/201 1	19/08/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>we found that a large proportion of the productivity decline that has occurred this millennium so far could be attributed to particular developments in a few sectors. One of them was mining, another one was agriculture and a third one, broadly, was public utilities. We have done work since then to try to burrow down and find out what was going on in those sectors.</p> <p>To some extent, the productivity decline is, I guess, the other side of the coin from our economic success over that period in terms of our quite strong income growth. For example, in the mining sector case, we have seen very strong terms of trade, very strong export demand and we have seen the mining sector engaged in very substantial investment and use of additional inputs. There is a lag before that comes on stream. In the meantime, productivity is seen to have fallen. In the case of mining, there is also a secular decline, I think, in terms of the quality of deposits but probably compounded by the fact that even a lower quality deposit that costs more to get out of the ground, if the price has gone up three times, is still a very profitable thing to do. So part of what we did in that work was to show that we have had historically very high rates of sustained per capita income growth coinciding with, as you say, quite a drop-off in productivity growth. There is some relationship between the two, but not entirely. So currently we are looking at the public utilities sector—</p> <p>Ms Gropp: Electricity, gas and water.</p> <p>Mr Banks: Electricity, gas and water, and trying to get an understanding of what has been happening there. Again, I think it is not unrelated to the drought and some of the short-term circumstances there and some of the heavy capital investments that have occurred, again, and then the way that output is measured in that sector. So I would be happy to send you a copy of the analysis that we have conducted, Senator, in that area.</p>			
285	PC	Cameron	Unanswered questions on notice	<p>Senator CAMERON: Mr Banks, does the Productivity Commission have a problem with productivity in the commission? Do you have a management system problem? Is there a lack of flexibility or efficiency? Why can you not answer questions on notice?</p> <p>Mr Banks: We can and we have.</p> <p>Senator CAMERON: I have not seen any of the answers to the questions on notice that I put in February. Mr Scammell: We provided to Treasury responses to all the questions, but not all of them have been tabled, Senator. Two remain.</p> <p>CHAIR: Mr Scammell, we cannot hear you very well.</p> <p>Mr Scammell: Senator, we prepared responses and have provided them to Treasury through the normal means. As I checked yesterday, all of them have been tabled with the committee, but two remain unanswered and they are two questions that you put on notice</p>	101-102 02/06/2011	08/07/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>at the last hearings.</p> <p>Senator CAMERON: I thought more than two questions. Maybe you joined them up. But you have not answered any questions. So there has been no response to any of my questions on notice.</p> <p>Mr Banks: Senator, we have answered all of your questions. We have submitted our answers to all of your questions; perhaps I should put it that way.</p> <p>Senator CAMERON: So they just have not come through from the Treasurer?</p> <p>Senator Wong: I think it is the Assistant Treasurer, Senator.</p> <p>Senator CORMANN: If you do not get any answers, I will not either.</p> <p>Senator Wong: This proves the point that sometimes when you think it is a conspiracy, it really is not.</p> <p>Senator CAMERON: Can you give me the answer to the questions now?</p> <p>Senator Wong: Me?</p> <p>Senator CAMERON: No, Minister. I am not asking you.</p> <p>Mr Banks: Well, I will do my best, Senator, but it requires my memory. I might have to go back to—</p> <p>Senator CAMERON: To be fair, they are complex issues going to different sources of information and education statistics, so I would not do that.</p> <p>Senator Wong: Senator, if you allow me—I seem to have had to do this twice this estimates period, once for a government senator and once for an opposition senator—to follow up with the minister I am representing to find out whether an answer can be tabled as soon as possible, I will do so.</p>			
286	Fiscal Group	Cormann	Commonwealth government securities market	<p>Senator CORMANN: I want to go to pages 7-16, 7-17 and 7-18 of the budget papers.</p> <p>Mr Nicholl: Is that Budget Paper No. 1?</p> <p>Senator CORMANN: Budget Paper No. 1, yes. Statement 7, and then pages 16, 17 and 18. On page 17 in particular, there is a note: The panel agreed that the Commonwealth government securities market should be maintained around its current size—that is, around 12 per cent to 14 per cent of GDP over time. Who was on the panel who made that decision?</p> <p>Senator Wong: Senator, this is Treasury, I think, not AOFM.</p> <p>Senator CORMANN: So it is not AOFM?</p> <p>Senator Wong: I will just check.</p> <p>Mr Nicholl: No.</p> <p>Senator Wong: It was a review, Senator.</p> <p>Mr Nicholl: We were a member of the panel, but we did not conduct the review. That</p>	107-108 02/06/2011	05/10/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>was the fiscal group from Treasury. Senator CORMANN: So who else was on the panel with you? Mr Nicholl: There were a number of market participants and the Reserve Bank and Treasury. Senator CORMANN: So the Reserve Bank and Treasury. When you say market participants, who? Mr Nicholl: Banks. I cannot remember exactly who, though. Senator CORMANN: Any state organisations? Mr Nicholl: Yes. I think there might have been one or two state central borrowing authorities that were represented. Senator CORMANN: Like the New South Wales Treasury Corporation, perhaps? Mr Nicholl: Yes. Senator CORMANN: And Victoria? Mr Nicholl: Yes. Senator CORMANN: Any other state? Mr Nicholl: Not that I recall. Senator CORMANN: And APRA perhaps? Senator Wong: Senator, this is not a debate. Senator CORMANN: No. I am just trying to find out— Senator Wong: Well, you are asking. This is in the note on 7-17. Is that what you are asking him to confirm? Senator CORMANN: I am trying to find out who else was on the panel. Senator Wong: Reading out of a budget paper and asking if it is correct. It just gets sillier. Senator CORMANN: I am just trying to get any number of private sector organisations. Who were they? Mr Nicholl: I do not recall. Senator Wong: We will take that on notice for Treasury, Senator. I am advised that it was chaired and run by Treasury, so why do I not take on notice your question as to who it comprised and the number of private sector market participants that is reference 7-17? Senator, is that what you want me to do? Senator CORMANN: That is what I would like you to do, yes. Senator Wong: Thank you. Senator CORMANN: I am interested</p>			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
287	Fiscal Group	Cormann	Commonwealth government securities market #2	<p>Senator CORMANN: I am interested to know. Obviously, all the organisations that are on there have an interest in maintaining a large number of Commonwealth government securities on issue. It is not really a balanced panel to review. That is a question for you, Minister. It is not really a balanced panel reviewing the needs of the Commonwealth government securities market, is there? They are all people who have a vested interest in maintaining—</p> <p>Senator Wong: I think statement 7 goes through a range of points at which the Commonwealth government securities market has been considered under both the previous government and under this government. It references some of the policy issues that need to be considered in terms of both the size of the bond market and, if you look at the 'Recent developments' paragraph, some of the liquidity and other requirements as a result of Basel international banking regulations. If you want a more detailed discussion, Senator, I am happy to take that question on notice.</p>	108 02/06/2011	4/10/2011	
288	Revenue Group	Cormann	Henry Review	<p>Senator CORMANN: Mr Heferen, I can start quoting the Henry review recommendation where he says that a resource rent tax should replace state and territory royalties and that there should be negotiation between the Australian government—</p> <p>Senator Wong: Which you opposed.</p> <p>Senator CORMANN: —and state and territory governments to work through the impacts of this. The question I asked you specifically, though, was: at the time when the Commonwealth signed up to what was a very clear commitment that all state and territory royalties would be creditable against the resources tax liability, was the Commonwealth aware at that point in time of the implications of that commitment for the federal budget bottom line, given that there was no agreement with the states and territories not to increase royalties into the future at that point in time?</p> <p>Mr Heferen: You are asking me to put myself in the shoes of the people who are signing this. I am afraid that is—</p> <p>Senator CORMANN: Treasury officials provided advice. I appreciate that you were not there at the time. Was Treasury aware at the time that this was one of the implications of the clause in that heads of agreement?</p> <p>Mr Heferen: As you say, Senator, because I was not there at the time, that is something I will have to take on notice.</p>	39 01/06/2011	08/07/2011	
289	Revenue Group	Abetz	Fair Work Act	<p>Mr D'Ascenzo: Yes, the Fair Work Act type definitions. It may be wider than the ATO, but certainly the ATO does have a role in ensuring that rules are being followed properly and that guidance is provided to people so that they can do that.</p>	91 01/06/2011	3/08/2011	

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
				<p>Senator ABETZ: Did I read correctly that it is anticipated—correct me if I am wrong—that, with the investment of \$46.4 million over the forward estimates, you are anticipating an additional income flow of \$513 million in revenue over the forward estimates? Is that correct?</p> <p>Mr Heferen: That is correct. That is the measure description that Mr McCullough was talking about—the better reporting. As we have agreed, they are related but still conceptually distinct from the issue of sham contracting.</p> <p>Senator ABETZ: So how did we come across that figure of \$513 million being raised in extra revenue? Who sat down and worked that out?</p> <p>Mr McCullough: Again, the tax office may like to supplement this but, as I recall it, they had done, as the commissioner said, a deal of work over 12 or 24 months to look into compliance within particular industries and then supply government with advice about what their estimates of potential revenue forgone was. From memory I think that was all built into the regulation impact statement, which has been made public.</p> <p>Senator ABETZ: It is just interesting that we get the figure so exact to \$513 million over the forward estimates. It is an interesting figure. You could estimate it at 500 or even 510, but that we get it down with such exactitude always interests me, especially when, with the best will in the world, it seems that no figure in Treasury estimates ever come out as predicted.</p> <p>Senator Sherry: You are suspicious. There are plenty figures in the budget with ones and twos.</p> <p>Senator ABETZ: No, I have seen figures in the round and I have never seen it—</p> <p>Senator Sherry: Not even I was that paranoid when I was sitting where you are.</p> <p>Senator ABETZ: I have never seen a figure in a budget come out as asserted in these sorts of circumstances.</p> <p>Mr D'Ascenzo: I may be wrong because I am not sure about just how the figure was calculated, so if I am incorrect I will certainly—</p> <p>Senator ABETZ: You can come back on notice.</p> <p>Mr D'Ascenzo: Can I surmise. I mentioned before that in the 2009-10 budget we did get some further funding. That funding enabled us to put on a team of something like 50 people. From 1 July 2009 to 31 March 2011 we did 1,675 field audits and the average adjustment there was something like 19,043 per case. So I imagine that the figure was done by multiplying those out.</p> <p>Senator ABETZ: All right.</p>			

BET	Program: Division or Agency	Senator	Broad Topic	Question	Proof Hansard Page & Hearing Date or Written Q	Date Rec'd	Date Tabled
291		Xenophon	Safety net use	1. Under what conditions will you use the safety net this year? a) When will the decision be made whether or not to use the safety net? b) How much extra delay will using the safety net cause? c) Does implementing the safety net flag a lack of confidence in the program's capacity to process correctly?	Written	19/07/2011	