

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio

Supplementary Budget Estimates, 2 - 3 November 2005

Question: SBT 76

Topic: Industrial Relations Changes - Modelling

Hansard Page: E86

Senator Sherry asked:

Senator SHERRY—I am not, either. Can you recall approximately when that modelling took place?

Mr Tune—It would have been in the period about a month and a half before the government made its first announcement about the industrial relations changes, which was pretty close to the budget, from my recollection—just after the budget, I think.

Senator SHERRY—Yes, it was very close to it.

Mr Tune—It would have been in that period between the budget and 1 June, when we gave evidence last time.

Senator SHERRY—You might take on notice the approximate week. Presumably there was some formal request to go to the modelling.

Mr Tune—I can tell you it was May. Is that good enough?

Senator SHERRY—Could you take it on notice and see if you can be more specific about when that modelling commenced?

Mr Tune—Yes, I can.

Senator SHERRY—Was it a request from the Treasurer's office?

Mr Tune—I cannot recall.

Senator SHERRY—Could you take that on notice?

Mr Tune—Yes, I can do that.

Answer:

The Acting Secretary to the Treasury, Dr Martin Parkinson, issued a press release relevant to this matter on 5 November 2005. The Press Release (No. 8 of 2005) stated the following:

ADVICE TO GOVERNMENT ON WORKPLACE RELATIONS

The Australian (page 1) today reports claims the Government is concealing specially commissioned advice from the Treasury on the Government's workplace relations changes.

This is false.

Treasury was not commissioned to provide specific advice on the economic justification for proceeding with workplace relations reforms.

Treasury has not prepared a report on the economic impact of the workplace relations legislation.

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As noted in evidence to the Senate Economics Committee on 3 November, during the policy development process (from March 2005 to May 2005), Treasury prepared indicative estimates of employment effects under various scenarios. This was before any change to workplace relations policy was adopted.

At no stage was any report prepared on the basis of this indicative analysis.

This work was used to provide comment to Cabinet during its consideration of workplace relations initiatives.