

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

20 – 21 October 2010

Question: SBT 219

Topic: Various questions re meeting about proposed mining tax

Senator Abetz asked:

Senator ABETZ—What input to the discussions with the resource companies did the government's experts in this field, that is officers from the Department of Resources, Energy and Tourism, have?

Mr Parker—We can take that question on notice, if you like, Senator. A number of the early meetings, working on the modelling and price numbers, took place in the Department of Resources, Energy and Tourism.

Senator ABETZ—Sorry, can you speak up, please.

Mr Parker—Yes. I am saying that a number of the very early meetings in the process of reaching this agreed modelling approach took place in RET but, as I said, I do not know—

Senator ABETZ—Was Mr Brown at the meetings? Who was at the meetings?

Mr Brown—Senator, I was at some of those meetings and RET officers were present.

Senator ABETZ—Excellent. Can you go into all the meetings you were present at? If not, take it on notice.

Mr Brown—I would take that on notice.

Senator ABETZ—Yes. If you could then also tell us what the level of representation was by that department.

Senator Wong—Senator, it might be better for these to be put on notice for that department. You are asking Treasury to give you advice, to respond to questions about the attendance of meetings of a department, which, as I recall, appeared earlier today. Or was it yesterday.

Senator ABETZ—Who ran the meetings? Who provided the secretarial assistance for these meetings? Who kept the minutes of these meetings? Treasury? What is the difficulty?

Mr Brown—Senator, as Mr Parker pointed out, the early meetings were actually held in RET offices and they provided facilities for the meetings.

Senator ABETZ—They provided the facilities. I asked about the secretarial services, as in who organised the meeting, who invited people to the meeting, who took the minutes of the meeting. Was it Treasury or DRET?

CHAIR—Perhaps you would like to take that one on notice.

Senator ABETZ—I must say this is unbelievable. Surely somebody at the table must know who was in charge of secretarial services.

CHAIR—Senator Abetz, the question has been taken on notice and will be answered in due course.

Senator Wong—Perhaps you could be clear what you mean by 'secretarial services', Senator.

Senator ABETZ—Organising the meeting, taking the minutes, inviting people to the meeting—who was responsible for that? DRET or Treasury?

Senator Wong—We will take that on notice.

Senator ABETZ—Oh, please! With all these officials in the room, not a single person knows who. Mr Brown, how did you get to the meetings? Who invited you and told you about the meeting? Was it from within Treasury or was it from DRET? This is not difficult, surely.

Mr Brown—The invitation I received came from within Treasury.

Senator ABETZ—From within Treasury?

Mr Brown—But I was also having that relayed to me, so I cannot—

Senator ABETZ—From whom in Treasury did you receive the invitation to go?

Senator PRATT—These are not the kinds of details officials he should be expected to remember.

Senator ABETZ—What? Do you know, Mr Brown?

Mr Brown—I would have to consult my diary and get that information.

Senator ABETZ—What—your diary?

Mr Brown—That would be something I would need to take on notice.

Senator ABETZ—You really do not know what department or—

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Senator Wong—He is entitled to take the question on notice, Senator.

Senator ABETZ—section or officer you received the invitation from?

Senator Wong—He is entitled to take the question on notice, Senator.

CHAIR—Senator Abetz—

Senator Wong—He is an official. He is entitled to take the question on notice.

CHAIR—Senator Abetz, the witness has said to you in a very straightforward way that he does not remember. Can we now move on to the next question?

Senator ABETZ—No.

CHAIR—Perhaps—

Senator ABETZ—Chair, he said he would have to take it on notice. I am now asking—

CHAIR—It might be helpful if you would explain why you need this kind of detail. It might help if you went to the point.

Senator ABETZ—No. Chair, with great respect, in the Senate it has never been the role of the President or the Chair of Committees to require a senator to explain why they are asking a question.

CHAIR—I am just trying to be helpful, Senator Abetz.

Senator ABETZ—I accept Mr Brown—

CHAIR—We are all getting frustrated.

Senator ABETZ—That is your problem. I accept that Mr Brown has taken the question on notice. What I am asking is: why are you taking it on notice? Is it because you genuinely cannot recall where the invitation came from?

Senator Wong—He does not have to give you a reason as to why he is taking it on notice. He is an official. He is entitled to take it on notice.

Senator ABETZ—But I am entitled to ask it—

Senator Wong—Yes, and I as the minister at the table am saying he is not required to give you that answer. Officials are entitled to take the questions on notice.

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Senator ABETZ—Yes, I accept that, and I am entitled to ask why the official needs to take it on notice.

Senator Wong—He said he would have to consult his diary. He has answered that already, even though he is not required to. So he has taken the question on notice. Move on to the next question, Senator.

Senator ABETZ—I am asking if it is simply because he cannot remember from where the invitation came.

Senator Wong—Senator, he has taken the question on notice.

Senator ABETZ—We know that and I am now asking if he has taken it on notice because he cannot remember.

Senator Wong—He is not actually required to give you an answer as to why he is taking something on notice.

Senator ABETZ—Yes, he is.

Senator Wong—If he wants to do that—

Senator ABETZ—But he can take that question on notice as well. Technically he is entitled to take on notice whether or not he cannot remember, but I am not sure that taking it on notice will assist his memory banks, so I am sure he can tell us today—

Senator Wong—There is no need to behave like that, Senator. These people are—

Mr Brown—Senator, there were a number of meetings that were organised. I do not recall precisely who organised them. I would have to take it on notice. I would not like to mislead the Senate.

Answer:

Meetings between Treasury officers, officers of the Department of Resources, Energy and Tourism (DRET) and industry representatives from BHP Billiton, Rio Tinto and Xstrata were organised to come to an agreed

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basis for modelling the impact of then proposed Resource Super Profits tax. Three meetings of this group were held, two meetings at the DRET offices in Binara Street, Canberra City on 16 and 17 June 2010 with the final meeting held at the Treasury building on 30 June 2010. These meetings were informal working meetings aimed at settling issues relating to the modelling of proposals, testing assumptions and data. No formal minutes were kept. The information developed at the meetings was used by Treasury to refine its modelling of the resource tax proposals.

The meetings were organised by the Treasurer's Office, with officials participating from DRET and with further input provided by the Australian Bureau of Agricultural and Resource Economics. DRET provided office facilities for the meetings held in their offices while Treasury arranged facilities for the meeting in the Treasury building.