

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio
Supplementary Budget Estimates
18 October 2012

Question: SR1

Topic: National Tourism Alliance Meeting regarding the Passenger Movement Charge (PMC)

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Senator Ronaldson asked:

Senator RONALDSON: Thank you. I wonder whether you can confirm the accuracy of the NTA minutes from this meeting which clearly state twice that the government had no plans to increase the passenger movement charge and mentioned this on page 4 and page 3 of those minutes. Can we confirm that that is what the minister said at that meeting?

Mr Clarke: I am unable to confirm that at present.

Senator RONALDSON: Parliamentary Secretary?

Senator Feeney: No, I am afraid I cannot assist you either.

Senator RONALDSON: Are you aware of any endeavours to contact the NTA if there are any concerns about the content of those minutes?

Mr Clarke: Not to my knowledge.

Senator RONALDSON: We can assume that they are an accurate record of the meeting.

Mr Clarke: I am not making any assumptions one way or the other.

Senator RONALDSON: Ms Madden is not in the building?

Mr Clarke: No, she is not; she is interstate.

Senator RONALDSON: Okay. The NTA minutes quite clearly twice state that there were no proposals to increase the passenger movement charge. Given, I am sure, these were distributed widely to the minister and others, I am working on the basis that it is an accurate reflection of the discussions.

In the lead-up to the budget there was significant talk around Parliament House about budget leaks, including those that the government was going to increase the PMC. Indeed, those rumours were validated on budget night. Are you aware that the NTA wrote to the minister to confirm his advice given at that meeting, and that he responded in a letter of 17 April?

Mr Clarke: I am advised that, yes, we have sighted that correspondence.

Senator RONALDSON: Did that correspondence make reference to the undertaking given by the minister at that meeting, that you are aware of?

Mr Clarke: I do not have the correspondence in front of me but-

Senator RONALDSON: Perhaps I will read it for you, because there does not seem to be much information available: "Following discussions with you at the ministerial roundtable, we understood the federal government would not be considering an increase in the passenger movement charge in

this years budget." Was there any attempt by the minister to clarify that comment in the letter? Did the minister write back say, "Oh no, you've got it all wrong. That's not what I said at the meeting"?

Ms Cox: I cannot recall. I would rather take that on notice because I am not sure.

Senator RONALDSON: Are you aware that the minister wrote to the National Tourism Alliance following receipt of that letter and there was no mention there that what had been quoted from the board meeting was inaccurate?

Ms Cox: I am sorry, Senator. What was your specific question?

Senator RONALDSON: The minister wrote to the NTA following receipt of their letter expressing concern about these budget rumours. They referred to the fact that the minister had indicated at the NTA board meeting on 2 March that there would be no increase in the PMC. There was no attempt by the minister to clarify that statement again, was there? There was no reference in the minister's letter to the fact that he had been misrepresented at the outcome of the roundtable.

Ms Cox: I do not have the correspondence in front of me.

Senator RONALDSON: Finally, the letter said, "The administration of the PMC lies within the portfolio responsibilities of the Treasurer, the Hon. Wayne Swan. I have therefore forwarded your correspondence and a copy of this letter to the minister for his consideration." Do you know whether the minister actually wrote to the Treasurer indicating that he had indicated to the NTA that there would be no increase in the passenger movement charge?

Mr Clarke: Our expectation on normal protocol is that the letter simply would have been copied.

Senator RONALDSON: I am not particularly interested in normal protocols, with the greatest respect. You have a minister of the crown who has gone to the peak tourism body on 2 March and said to them that the government had no proposals to increase the passenger movement charge. There was correspondence to him. There was no endeavour by him to retract or resile from that statement at all. He was written to by the peak body. His only contribution was to say that he had referred the letter to the Treasurer. Did the minister make any endeavour to communicate the concerns of the industry about these rumours to the Treasurer?

Mr Clarke: Senator, I think that is a question you would need to direct to the minister, beyond the correspondence trail. We can only-

Senator RONALDSON: With the greatest respect, this is the portfolio. I have got the minister's representative-

Mr Clarke: speak to the correspondence though.

Senator RONALDSON: What, do you want me to ring him up and say, "Listen, Martin, what's going on here, old chap"?

Mr Clarke: No, I am not-

Senator RONALDSON: We have got the minister's representative here. What do you mean: I should be asking the minister? I am asking the minister that.

Senator Feeney: Chair, I think the secretary is indicating that that correspondence, if it exists, might have emanated from the minister's office and that it does not belong to the department. I am not certain but, in any event, I cannot assist.

Senator CAMERON: Chair, on a point of order, can I ask that Senator Ronaldson address the minister by his proper title.

CHAIR: I missed that. On the point of order, all ministers should be addressed properly.

Senator RONALDSON: Minister Ferguson's representative is sitting at the table today, and that is who I am directing my questions to.

CHAIR: Yes, but-

Senator RONALDSON: I am sorry for using the expression "Martin". Minister Ferguson's representative is at the table, so I am actually asking the minister those questions.

CHAIR: That is right. You have asked the question about the continued involvement of the minister. You have asked it to both the officials and the minister's representative at the table. The official has advised that he has no knowledge apart from the passage of correspondence and the parliamentary secretary has advised he has taken it on notice.

Senator RONALDSON: Again, can I just ask you please whether the minister made any endeavours to contact the Treasurer to express the concerns of the NTA, apart from forwarding him a copy of the letter. Do you want to take that on notice?

Mr Clarke: Yes, thank you, Senator.

Answer:

The Department's record of the NTA meeting does mention a discussion relating to the Passenger Movement Charge (PMC), where it was generally agreed that this was not the right time to increase the PMC and other imposts.

In the Minister's response to Ms Payne's correspondence, he stated that "I understand the impact of the PMC and other fees and charges on Australian tourism, and continue to ensure that my Ministerial colleagues are also fully aware of the importance of inbound tourism to the economy."

The Minister then directed the correspondence to the Treasurer as the minister with primary carriage of taxation issues "for consideration and action as appropriate."

The Minister did not make further written representations to the Treasurer concerning the PMC.