

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

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

Question: SR3
Topic: Minister's Involvement in the PMC modelling
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Senator Ronaldson asked:

Senator RONALDSON: It just seems remarkable to me that TRA received a report that had been finalised in March 2011 and they remarkably received it in March 2012, just prior to a budget announcement of an increase in the passenger movement charge.

Is this just a remarkable coincidence or was this a release to justify a decision that was going to be made by the government in the budget despite an undertaking having been given on 2 March to the industry that there would not be any increase in the charge?

Mr Clarke: I suggest it is an unremarkable coincidence in that the passenger movement charge, as your line of questioning indicates, is an element of the industry that attracts great interest, and rightly so. The fact that research was commissioned on it contemporarily means nothing in particular.

Senator RONALDSON: But it was finalised in early 2011. Don't you find it remarkable, Mr Clarke, to reverse your words, that it mysteriously appeared in March 2012 just prior to a budget announcement?

Mr Clarke: No.

Senator RONALDSON: Not a remarkable coincidence?

Mr Clarke: No.

Senator RONALDSON: We will see if others hold the same view. Did the minister or his staff have any involvement in this project that you are aware of?

Mr Clarke: Not to my knowledge.

Senator RONALDSON: Can you take that on notice?

Mr Clarke: Certainly.

Senator RONALDSON: Do you know when it was received by the minister? Was it received by the minister's office prior to the receipt by TRA?

Mr Clarke: I doubt that, given its genesis, but we will take on notice the date on which the department would have briefed the minister on its contents.

Answer:

Neither the Minister nor his staff had any involvement in the Passenger Movement Charge project undertaken as part of the contract between the Centre for Economics and Policy and Tourism Research Australia (TRA).

The Minister received an information brief on this project from TRA on 19 April 2011 and this brief had attachments containing a list of the key findings and a copy of the reports itself.