

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Budget Estimates Hearings 2003-04 – 28 & 29 May 2003

Question: F15

Outcome 2, Output 2.1.1

Topic: Proceeds from asset sales program

Hansard Page: F&PA 303

Senator Conroy asked:

(Senator Conroy) Can you explain why the proceeds from the asset sales programs, excluding property and developments, are reported at \$46.5 billion in the answer to question F5—or it may be question F6—when DOFA's web site lists asset sales over the same period worth \$51 billion?

(Mr Ash) If we go back to the question that this relates to, the \$46.5 billion is the asset sales program itself, which is part of the \$58.1 billion figure you discussed at the last estimates period. Can you tell us specifically what your question about the new web site relates to?

(Senator Conroy) I was referring to the summary on the DOFA web site of asset sales of past projects.

(Mr Ash) We will have to take that one on notice.

Answer:

Proceeds listed under past asset sales on the DOFA web site were updated in February 2003 to ensure that they were all reported on the basis of net proceeds to the Commonwealth. Prior to February 2003, the proceeds reported for a number of asset sales on the DOFA web site were on this basis while the proceeds for others were on a gross enterprise value basis including amounts for the repayment of debt by the purchaser.

The net proceeds figure on the DOFA web site for past asset sales for the period 1 July 1996 to 30 June 2002 on this net proceeds basis is \$45.762 billion.

These net proceeds figures reflect rounded proceeds announced at the time of the sale. These proceeds are subject to final adjustment for any changes in asset values after bids are submitted but prior to financial completion.

The \$46.5 billion figure referred to in the answer to question F6 is, therefore, the aggregate net proceeds from asset sales (based on proceeds received on financial completion of each asset sale) for the period 1 July 1996 to 30 June 2002.