

Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

**Budget Estimates Hearing – May 2008
Department of Finance and Deregulation
Finance and Deregulation Portfolio**



**Outcome 1, Output 1.2
Topic: Building Australia Fund**

**Question reference number: F66
Type of Question: Written
Date set by the committee for the return of answer: 11 July 2008**

**Number of Pages: 1
Senator Fifield asked:**

Is the drawing down of the capital of the Building Australia Fund consistent with comments by the then Opposition before the election?

Labor's Building Australia Fund policy does not involve raiding anything. The government's assets would be maintained, and only its income stream, only the return on investments, would be made available for investment in productive infrastructure. The Treasurer knows this and he chooses to ignore it for his own political purposes." Chris Bowen, House Hansard, 11 Oct 2006

And again:

Under Labor the assets in the government's Future Fund would be retained in the Building Australia Fund. However, under Labor the income stream from the fund would be applied to productive purposes including infrastructure investment, not set aside solely to offset the cost of bureaucrats' superannuation payments, which are already in decline." Wayne Swan, House Hansard, 7 February 2006.

Answer:

As indicated in the 2008-09 budget, drawdowns will be subject to budget considerations and will be spent responsibly, in line with prevailing macroeconomic conditions. Funding for specific projects will be subject to rigorous evaluation by Infrastructure Australia.