

## **Standing Committee on Finance and Public Administration**

### **ANSWER TO QUESTION ON NOTICE**

**Budget Estimates Hearing – May 2009**

**Department of Finance and Deregulation**

**Finance and Deregulation Portfolio**

**Outcome: 2, Program: 2.1**

**Topic: ASC Pty Ltd**

**Question reference number: F19**

**Type of Question: Hansard F&PA 58-59, 27 May 2009**

**Date set by the committee for the return of answer: 10 July 2009**

**Number of Pages: 1**

**Senator RYAN asked:**

**Senator RYAN** - The media at the time referred to consultancy fees for the sale totalling just over \$6 million, including \$2.75 million to Lazard Carnegie Wylie and \$3 million-plus to Freehills. The government assured the media at the time that those figures only applied if the sale went ahead. What I am interested in is: was any amount paid out in consultancy fees?

**Dr Watt** - That would be best answered by Mr Lewis. They were consultants to the Department of Finance and Deregulation not to the ASC.

**Mr Lewis** - We have those details. I am not sure I have them with me right now but we could certainly give you details in relation to expenditure in relation to each of the consultancies. There were payments made to each of our advisers for a fair amount of work that has been done over a number of years. Those contract payment amounts which were due and payable in the event of a sale, the completion payments, were not made; and the payments to the consultants were way lower than that. As I say, we can give you the precise numbers on that.

**Answer:**

Following the Government's decision not to proceed with the sale, announced on 26 February 2009, contracts with the advisers were terminated. The total cost of external sale advisory services paid for services delivered from the date of contract signing to the date of contract termination was \$3,565,251:

- Lazard Carnegie Wylie (Business Adviser) – for services from Jan 2007 to March 2009: \$1,595,215;
- Freehills (Legal Adviser) – for services from Jan 2007 to March 2009: \$1,618,921; and
- Sparke Helmore (Process Adviser) – for services from April 2007 to March 2009: \$351,115.