

## **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: Medibank**

**Question reference number: F8**

**Type of Question: Hansard F&PA 20, 27 May 2009**

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

**Number of Pages: 1**

**Senator CORMANN asked:**

**Senator CORMANN** – Did the department provide the minister with legal advice, or departmental advice, about who owns Medicare Private? Is that a matter that has been considered by the government given that it is central to what is being proposed at the moment?

**Mr Lewis** – Yes, Senator.

**Senator CORMANN** – So you have provided advice?

**Mr Lewis** – Yes.

**Senator CORMANN** – Did that include legal advice, or was it merely departmental advice?

**Mr Lewis** – There was legal advice as well.

**Senator CORMANN** – Could we get a copy of the departmental advice to government about who owns Medibank Private?

**Mr Lewis** – I would need to consult the minister in relation to that matter. It raises a raft of issues which are potentially commercially damaging or at legal-

**Dr Watt** – Senator, we do not usually provide our advice to government.

**Senator CORMANN** - I much preferred Mr Lewis's answer because-

**Dr Watt** – I think my answer is the better one.

**Senator Sherry** – And my answer is both. There are two grounds, and we will take it on notice.

**Answer:**

In the context of the 2009-10 Budget, the Department of Finance and Deregulation provided advice to the Government on Medibank's conversion to for-profit. This advice included legal advice on the ownership of Medibank. The Minister for Finance and Deregulation has determined that the release of departmental advice, including the legal advice, would be detrimental to the public interest as it would remove legal professional privilege and would have an adverse impact upon the Commonwealth's commercial position.