

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

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

**Budget Estimates Hearing – May 2010**

**Finance and Deregulation Portfolio**

#### **Outcome 2, Output 2.3**

**Topic: ICC**

**Question reference number: F93**

**Type of Question: Written**

**Date set by the committee for the return of answer: 9 July 2010**

**Number of Pages: 2**

**Senator Ronaldson asked:**

In light of the following evidence given by Mr. John Grant, First Assistant Secretary, Procurement Division, Department of Finance and Deregulation during the 27 May 2010 Senate Finance and Public Administration Committee Estimates:

Page 6 - "I might add that, where an exemption is granted, the minister formally records and reports the exemption to parliament ... historically it has been tabled as soon as the exemption has been granted, within a day or two"

Page 11 - "I suppose that the process is – and it is based on experience - before the campaign has even been brought before the ICC a request for exemption might be made and is considered by the minister. The minister takes the decision and then informs the chair of the ICC and the parliament"

- a) Why was this historical practice of tabling the exemption "within a day or two" of its being granted not followed in the case of the Government's decision to exempt its tax reform (mining tax) advertising campaign from the Guidelines?
- b) On what date did the Government advise the chairman of the ICC about the decision to exempt its tax reform (mining tax) advertising campaign from the Guidelines?
- c) On what date was the ICC provided with information about the mining tax advertising campaign, when did the ICC meet to discuss this campaign, and which ICC members were present at that meeting where the mining tax advertising campaign was discussed?
- d) What comment or advice on the proposed mining tax advertising campaign was provided by the ICC to the Treasurer and/or Treasury?
- e) Can the Senate be provided with the unedited minutes of the meeting in which the ICC discussed the Government's proposed mining tax advertising campaign, and unedited copies of the ICC's comment or advice on the mining tax advertising campaign to the Treasurer and/or Treasury?

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#### **Answer:**

- a) The Department of Finance and Deregulation (Finance) wrote to the Secretary of the Finance and Public Administration Committee on 9 June 2010 to clarify the evidence provided at the hearing of 27 May 2010. The timing of Ministerial Statements detailing the grounds for exemptions from the Guidelines have varied depending on the sitting pattern of the Parliament and other circumstances. The Ministerial Statement detailing the exemption for the Tax Reform campaign was transmitted to the Senate within four days of the exemption being agreed by the Cabinet Secretary.
- b) The ICC received correspondence from the Cabinet Secretary detailing the exemption on 28 May 2010. The previous day a Finance officer contacted the Chair of the ICC to advise that the Tax Reform campaign had received an exemption.
- c) The ICC did not meet in relation to a campaign dealing with the Resource Super Profits Tax. Treasury officials attended an ICC meeting on 21 April 2010 to discuss a proposed campaign dealing with reforms that could arise from the release of the Australia's Future Tax System (AFTS) Review and the Government's response to that Review, including a possible Resource Super Profits Tax. Ms Williams (Acting Chair) and Ms Belcher were present.
- d) Given the nature of the information outlined above, the ICC did not provide any advice to the Treasury on the Resource Super Profits Tax.
- e) See (d) above.