

**Senate Finance and Public Administration Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Finance and Administration Portfolio**

**Department of Finance and Administration**

**November Estimates Hearings 2003-04 – 4 November 2003**

**Question: 33B**

**Outcome 2, Output 2.1.1**

**Topic: Telstra Sale**

**Hansard page: N/A**

**Written Question on Notice: 11 November 2003**

**Senator Forshaw asked:**

Would the Department say that paying off debt is the most important objective? If it is not the most important objective, would the government be prepared to have the sale negatively impact on the budget so that the other objectives can be achieved?

**Answer:**

The Government has stated that it will only proceed with the sale when market conditions are conducive to achieving an appropriate return for taxpayers.

**Date: 23 December 2003**

**Cleared by (SES): Simon Lewis**

**Group/Branch: Asset Management Group**

**Contact Officer: Mark Heazlett**

**Telephone No: 6215 2090**

**Senate Finance and Public Administration Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Finance and Administration Portfolio**

**Department of Finance and Administration**

**November Estimates Hearings 2003-04 – 4 November 2003**

**Question: 33C**

**Outcome 2, Output 2.1.1**

**Topic: Telstra Sale**

**Hansard page: N/A**

**Written Question on Notice: 11 November 2003**

**Senator Forshaw asked:**

If it is the most important objective, why don't the budget estimates reflect this? A response to QON on 17 October 2003 states that "the budget does not make general assumptions regarding the forward estimates that do not specify the exact allocation of the proceeds to ensure that the budget is not significantly affected by future decisions about allocations".

**Answer:**

The Government has stated that the proceeds from the sale of its shareholding in Telstra will be used to reduce net debt and may also be allocated to fund other Commonwealth liabilities. The answer to the Question on Notice on 17 October 2003 indicated that proceeds from the sale of Telstra, along with other sources of revenue, form part of the calculation of the Government's cash flows, and from this its overall financing requirements. The Budget Estimates do not specify which activities particular sources of revenue will be used for.

**Date: 23 December 2003**

**Cleared by (SES): Simon Lewis**

**Group/Branch: Asset Management Group**

**Contact Officer: Mark Heazlett**

**Telephone No: 6215 2090**