

Energy Assistance Payment – Inclusion of Newstart

MCALLISTER QUESTIONS: Original measure – energy assistance payment

When PM&C were first notified on the original measure of the Energy Assistance Payment (pg 5)

Was the energy payment policy proposal brought forward by PM&C at the request of the Prime Minister (pg 6)

Was the energy payment proposal brought forward by ministers or was it generated from the Department. Minister Cormann advises that it was part of the budget process and he would get the precise date on notice (pg 6)

Response to all questions:

Wednesday 20 March – PM&C first aware of Energy Assistance Payment proposal.

Thursday 21 March – Costs agreed by Finance for the original Energy Assistance Payment.

Friday 22 March – Proposal submitted to the PM for consideration. PM&C provided advice to the Prime Minister on the proposal.

Sunday 24 March – Government decision to include the EAP in the Budget.

Sunday 31 March – Joint Media release announcing the Energy Assistance Payment by The Hon Josh Frydenberg MP and The Hon Paul Fletcher MP.

The proposal was initiated by Ministers and was a repeat of the same measure which had been legislated by Parliament with Labor's support in mid-June 2017.

All other aspects of the questions go to the deliberative processes of Cabinet.

MCALLISTER QUESTIONS: Amended measure – energy assistance payment

When did DPMC get the letter from Minister Fletcher? (pg 7)

Response: At 9:05pm on Tuesday 2 April Minister Fletcher sent a letter to the PM, requesting policy authority to make changes to the Energy Assistance Payment (including cost estimates) so the legislation could be passed. The PMO received Minister Fletcher's letter at 9:06pm and immediately forwarded it to PM&C.

Senate F&PA Committee

Tabled Document

Inquiry: Budget Estimates 19/20

Date / Time: 8/4/19; 2:08pm

Witness Name: Senator Cormann

Organisation: Dept. PM&C

Were there any notetakers present at the meetings on Budget night in relation to discussion on the amended measure (pg 10)

Response: Initial discussion occurred on the sidelines of Cabinet (between 5:30-6pm on Tuesday evening of 2 April) between relevant Ministers, including the Prime Minister, Treasurer, Finance Minister, Minister Pyne and Minister Fletcher. Dr Parkinson was notetaker at the Cabinet meeting and the Cabinet Secretary was present at the meeting, but there were no notetakers for this discussion. There were no items for decision at this meeting. Just a pre-Budget meeting to run through the key Budget information.

Minister Cormann states he has taken on notice who else was in what meetings on Budget night (pg 12) – repeated at pg 22 – “Whether Mr Fletcher attended either of the meetings and whether there were any notetakers”.

Response: Ministers Pyne and Fletcher were involved in the discussion on the sidelines of Cabinet from 5:30-6:00pm. Dr Parkinson was notetaker at the Cabinet meeting and the Cabinet Secretary was present at the meeting, but there were no notetakers for this discussion. The meeting after the Budget speech was during a post-Budget debrief after 10.15pm, between the Prime Minister, Treasurer and Finance Minister, to discuss the information and cost estimates of \$85 million provided by Minister Fletcher in his policy proposal letter.

Verbal policy authority for the amended measure was provided by the PM at that time, subject to no material change to the costing, directly to the Treasurer and the Finance Minister, with formal letter to follow in the morning. This was also communicated by the PMO to relevant offices at that time.

The time PM&C, DSS and Finance considered the implications and merits of the proposal of when Minister Fletcher’s letter came in (pg 16)

Response: Approximately 7:00pm: House PLO alerted PM&C Government Division that there was a potential change to the EAP being considered by Government.

7:18pm: Social Policy Division in the Department of the Prime Minister and Cabinet was first made aware (by PM&C Government Division) that the Government was considering an extension to the one-off Energy Assistance Payment to recipients of additional welfare payments.

7:30-8pm: DSS Deputy Secretary (Social Security) Nathan Williamson was contacted ‘during the Budget Speech’ by Minister Fletcher’s Office regarding

the revised EAP, as he noted in DSS Senate Estimates Friday 5 April, at approximately 5pm.

8:16pm: Finance was contacted by DSS to discuss costings.

8:42pm: PMO emailed PM&C advising of the proposed policy change and that formal correspondence from Minister Fletcher would follow.

9:05pm: Minister Fletcher sent correspondence requesting policy authority to make the agreed changes to the Energy Assistance Payment (including cost estimates). PMO received Fletcher correspondence at 9:06pm and immediately forwarded to PM&C.

11:40pm: Finance confirms indicative costs with the PMO and FMO.

The time PM's letter was finalised to write back to Minister Fletcher providing policy authority – before or after Treasurer's interview (pg 16)

When was the Prime Minister's letter signed (pg 18)

Response:

In the evening of Tuesday 2 April, during a post-budget de-brief after 10.15pm, the PM provides verbal policy authority for the amended measure, subject to no material change to the costing, with formal letter to follow in the morning. Authority was relayed to relevant Ministers' offices.

Early morning Wednesday 3 April: Treasurer confirms in an interview at 7:02am that the Energy Assistance Payment measure will include Newstart and other payments.

Wednesday 3 April – 8:03am: Draft authority letter from Prime Minister to Minister Fletcher received in the PMO.

Wednesday 3 April – 9:04am: Prime Minister's formal policy authority letter for the changes to the Energy Assistance Payment sent to Minister Fletcher's office (copied to Treasurer and Finance Minister).

Wednesday 3 April – 9:05am: Minister Fletcher received the Prime Minister's formal policy authority for the changes to the Energy Assistance Payment.

Were costings available at the time PM&C finalised the letter from the PM (pg 19)

Response: Yes. Indicative costs were provided by Minister Fletcher in his letter of 9:05pm, which were confirmed by Finance at 11:40pm on Budget night.