



Senate Economics Legislation Committee
Budget Estimates 2021-22
Tuesday, 1 June 2021
Daily summary

Here is the summary of today's proceedings in the Economics Legislation Committee estimates hearing.

The committee met from 9.01am until 10.16pm.

The committee called:

- Department of the Treasury portfolio, including the Corporate Group and Foreign Investment Group; Macroeconomic Group; Foreign Investment Division; Fiscal Group; Markets Group; Australian Small Business and Family Enterprise Ombudsman; Productivity Commission; and Inspector-General of Taxation.

Topics discussed by the committee included:

Department of the Treasury

Corporate Group and Foreign Investment Group; Macroeconomic Group
Tabled document No. 1 – Department of the Treasury – Opening Statement

- COVID-19 infection rates in Asia;
- economic recovery;
- labour market: an update on the JobKeeper transition;
- Budget assumptions;
- fiscal policy;
- investment expectations;
- how the vaccine impacts on economic performance;
- estimating COVID-19 outbreaks;
- Budget assumptions related to vaccinations;
- wages growth issues and the Budget;
- increase in inflation in the US;
- wealth inequality;
- Budget assumptions around the rate of international travel;
- quarantine facilities in Australia;
- assistance to Victorian businesses;
- Budget papers – vaccinations;
- rental assistance;
- breakdown of people on JobKeeper that have lost employment; and
- cost of the Victorian lockdown May/June.

Foreign Investment Division

- Newcastle port and China's belt and road initiative;
- volume of applications during particular periods;
- processing time for applications; and
- League table.

Fiscal Group

- migration levels;
- deficit;
- Women's Budget Statements;
- outstanding questions on notice;
- JobKeeper;
- Ministerial orders and portfolio allocation;
- HomeBuilder;
- new National Skills and Workforce Agreement;
- Government's response to the Aged Care Royal Commission in the Budget;
- childcare initiative; and
- JobMaker Hiring Credit and the number of people employed.

Markets Group

- cyclone reinsurance pool;
- Your Future Your Super;
- heat map methodology – Apra;
- Future Fund benchmarks;
- Greenshill Capital;
- National Access Regime consultation;
- Glencore arbitration proceedings;
- Port of Newcastle Regulations – Rod Sims;
- Proxy Advisors Regulation;
- Consumer Data Standards Advisory Committee – conflict of contractors hired;
- has a pit been made in relation to the above topic;
- Outcome 4 – Small Family Business Division moved to Treasury;
- new roles added or removed since move to Treasury;
- small family business consultation by Treasury for new policy;
- Treasury's outreach strategy for micro and small business for policy consultation;
- mechanism for engaging with women in business;
- funding allocation for small business in Budget;
- small business insurance premiums relating to pandemic response;
- Cyclone and Related Flooding re-insurance bill;
- risk aversion pressures for insurance by small businesses;
- insolvency of small businesses and Government policy response;
- tourism industry;
- re-insurance pool for consideration for the Cyclone and Related Flooding Bill beyond Northern Australia; and
- small business referral in Budget in oppositions statement.

Australian Small Business and Family Enterprise Ombudsman

- Murray Darling Basin – job access and housing access pressures;
- policy solutions for insurance for small business;
- ASFBE Ombudsman attending Liberal or National Party events and membership;
- resourcing funds request;
- current staffing numbers;
- funding presentation consultation relating to transfer to Treasury;
- Budget detail allocation of funds to small business;
- Ombudsman summarising on Budget document produced on notice;
- agency support visibility by small businesses;
- franchising policy changes;
- Dairy Code Review;
- Agency Code Review;

- range of current functions as Ombudsman discussion with Minister or Prime Minister;
- consultation period for Agency Code Review;
- alteration of funding based on findings of review;
- consult of 2020-21 Budget;
- digital economy funding in Budget for small business;
- Zara Clothing Brand – wage underpayments – digital economy funding allocation for small business;
- small business insolvency;
- labour and skills shortages in regional Australia;
- recruitment and Jobseeker return to work supplier and service agreements;
- lockdown after the removal of Jobseeker and JobKeeper in Melbourne;
- Melbourne lockdown business pressures;
- tax reform regarding ATO and ASFBE0 advocating for tax breaks;
- small business relation with Fair Work policy;
- Fair Work Ombudsman and ASFBE0 relationship;
- main issues facing small business;
- Melbourne lockdown business pressures; and
- small business owner resentment regarding COVID response state lockdowns.

Productivity Commission

- policy analysis research and reports Climate Change quantified data; and
- cost and benefits of policies.

Inspector-General of Taxation

The committee will next meet at 9.00am on Wednesday, 2 June 2021 in Committee Room 2R1, calling:

- Department of Treasury Revenue Group and agencies of the Treasury portfolio, including the Australian Taxation Office; Australian Charities and Not-for-Profits Commission; Australian Securities and Investment Commission; Australian Prudential Regulation Authority; Reserve Bank of Australia; Financial Adviser Standards and Ethics Authority; Australian Competition and Consumer Commissioner with the Australian Energy Regulator; Australian Bureau of Statistics; and National Housing Finance and Investment Corporation.