



Senate Economics Legislation Committee
Budget Estimates 2021-22
Wednesday, 2 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 11.00pm.

The committee called:

- 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 (ASIC); Australian Prudential Regulation Authority (APRA); Financial Adviser Standards and Ethics Authority (FASEA); Reserve Bank of Australia; Australian Competition and Consumer Commissioner with the Australian Energy Regulator (ACCC & AER); Australian Bureau of Statistics (ABS); and National Housing Finance and Investment Corporation (NHFIC).

Topics discussed by the committee included:

Department of the Treasury

Revenue Group, Australian Taxation Office

Tabled document No. 4 – Australian Taxation Office – Opening Statement

- stage 3 tax cuts;
- income tax brackets;
- LMITO;
- small business tax debt breakup;
- FATCA;
- Table 5.11, p. 153 of the Budget;
- Petroleum Resource Rent tax;
- aggregated amount of income tax paid by billionaires;
- patent box;
- R&D tax incentive;
- tax scam across the Kimberley region of North Western Australia;
- garnishee powers - opening statement 23rd October 2019;
- Appeal: Carter v Commissioner of Taxation;
- IGR release date;
- company tax receipts;
- temporary expensing;
- Petroleum Resource Rent Tax;
- paying back JobKeeper;
- continuation of the seven day lockdown in Victoria and federal government assistance;
- update on Tax Avoidance Task Force; and
- taxing digital services.

Australian Charities and Not-for-Profits Commission

- visiting charities;
- regulations, making a submission to consultation;
- application made by Australians for Indigenous Constitutional Recognition Ltd;
- RSPCA Australia and RSPCA Queensland;
- monitoring financial transactions between Australian registered entities and their international associates; and
- news reports about the Church of Scientology having an increase in assets at the same time membership is falling.

ASIC

Tabled document No. 5 – ASIC – Opening Statement

- background of the new Chair;
- proxy advisor practices over recent years;
- ASIC media release on product intervention order;
- accountability of AFCA;
- regulatory role on cryptocurrency;
- New Daily and Australian Superannuation Fund;
- who pays regulatory fines;
- ASIC issues information sheet on activist short selling in Australia;
- responsible lending obligations;
- expectations of companies reporting JobKeeper;
- accessing data;
- cryptocurrencies;
- short selling issue;
- enforcement actions;
- ACLEI expanded jurisdiction to include ASIC; and
- ongoing regulatory change to financial advisor sector.

APRA

Tabled document No. 6 – APRA – Opening Statement

Tabled document No. 7 – Senator Rex Patrick – Letter from Senator Patrick dated 28 May 2021

- heatmap;
- Choice and MySuper products;
- Maritime Super and Hostplus;
- New Daily;
- sole purpose test;
- following the Hayne Royal Commission, banks meeting responsible lending criteria;
- lending for housing;
- large premium increases for existing clients with life insurance; and
- headlines: Australia's Westpac hit with a second bank regulator penalty, APRA takes action against Macquarie Bank, APRA takes action against Bendigo and Adelaide Bank for breaching prudential standard on liquidity.

FASEA

Tabled document No. 8 – FASEA – Opening Statement

- FASEA exam – English as a second language, exam dates, results, feedback;
- continuing Professional Development consultation;
- transferring functions, staff and funding when FASEA is abolished; and
- number of financial advisors dropping below 20,000.

Reserve Bank of Australia

- meeting on 1 June 2021 and maintained the same;
- COVID-19;
- house prices;
- wages;
- serial numbers of the gold bars;
- house prices;
- headline: Weak CPI will push RBA to \$150bn new bond splash in August;
- central bank reserves;
- new payment platform; and
- quantitative easing.

ACCC & AER

Tabled document No. 9 – ACCC & AER – Opening Statement

- Port of Newcastle;
- consolidation of John Deere franchises;
- regional aviation;
- refunds of flights;
- gas fired power plant at Kurri Kurri;
- Snowy Hydro Kurunga plant;
- Murray-Darling Basin water markets inquiry – water register;
- market power – Commonwealth Bank and Little Birdie, Westpac and Afterpay;
- Measuring Broadband Australia program;
- Fuel Security Service Payment;
- renewable estimates; and
- AEMO .

ABS

Tabled document No. 10 – ABS – Opening Statement

- extending the time to complete the census;
- face to face interviews during a pandemic;
- collecting accurate data on sex and defining male and female;
- Women's Budget Statement – collecting evidence on family, domestic and sexual violence; and
- ABS classification for the NSW Transport Asset Holding Entity.

NHFIC

- Family Home Guarantee in the federal budget;
- formalising service arrangements;
- new CFO, former employee EFA;
- housing affordability crisis; and
- social housing.

The committee will next meet at 9.00am on Thursday, 3 June 2021 in Committee Room 2R1, calling:

- Department of Industry, Science, Energy and Resources cross-portfolio / corporate, Outcome 1 Programs 1.1 and 1.2, and agencies of the Industry portfolio including the Office of Innovation and Science Australia; IP Australia; CSIRO; and Office of the Chief Scientist.