

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

2015 - 2016

**Department/Agency:** Treasury

**Question:** AET 65

**Topic:** Advice on Kidman Company's sale process

**Reference:** Hansard page no. 107 - 10 February 2016

**Senator:** McAllister, Jenny

**Question:**

**Senator McALLISTER:** Thank you Mr Lonsdale, I will bear that in mind. I am happy to put the remainder of my questions on notice, but I just want to ask a question on a separate matter around the announcement today by the Treasurer in relation to the sale of the Kidman property. The Treasurer has issued a release welcoming the decision by the Kidman company to reopen the company's sale process for Australian parties. Can someone talk me through the events that have led up to this decision today by the company?

**Mr Lonsdale:** As a general rule, as we have said before, we have to be very careful in talking through cases. In this particular case, the Treasurer has issued a press release and we have actually put a submission to a Senate inquiry looking at this, which is one of three cases. So we can talk broadly through the pivotal points, if that is helpful.

**Senator McALLISTER:** I think I am probably more interested in the process questions. Have you been engaging directly with the company in the lead-up to this announcement today that the Treasurer is responding to?

**Mr Lonsdale:** As a matter of course, we would interact very closely with the applicant.

**Senator McALLISTER:** Have you been interacting with the applicant today?

**Mr Lonsdale:** I have not been interacting with the applicant today.

**Senator McALLISTER:** Has Treasury been interacting with the applicant?

**CHAIR:** He probably would not know that; he has been sitting here all day.

**Senator McALLISTER:** Good point.

**Mr Lonsdale:** I am very happy to come back to you on that. I just do not know the answer to that question.

**Senator McALLISTER:** Has Treasury been providing advice on these questions today to the Treasurer?

**Senator McGrath:** I think we would have to take that on notice.

**Mr Lonsdale:** As a matter of course, we would deal with the Treasurer and the Treasurer's office on a range of cases.

**CHAIR:** I would hope so.

**Mr Lonsdale:** On this particular one, were we in contact today? I am happy to come back to you on that.

**CHAIR:** What happened today? What did I miss?

**Senator McALLISTER:** In fact, the Treasurer has made a statement, where he says: *I am encouraged that my decision has led to today's development which enables Australian parties—*

*Australian parties—*

*to make a bid for S. Kidman & Co Limited.*

I suppose, Assistant Minister McGrath, I question whether a decision that only allows Australian parties to participate in the sale process means we are open for business.

**Senator McGrath:** I do not think he is saying that at all, actually. The sale process is a commercial matter, and what the Treasurer today has said is that he is just welcoming the new opportunities for Australian buyers.

**Senator BUSHBY:** The Treasurer blocked the original applicant from overseas.

**Senator McGrath:** He did not block all overseas applicants.

**Senator BUSHBY:** Yes, exactly.

**Answer:**

Treasury has had a long period of engagement with S. Kidman and Co Limited (Kidman) around its sale process but did not engage directly with Kidman on 10 February 2016 regarding its announcement of the same day that Australian bidders would have an opportunity to bid for Kidman during the public takeover process under the *Corporations Act 2001*.

Treasury is in regular contact with the Treasurer and his office regarding foreign investment matters.