

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

29 May – 31 May 2012

Question: BET 99

Topic: Flows of Revenues which go to the States

Hansard Page: Wednesday 30 May 2012, page 63

Senator CORMANN asked:

Senator CORMANN: You might want to take this on notice. I would be interested in what the net receipts were for each state over the period from 2001 to now as a result of the horizontal fiscal equalisation arrangement. Is that something that would be hard or reasonably straightforward for you to provide?

Mr Spasojevic: I think that is available in the budget papers.

Senator CORMANN: I have tried. It is pretty difficult to—

Senator Wong: Sorry, Senator, what was the question?

Senator CORMANN: What I am interested to know is: what were the net cash flows in or out, depending on whether you were a net payer or a net recipient over that period. I am interested in the net cash flows per state as a result of horizontal fiscal equalisation, essentially since the GST has been in place. That is what I am looking for. While you say it is easy to get this through the budget papers, the Parliamentary Library has not been able to easily identify it and I have not been able to easily identify it. If you think it is easy, then I would really appreciate it if you could provide it to us on notice.

Mr Spasojevic: The reason I referred you to the budget papers is that we do not have a database of the actual flows of revenues which go to the states. We make recommendations on shares. They are then implemented by the Treasury, who keeps the relevant database. It is not a question that the Commonwealth Grants Commission could itself actually answer.

Senator Wong: Why do you not raise this with Revenue Group after 4 o'clock when they get here? They might be able to assist you in this.

Senator CORMANN: I might.

Answer:

The total amount redistributed to and from each State due to HFE since the introduction of the GST is presented in Table 5, page 45, Attachment D of the GST Distribution Review's initial Issues Paper - www.gstdistributionreview.gov.au/content/issuespaper/downloads/issuespaper.pdf.