

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 2014
3 June to 5 June 2014

Department/ Agency: Treasury

Question: BET 3691

Topic: Commission of Audit

Reference: Hansard, page 1-3 of 4 June 2014

Senator: Gallacher

Question:

Senator GALLACHER: Was that advice or that modelling provided to the Commission of Audit? I first heard about this Medicare \$7 co-payment through the media and the Commission of Audit. Were those unelected people also privy to this modelling and advice?

Mr Ray: They certainly would not have been privy to the advice that we provided to the Treasurer, no.

Senator GALLACHER: Unless the Treasurer gave it to them?

Mr Ray: Unless the Treasurer gave it to them.

Senator GALLACHER: That is exactly right. So we are expected to sit here and accept that the Commission of Audit made a recommendation on the basis of their knowledge and experience in the medical industry without proper due diligence and proper advice from the people who are supposed to do it, which is, I am told, the Fiscal Group?

Senator Cormann: I have to make a correction here. I am fairly confident that the Treasurer would not have handed Treasury modelling to the Commission of Audit. That is just not the way that process operated. The other point I thought I would make, which has been made before, is that the Commission of Audit provided a report to government, which was one of the imports into our budget process; it was not a report from government. I am happy to take on notice and check with the Treasurer personally and directly, but I am fairly confident that the Treasurer would not have handed Treasury modelling to the Commission of Audit. The process and the way it operated was that there was a level of appropriate interaction, of course, between the Commission of Audit and all relevant agencies of government. But Mr Ray has answered your question in relation to Treasury.

Senator GALLACHER: I accept his answers.

Senator Cormann: I thought I would put that on the record.

Senator GALLACHER: I am very happy with the answer.

Answer:

3691. The Treasurer did not provide any Treasury modelling to the Commission of Audit.