

**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 46

**Topic:** University Students - Low Income Households

**Reference:** Hansard – pg 130 – 131, 4 June 2014

**Senator:** Wong

**Question:**

46. Senator WONG: Thank you; Chair, if I have the call? Mr Ray, I think I just asked you to confirm that Treasury did not undertake analysis on the effect of this package on low-income households or the population of university students—in other words whether or not there would be a change in terms of how many young people from lower-income families as opposed to high-income.

Mr Ray: I think I need to be quite careful; not of the sort of analysis that I think you are pointing to. Did we when we were providing advice to government consider those questions? Yes, of course we did. But did we actually provide hard detailed modelling? No.

Senator WONG: Thank you.

Mr Ray: The reason that you went to analysis rather than—

Senator Cormann: The reason for that is what I have just explained before.

Senator WONG: Chair, seriously?

Senator Cormann: Senator Wong, you can have this confected outrage as much as you like, but I am the minister at the table. I am entitled to answer questions the way I see fit.

Senator WONG: And everyone knows that, and you are very important.

Senator Cormann: That has got nothing to do with importance.

Senator WONG: We all know how important you are, Mathias, but I am just here to ask questions.

Senator Cormann: But I can tell you know I never treated you with this sort of discourtesy.

CHAIR: Senator Wong, do you have any further questions?

Senator WONG: Yes, I do. Mr Ray, I think you pointed to the word I used, analysis, and I just wondered is there a more value-neutral word?

Mr Ray: No, analysis is fine, but I would take that to be a broader concept than modelling. I don't think I am giving anything away to say that, in order to give advice to the Treasurer and to give advice more broadly to government on this package, we would have done analysis of the sorts of questions that you asked but we did not do hard modelling.

Senator WONG: But, that data or that analysis, government has chosen not to make that public?

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Mr Ray: That is a bit tricky because—I am sorry, I do not mean that you are being tricky—

Senator WONG: I try not to be!

Mr Ray: This is an analysis that is input into our advice to government. That is quite different from when we do a revenue forecast and a number gets published.

Senator WONG: I assume I have not missed, anywhere in the budget papers or in anything that Minister Pyne has released, something which demonstrates the sort of analysis you have alluded to—I have not asked you what is in it, but the sort of analysis you have alluded to where questions as to population, student population, demographic changes and the effect on low-income families are outlined.

Mr Ray: I think the answer is you have not missed anything, which would not surprise me—

Senator WONG: No, I miss a lot.

Mr Ray: but we will check.

Senator WONG: That is your answer. If you need to change it—

Mr Ray: If we have to correct, we will.

**Answer:**

46. The Treasury, in providing its advice to government, drew on a range of publicly available material, including the Kemp-Norton *Review of the Demand Driven Funding System*. The analysis underpinning this advice helped inform references to the higher education reform package in *Budget Paper 1- Budget Strategy and Outlook* and in the 2014-15 *Budget Overview* and *Higher Education* documents.