

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates

2014 - 2015

**Department/Agency: Commonwealth Grants Commission**

**Question: BET 28**

**Topic: Gross Transfers**

**Reference: Hansard page no. 95 - 01 June 2015**

**Senator: Canavan, Matthew**

**Question:**

Senator CANAVAN: Can you provide, and you might need to on notice, what the gross transfers were as a result of this methodology change?

Mr Spasojevic: I believe the assessment chapter has a GST distribution of consequence.

Senator CANAVAN: I believe it does and I—

Mr Spasojevic: That would be the distribution.

Senator CANAVAN: It was a couple of months ago.

Mr Spasojevic: Please look at the report. I think it is provided.

Senator CANAVAN: Sorry. Chair, I might just ask for a point of order here. It is not for witnesses to tell us where to go to get information. We have the right to ask questions.

Mr Spasojevic: Indeed.

Senator CANAVAN: You are appearing before a parliamentary inquiry and not all of us have the resources and time that you do in your organisation. It was a fairly simple question, and I am happy for you to take it on notice because it is a detailed one.

Mr Spasojevic: I will provide in the reference the page to go to in the public record.

Senator CANAVAN: It is a very detailed and complex report, so I want to be sure—

Mr Spasojevic: I am sure we will send you to the relevant page.

Senator CANAVAN: I want to be sure that I have the right number. To be clear on what number I want, it is for the gross flows, not netted off by different states getting something and others being taken away; it is for the gross transfers that resulted from this, or these two, methodological changes if you want to split them into—

Mr Spasojevic: There is only one methodological change.

Senator CANAVAN: You have identified you have split them in the report into transport and capital, but—

Mr Spasojevic: But one is not a methodological change.

Senator CANAVAN: Which one is not a methodological change?

Mr Spasojevic: Bringing in the higher spending as a result of PTEs. We would not classify that as—

Senator CANAVAN: Sorry, just to be clear, I was quoting table 14 on page 17, which said, 'changes in methods' and one of those changes was capital and the other one was transport.

Mr Spasojevic: I will accept that.

Senator CANAVAN: They were both changes in methods?

Mr Spasojevic: Yes. We will send you the relevant extract.

Senator CANAVAN: Gross flows and changes for those two amounts.

This is the first time I have read one of your reports. I understand the complexity of it. It is a difficult job—I recognise that. But how do you come up with deciding that that is something we need to do? Who makes that decision?

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**Answer:**

BET 28 - The GST distribution resulting from method changes in urban transport relating to investment and net expenses are provided in Table 4, Chapter 4 of Volume 1 of the 2015 Review Report. The relevant information from this table is provided below:

|                                | NSW | Vic | Qld  | WA  | SA   | Tas | ACT | NT  | Redist. |
|--------------------------------|-----|-----|------|-----|------|-----|-----|-----|---------|
|                                | \$m | \$m | \$m  | \$m | \$m  | \$m | \$m | \$m | \$m     |
| Urban transport (Investment)   | 129 | 332 | -275 | 90  | -143 | -78 | -23 | -32 | 551     |
| Urban transport (net expenses) | 103 | 208 | -179 | 21  | -20  | -70 | -23 | -40 | 332     |