

2016-17 Supplementary Budget Estimates – Treasury Portfolio – Index of Questions on Notice

QON No.	Batch	Senator	Subject	Full Question Text	Division or Agency	Proof Hansard Ref / Written	PDMS Ref
1	3	Gallagher	Explanatory Memorandum - Bank Levy	<p>Senator GALLAGHER: Thank you. I have some questions around the bank levy. The legislation for the bank levy has just been introduced into the House. As I understand it, the EM makes clear that Treasury modelled the economic impacts of the bank levy.</p> <p>Senator Cormann: Say that again.</p> <p>Senator GALLAGHER: The explanatory memorandum says that Treasury modelled the economic impacts of the bank levy. Would we be able to have a copy of that modelling?</p> <p>Senator Cormann: I will take that on notice. ...</p> <p>Senator Cormann: ...On budget night the shadow Treasurer indicated that the Labor Party supports the major bank levy, so unless you are suggesting that there has been a change of mind then I do not really understand what you are suggesting. Senator GALLAGHER: That is not a fair response. It is an entirely fair question. We are asking for a copy of the modelling that has been mentioned in the EM in the legislation that was introduced at lunchtime, mindful of the fact that the government wants this to pass, we believe to take effect by 1 July, and that this modelling will assist with our consideration and debate on the legislation. It is not a question of whether or not we support it; it is about whether we have the information available to us that you have had in developing this legislation.</p> <p>Senator Cormann: And I have taken the question on notice. I will consult with the Treasurer and we will provide an answer in the usual way, obviously mindful of the timetable involved with considering this legislation through the parliament. ...</p> <p>Senator GALLAGHER: So will you undertake to get back to us—whether or not you provide the modelling is a separate matter—on that question prior to debate on that legislation?</p> <p>Senator Cormann: Yes.</p> <p>Senator GALLAGHER: Thank you.</p> <p>Senator Cormann: Sorry—prior to debate? I am not aware when the debate will happen in the House of Representatives.</p> <p>Senator GALLAGHER: Well it is going to have to be soon.</p> <p>Senator Cormann: Prior to debate in the Senate.</p>	Treasury Group - Financial System Division	Pg 39 - 40; Tuesday 30th May	SQ17-000341

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2	10	Bilyk	Credit Cards	<p>1. How many credit cards are currently on issue for staff in the ABS? If possible, please provide a break-down of this information by APS/ SES level.</p> <p>2. What was the value of the largest reported purchase on a credit card in calendar year 2016 and what was it for?</p> <p>3. How much interest was paid on amounts outstanding from credit cards in calendar year 2016?</p> <p>4. How much was paid in late fees on amounts outstanding from credit cards in calendar year 2016?</p> <p>5. What was the largest amount outstanding on a single card at the end of a payment period in calendar year 2016 and what was the card holder's APS/ SES level?</p> <p>6. How many credit cards were reported as lost or stolen in calendar year 2016 and what was the cost of their replacement?</p> <p>7. How many credit card purchases were deemed to be illegitimate or contrary to agency policy in calendar year 2016? What was the total value of those purchases? How many purchases were asked to be repaid on that basis in calendar year 2016 and what was the total value thereof? Were all those amounts actually repaid? If no, how many were not repaid, and what was the total value thereof?</p> <p>8. What was the largest purchase that was deemed illegitimate or contrary to agency policy and asked to be repaid in calendar year 2016, and what was the cardholder's APS/ SES level? What that amount actually repaid, in full? If no, what amount was left unpaid?</p> <p>9. Are any credit cards currently on issue in the ABS connected to rewards schemes? Do staff receive any personal benefit as a result of those reward schemes?</p> <p>10. Can a copy of the ABS's staff credit card policy please be provided?</p>	ABS	Written	SQ17-000342
3	10	Bilyk	Credit Cards	<p>1. How many credit cards are currently on issue for staff in the Department and agencies within the portfolio? If possible, please provide a break-down of this information by APS/ SES level.</p> <p>2. What was the value of the largest reported purchase on a credit card in calendar year 2016 and what was it for?</p> <p>3. How much interest was paid on amounts outstanding from credit cards in calendar year 2016?</p> <p>4. How much was paid in late fees on amounts outstanding from credit cards in calendar year 2016?</p> <p>5. What was the largest amount outstanding on a single card at the end of a payment period in calendar year 2016 and what was the card holder's APS/ SES level?</p> <p>6. How many credit cards were reported as lost or stolen in calendar year 2016 and what was the cost of their replacement?</p> <p>7. How many credit card purchases were deemed to be illegitimate or contrary to agency policy in calendar year 2016? What was the total value of those purchases? How many purchases were asked to be repaid on that basis in calendar year 2016 and what was the total value thereof? Were all those amounts actually repaid? If no, how many were not repaid, and what was the total value thereof?</p> <p>8. What was the largest purchase that was deemed illegitimate or contrary to agency policy and asked to be repaid in calendar year 2016, and what was the cardholder's APS/ SES level? What that amount actually repaid, in full? If no, what amount was left unpaid?</p> <p>9. Are any credit cards currently on issue in the Department or agencies within the portfolio connected to rewards schemes? Do staff receive any personal benefit as a result of those reward schemes?</p> <p>10. Can a copy of the Department's staff credit card policy please be provided?</p>	ATO	Written	SQ17-000444

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4	10	Bilyk	Credit Cards	<p>1. How many credit cards are currently on issue for staff in the PC? If possible, please provide a break-down of this information by APS/ SES level.</p> <p>2. What was the value of the largest reported purchase on a credit card in calendar year 2016 and what was it for?</p> <p>3. How much interest was paid on amounts outstanding from credit cards in calendar year 2016?</p> <p>4. How much was paid in late fees on amounts outstanding from credit cards in calendar year 2016?</p> <p>5. What was the largest amount outstanding on a single card at the end of a payment period in calendar year 2016 and what was the card holder's APS/ SES level?</p> <p>6. How many credit cards were reported as lost or stolen in calendar year 2016 and what was the cost of their replacement?</p> <p>7. How many credit card purchases were deemed to be illegitimate or contrary to agency policy in calendar year 2016? What was the total value of those purchases? How many purchases were asked to be repaid on that basis in calendar year 2016 and what was the total value thereof? Were all those amounts actually repaid? If no, how many were not repaid, and what was the total value thereof?</p> <p>8. What was the largest purchase that was deemed illegitimate or contrary to agency policy and asked to be repaid in calendar year 2016, and what was the cardholder's APS/ SES level? What that amount actually repaid, in full? If no, what amount was left unpaid?</p> <p>9. Are any credit cards currently on issue in the PC connected to rewards schemes? Do staff receive any personal benefit as a result of those reward schemes?</p> <p>10. Can a copy of the PC's staff credit card policy please be provided?</p>	PC	Written	SQ17-000485
5	10	Bilyk	Credit Cards	<p>1. How many credit cards are currently on issue for staff in the Department and agencies within the portfolio? If possible, please provide a break-down of this information by APS/ SES level.</p> <p>2. What was the value of the largest reported purchase on a credit card in calendar year 2016 and what was it for?</p> <p>3. How much interest was paid on amounts outstanding from credit cards in calendar year 2016?</p> <p>4. How much was paid in late fees on amounts outstanding from credit cards in calendar year 2016?</p> <p>5. What was the largest amount outstanding on a single card at the end of a payment period in calendar year 2016 and what was the card holder's APS/ SES level?</p> <p>6. How many credit cards were reported as lost or stolen in calendar year 2016 and what was the cost of their replacement?</p> <p>7. How many credit card purchases were deemed to be illegitimate or contrary to agency policy in calendar year 2016? What was the total value of those purchases? How many purchases were asked to be repaid on that basis in calendar year 2016 and what was the total value thereof? Were all those amounts actually repaid? If no, how many were not repaid, and what was the total value thereof?</p> <p>8. What was the largest purchase that was deemed illegitimate or contrary to agency policy and asked to be repaid in calendar year 2016, and what was the cardholder's APS/ SES level? What that amount actually repaid, in full? If no, what amount was left unpaid?</p> <p>9. Are any credit cards currently on issue in the Department or agencies within the portfolio connected to rewards schemes? Do staff receive any personal benefit as a result of those reward schemes?</p> <p>10. Can a copy of the Department's staff credit card policy please be provided?</p>	Treasury Group - Business Services Division	Written	SQ17-000527
6	1	Bilyk	Executive Office Upgrades	<p>Have the furniture, fixtures or fittings of the Chief Statistician office, or the offices of any of his Deputies, been upgraded since 1 March 2017? If so, can an itemised list of costs please be provided (GST inclusive)?</p>	ABS	Written	SQ17-000343

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7	1	Bilyk	Executive Office Upgrades	Have the furniture, fixtures or fittings of the Commissioner' office, or the offices of any Deputy Commissioners, been upgraded since 1 March 2017? If so, can an itemised list of costs please be provided (GST inclusive)?	ATO	Written	SQ17-000445
8	1	Bilyk	Executive Office Upgrades	Have the furniture, fixtures or fittings of the Commissioner' office, or the offices of any Deputy Commissioners, been upgraded since 1 March 2017? If so, can an itemised list of costs please be provided (GST inclusive)?	PC	Written	SQ17-000486
9	1	Bilyk	Executive Office Upgrades	Have the furniture, fixtures or fittings of the Secretary's office, or the offices of any Deputy Secretaries, been upgraded since 1 March 2017? If so, can an itemised list of costs please be provided (GST inclusive)?	Treasury Group - Business Services Division	Written	SQ17-000528
10	2	Bilyk	Facilities Upgrades	Have the facilities of any of the ABS's premises been upgraded since 1 March 2017, for example, staff room refurbishments, kitchen refurbishments, bathroom refurbishments, the purchase of any new fridges, coffee machines, or other kitchen equipment? If so, can a detailed description of the relevant facilities upgrade please be provided together with an itemised list of costs (GST inclusive)? Can any photographs of the upgraded facilities please be provided?	ABS	Written	SQ17-000344
11	2	Bilyk	Facilities Upgrades	Have the facilities of any of the ATO'S premises been upgraded since 1 March 2017, for example, staff room refurbishments, kitchen refurbishments, bathroom refurbishments, the purchase of any new fridges, coffee machines, or other kitchen equipment? If so, can a detailed description of the relevant facilities upgrade please be provided together with an itemised list of costs (GST inclusive)? Can any photographs of the upgraded facilities please be provided?	ATO	Written	SQ17-000446
12	2	Bilyk	Facilities Upgrades	Have the facilities of any of the PC's premises been upgraded since 1 March 2017, for example, staff room refurbishments, kitchen refurbishments, bathroom refurbishments, the purchase of any new fridges, coffee machines, or other kitchen equipment? If so, can a detailed description of the relevant facilities upgrade please be provided together with an itemised list of costs (GST inclusive)? Can any photographs of the upgraded facilities please be provided?	PC	Written	SQ17-000487
13	2	Bilyk	Facilities Upgrades	Have the facilities of any of the Department's premises, or the premises of any agencies in the portfolio, been upgraded since 1 March 2017, for example, staff room refurbishments, kitchen refurbishments, bathroom refurbishments, the purchase of any new fridges, coffee machines, or other kitchen equipment? If so, can a detailed description of the relevant facilities upgrade please be provided together with an itemised list of costs (GST inclusive)? Can any photographs of the upgraded facilities please be provided?	Treasury Group - Business Services Division	Written	SQ17-000529
14	7	Bilyk	Functions	In relation to expenditure on any functions or official receptions etc hosted by the ABS since 1 March 2017, can the following please be provided: <ul style="list-style-type: none"> • List of functions; • List of attendees; • Function venue; • Itemised list of costs (GST inclusive); • Details of any food served; • Details of any wines or champagnes served including brand and vintage; and • Details of any entertainment provided. 	ABS	Written	SQ17-000345

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15	7	Bilyk	Functions	<p>In relation to expenditure on any functions or official receptions etc hosted by the ATO since 1 March 2017, can the following please be provided:</p> <ul style="list-style-type: none"> • List of functions; • List of attendees; • Function venue; • Itemised list of costs (GST inclusive); • Details of any food served; • Details of any wines or champagnes served including brand and vintage; and • Details of any entertainment provided. 	ATO	Written	SQ17-000447
16	7	Bilyk	Functions	<p>In relation to expenditure on any functions or official receptions etc hosted by the PC since 1 March 2017, can the following please be provided:</p> <ul style="list-style-type: none"> • List of functions; • List of attendees; • Function venue; • Itemised list of costs (GST inclusive); • Details of any food served; • Details of any wines or champagnes served including brand and vintage; and • Details of any entertainment provided. 	PC	Written	SQ17-000488
17	7	Bilyk	Functions	<p>In relation to expenditure on any functions or official receptions etc hosted by the Department or agencies in the portfolio since 1 March 2017, can the following please be provided:</p> <ul style="list-style-type: none"> • List of functions; • List of attendees; • Function venue; • Itemised list of costs (GST inclusive); • Details of any food served; • Details of any wines or champagnes served including brand and vintage; and • Details of any entertainment provided. 	Treasury Group - Business Services Division	Written	SQ17-000530
18	8	Bilyk	Laptops	<ol style="list-style-type: none"> 1. How many laptops are currently on issue to staff of the ABS? 2. Can an itemised list showing make and model please be provided? 3. How many new laptops were purchased by the ABS in calendar year 2016? 4. What was the total cost (GST inclusive) of purchasing laptops for staff of the ABS in calendar year 2016? 5. How many laptops did the ABS have to be replace due to damage in calendar year 2016? What was the cost of replacement (GST inclusive)? 6. How many laptops were reported lost or stolen in calendar year 2016? What was the cost of replacement (GST inclusive)? 	ABS	Written	SQ17-000346
19	8	Bilyk	Laptops	<ol style="list-style-type: none"> 1. How many laptops are currently on issue to staff of the ATO? 2. Can an itemised list showing make and model please be provided? 3. How many new laptops were purchased by the ATO in calendar year 2016? 4. What was the total cost (GST inclusive) of purchasing laptops for staff of the ATO in calendar year 2016? 5. How many laptops did the ATO have to be replace due to damage in calendar year 2016? What was the cost of replacement (GST inclusive)? 6. How many laptops were reported lost or stolen in calendar year 2016? What was the cost of replacement (GST inclusive)? 	ATO	Written	SQ17-000448

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20	8	Bilyk	Laptops	<p>1. How many laptops are currently on issue to staff of the PC? 2. Can an itemised list showing make and model please be provided? 3. How many new laptops were purchased by the PC in calendar year 2016? 4. What was the total cost (GST inclusive) of purchasing laptops for staff of the PC in calendar year 2016? 5. How many laptops did the PC have to be replace due to damage in calendar year 2016? What was the cost of replacement (GST inclusive)? 6. How many laptops were reported lost or stolen in calendar year 2016? What was the cost of replacement (GST inclusive)?</p>	PC	Written	SQ17-000489
21	8	Bilyk	Laptops	<p>1. How many laptops are currently on issue to staff of the Department and agencies in the portfolio? 2. Can an itemised list showing make and model please be provided? 3. How many new laptops were purchased by the Department and agencies in the portfolio in calendar year 2016? 4. What was the total cost (GST inclusive) of purchasing laptops for staff of the Department and agencies in the portfolio in calendar year 2016? 5. How many laptops did the Department and agencies in the portfolio have to be replace due to damage in calendar year 2016? What was the cost of replacement (GST inclusive)? 6. How many laptops were reported lost or stolen in calendar year 2016? What was the cost of replacement (GST inclusive)?</p>	Treasury Group - Business Services Division	Written	SQ17-000531
22	7	Bilyk	Ministerial Functions	<p>In relation to any functions or official receptions hosted by Ministers or Assistant Ministers in the portfolio since 1 March 2017, can the following please be provided:</p> <ul style="list-style-type: none"> • List of functions; • List of attendees including departmental officials, ministerial staff and if members of the Minister’s immediate family attended – number of members (names not required); • Function venue; • Itemised list of costs (GST inclusive); • Details of any food served; • Details of any wines or champagnes served including brand and vintage; and • Details of any entertainment provided. 	Treasury Group - Business Services Division	Written	SQ17-000532
23	3	Bilyk	Vacancies	<p>Please provide a list of all statutory, board and legislated office vacancies and other significant appointments vacancies within the ABS, including length of time vacant and current acting arrangements.</p>	ABS	Written	SQ17-000347
24	3	Bilyk	Vacancies	<p>Please provide a list of all statutory, board and legislated office vacancies and other significant appointments vacancies within the ATO, including length of time vacant and current acting arrangements.</p>	ATO	Written	SQ17-000449
25	3	Bilyk	Vacancies	<p>Please provide a list of all statutory, board and legislated office vacancies and other significant appointments vacancies within the PC, including length of time vacant and current acting arrangements.</p>	PC	Written	SQ17-000490
26	3	Bilyk	Vacancies	<p>Please provide a list of all statutory, board and legislated office vacancies and other significant appointments vacancies within the portfolio, including length of time vacant and current acting arrangements.</p>	Treasury Group - People and Organisational Strategy Division	Written	SQ17-000593

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27	3	Bushby	2016 Census Data	<p>Senator BUSHBY: You have already mentioned that you expect the 2016 census to be of high quality. How will quality assurance of the data be assured following the outage? How is census data quality being assessed and checked? Who are the members of the independent panel that are doing that work?</p> <p>Mr Kalisch: There are probably two aspects I will raise, and then I will ask Mr Duncan Young to talk through the detailed quality aspects that we do ourselves. There are two aspects to the data quality dimension. There is the work that the ABS traditionally does in terms of data quality assessment, and that is a very robust, rigorous and time-consuming process that takes a number of months. We have also, as you have pointed out, introduced an independent panel to provide quality assurance on the census results. They have been getting privileged access to ABS processes and information about how the census data quality checking is going. I can certainly take on notice the names or provide them to you now.</p> <p>Senator BUSHBY: I think the chair would probably be happier if we took it on notice, so I am happy to do that, just in the interests of brevity, given we are considerably behind time. Mr Young, do you have anything to add?</p>	ABS	Pg 81; Wednesday 31st May	SQ17-000348
28	1	Roberts	Census Data - Religions	Is Islam one of the fastest growing religions in Australia?	ABS	Written	SQ17-000349
29	1	Xenophon	Census Data - Unemployed Status	<p>Senator XENOPHON: Given the ABS's mission statement, which I know you take very seriously, to provide useful statistical information for the purpose of good decisions being made, the fact that you are not deemed to be unemployed if you work for only one hour a week or more—do you have any concerns that that might be inherently misleading? If someone does two or three hours of work a week, and they are looking for full-time work, they are effectively pretty much unemployed. You are not going to be able to pay a mortgage or buy a car or pay your rent with that sort of income.</p> <p>[...]</p> <p>Senator XENOPHON: Thank you very much for offering that. I just want to confirm that on notice you can give us a breakdown of the people who are underemployed, if you like—those who want to work more, those who are deemed to be employed but who work from one to three hours, three to six hours.</p> <p>Mr Kalisch: We would have to look at it.</p> <p>Senator XENOPHON: Can you break it down so it is a bit more specific?</p> <p>Mr Kalisch: We will try to be as helpful as we can, Senator.</p> <p>[...]</p> <p>Senator XENOPHON: If you can give greater particularity, I would very much appreciate it, and I am sure the minister is very interested in these figures as well.</p>	ABS	Pg 83 - 85; Wednesday 31st May	SQ17-000350

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30	1	Collins	Family Household Wealth	<p>which is about there being no consideration of family household wealth in the SES scores. As you said, there are issues about collecting data on wealth. But did your response to the department go to my other question, which is: if not wealth, what other indicators are there available to us that might be relevant to a household's capacity to contribute? It could be income or workforce participation and there may be others that I just have not plucked immediately.</p> <p>But this report refers to wealth; it probably should have referred to myriad other factors that are at the ABS's disposal. Did you provide any information to the department about what measures, other than wealth, may be relevant and could be put to their disposal?</p> <p>Mr Kalisch: Just to give you a couple of examples, we did provide information to them that they could consider looking at equivalised income rather than household income.</p> <p>Senator JACINTA COLLINS: What is that?</p> <p>Mr Kalisch: Equivalised income is essentially taking account of the size of the family when you look at household income. To some extent it is almost getting at the participation aspect that you are thinking about—particularly if you have two adults and a number of children. In effect, it is looking at capacity to pay.</p> <p>Senator JACINTA COLLINS: Yes.</p> <p>Mr Kalisch: That was one suggestion that we did point out to the education department. The other aspects were that we said, 'You can look at income data from the census or, alternatively, you can look at income data from the tax office.' So that is another data source that might or might not be of preferable to use.</p> <p>Senator JACINTA COLLINS: Is the income data that comes from tax records matched in any way with families or households?</p> <p>Mr Kalisch: In what way?</p> <p>Senator JACINTA COLLINS: As you said, you could look at tax data but for individuals that is not necessarily going to inform family income on its own.</p> <p>Mr Kalisch: I would have to take that on notice. I am pretty sure that with some of the aspects the</p>	ABS	Pg 79; Wednesday 31st May	SQ17-000351
31	4	Roberts	Key Economic Statistics	<p>Noting the reliance of governments and markets on key economic statistics, is it the case that these are consistently inaccurate and often misleading especially unemployment, GDP and CPI?</p>	ABS	Written	SQ17-000352

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32	1	Xenophon	Labour Statistics	<p>Senator XENOPHON: I have a short line of questioning and, unusually for me, it is going to be a very friendly line of questioning. The mission statement of the ABS is that 'we assist and encourage informed decision-making, research and discussion within governments and the community, by providing a high quality, objective and responsive national statistical service'. That is pretty axiomatic. I want to go to the issue of labour statistics. I think this goes back to 2006—concepts, sources and methods for labour stats. A matter that I think I have touched on previously is the definitions of employment used in ABS household surveys. The labour force survey gives a number of definitions of who is employed, including all persons 15 years of age and over who during the reference week worked for one hour or more, worked for one hour or more without payment in a family business or farm, or were employees who were not at work and who were at work for several weeks.</p> <p>I will focus on the one hour a week. I am happy for you to take the details of this question on notice. I understand that this was changed a number of years ago to be in line with international definitions of employment. In terms of providing useful information for policy makers, for public debate, for governance and for parliamentarians, by and large, if you work one hour a week that is not going to cut it in terms of meeting your commitments for your mortgage or a whole range of measures. I think you know where I am going with this. Have you as the Australian Statistician, or has the Bureau of Statistics considered having another pathway of measuring employment that would be seen to be more realistic and to reflect the social impact of people being unemployed in the genuine sense? You measure underemployment, but I query the usefulness of the one hour figure, which I understand is something that we adopted because of an international norm a number of years ago.</p> <p>Mr Kalisch: I will take that on notice as to when that was introduced. My understanding is that the international definition for employment and consequently unemployment has been pretty much in place for decades.</p>	ABS	Pg 83; Wednesday 31st May	SQ17-000353
33	2	Ketter	Quality of Labour Force Survey	<p>1. The ABS jobs figures released in May were significantly higher than expectations. A number of commentators and market participants questioned their accuracy. Do you consider these figures to be accurate?</p> <p>2. Why are the ABS jobs figures much more volatile than usual?</p>	ABS	Written	SQ17-000354

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34	2	Collins	Victorian Catholics Report	<p>Senator JACINTA COLLINS: Ahead of this request on 9 May, had the ABS had any previous dialogue with the department of education about similar matters since the Gonski review in 2011 recommended that these matters should be comprehensively reviewed?</p> <p>Mr Kalisch: I am not aware of anything, but I have only been statistician since the end of 2014.</p> <p>Senator JACINTA COLLINS: Could you take that on notice?</p> <p>Mr Kalisch: I can take that on notice.</p> <p>[...]</p> <p>Senator JACINTA COLLINS: Okay. I can go to the detail of that and you may be able to help with some of that. Some of the direct methods that Catholic Education Commission of Victoria was referring to I would like to see in relation to, for example, the income of families with primary-school-age children as opposed to secondary-school-age children. I would also like to see the data around workforce participation of families with primary-school-age children versus secondary-school-age children. So I am assuming the ABS—from the census—has collected data about the age of children. It might have to be households rather than families; I am not sure. But I am sure that there is data in the last census that would assist in understanding whether there are different capacities to contribute issues for families with primary-school-age children as opposed to secondary-school-age children.</p> <p>Mr Kalisch: We would need to precisely look at these dimensions and see what was possible through a customised request, or alternatively through the TableBuilder products. We have TableBuilder, which does enable people to get more refined data and, I suppose, clearer data.</p> <p>[...]</p> <p>Mr Kalisch: Yes. We can certainly provide that to you on notice. The other dimension I would note as well is that some of that income is important for us to continue our business. We do get a certain amount of an appropriation from government that enables us to do a certain amount of work. If there is anything beyond that—and some of these customised requests, if it is in that nature, can be quite detailed. This one—</p>	ABS	Pg 73 - 75; Wednesday 31st May	SQ17-000355
35	2	Ketter	ACCC Litigation Budget	<p>1. Would a larger litigation budget help the ACCC go after companies that flout the law?</p> <p>2. Would you expect to see an increase in revenues as a consequence of having the ACCC go after more companies that flout the law?</p>	ACCC	Written	SQ17-000356
36	4	Ketter	ACL Penalties	<p>1. The Government has proposed to increase the penalty for breaching the Australian Consumer Law from \$1.1 million to \$10 million. Do you expect this would result in an increase in revenues?</p> <p>2. How significant do you think the increase in revenues would be?</p> <p>3. Did the Government consult you on whether the ACCC expected there to be an increase in revenues because of this increase in penalties?</p> <p>4. Why didn't the Budget include any increase in revenues flowing from this increase in penalties?</p>	ACCC	Written	SQ17-000357
37	1	Ketter	ACL Review and PC Report	<p>What consultation is the department doing with state ACL regulators and other stakeholders in relation to the Productivity Commission's report into Consumer Law Enforcement and Administration and the ACL Review? Is the department pursuing agreement with states regarding the reforms recommended by these two reviews? Is a meeting of ministers planned? If so, when and where? What has the department done so far on this since the release of those two reports?</p>	ACCC	Written	SQ17-000358

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38	9	Rhiannon	AdFund	<p>1. Did the ACCC ascertain that Domino's provided unaudited AdFund statements for FY13-15?</p> <p>2. Is the ACCC concerned that the AdFund statements show a decline of more than 10% in collections as a proportion of Australia and New Zealand revenue, and a large year-on-year increase in the amount of expenditure that goes directly to Dominos head office for services rendered?</p> <p>3. In the ACCC's view, did the FY16 audit of the AdFund opine adequately on whether the expenses paid for out of the fund were authorised?</p> <p>4. In respect of FY16, did the ACCC ascertain that corporate owned stores contributed in equal measure to franchisee owned stores as required by the Franchising Code?</p> <p>5. In respect of FY16, did the ACCC ascertain independently that expenses paid for out of the AdFund were authorised under the Franchisee agreements? If not, then why not?</p> <p>6. Has the ACCC investigated whether Domino's receives any rebate income from suppliers associated with expenditure relating to the AdFund? Is it concerned that these rebates are not credited to the AdFund?</p> <p>7. Has the ACCC investigated whether Domino's charges a fair margin on the staff expenses that it charges to the Adfund?</p> <p>8. How widespread the practice of giving new franchisees holidays from the AdFund? Is the ACCC concerned about this practice?</p> <p>9. Why has the ACCC not independently audited FY16 expenditure from the AdFund?</p>	ACCC	Written	SQ17-000359
39	2	Ketter	Anti-competitive penalties	<p>1. In a speech on 6 May 2017, Rod Sims said that "penalties actually imposed here in Australia are stunningly lower than those in other comparable jurisdictions". Do you think that penalties for anti-competitive conduct are sufficient to deter large companies from engaging in anti-competitive conduct?</p> <p>2. In the same speech, Rod Sims said that "An important difference between our approach and that of other overseas jurisdictions is that our Courts do not start the exercise of determining penalties by calculating a base figure calculated by reference to turnover of the firm". Do you agree that requiring the Court to calculate a base figure by reference to turnover of the firm would result in higher penalties?</p>	ACCC	Written	SQ17-000360
40	2	Ketter	Arrogation of Indigenous Culture	<p>Is the ACCC aware of the market in Australia of 'indigenous-style' products that seek to arrogate the look and feel of Aboriginal and Torres Strait Islander cultural artefacts, despite being produced without the involvement of any indigenous Australian? Would this be a case of misrepresentation or misleading if consumers are sold a product believing it to be a genuine product? Is there a regulatory gap in the Australian Consumer Law around protections for indigenous cultural expressions?</p>	ACCC	Written	SQ17-000361

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41	6	Ketter	Button Batteries	<p>1. I refer to answers to questions taken on notice from 2016 Supplementary Estimates (ref SQ16-001087) and 2017 Additional Estimates (ref SQ17-000127) relating to button batteries. Please update the Committee on recalls published in 2017 to date that cite button battery hazards.</p> <p>2. In relation to the ‘market surveillance’ the ACCC has committed to undertake in relation to the National Strategy for improving the safety of button batteries, have you now collated the results of the surveillance conducted by the ACCC in November 2016 and State and Territory Fair Trading agencies between September 2016 and January 2017? Can you provide the Committee with details of this surveillance and the outcomes of your analysis?</p> <p>3. In relation to the ‘business education’ the ACCC has committed to undertake in relation to the National Strategy for improving the safety of button batteries, has the ACCC</p> <p>a. Published additional guidance for small business, and if so, can a copy be provided to the Committee?</p> <p>b. Identified target market segments and suitable media for advertising or outreach by the ACCC?</p> <p>c. Describe the precise nature of actual business education conducted by the ACCC in relation to button batteries, and the costs thereof.</p>	ACCC	Written	SQ17-000362
42	2	Ketter	Consumer super complaints	<p>1. The recent Productivity Commission report into Consumer Law Enforcement and Administration recommended, inter alia, the creation of a ‘supercomplaints’ system whereby consumers could work together – potentially with a coordinating organisation – to lodge a joint complaint to an ACL regulator or regulators. Has the ACCC done any work about what this might look like? Has the ACCC briefed the Minister on the Productivity Commission’s report? Is this something that in the ACCC’s view would enhance protections and recourse for aggrieved consumers?</p>	ACCC	Written	SQ17-000363
43	4	Ketter	Debt management firms	<p>I refer to the answer provided to a question taken on notice from the 2017 Additional Estimates (ref SQ17-000242) which itself referred to an answer to a question taken on notice from the 2016 Supplementary Estimates.</p> <p>The answer from 2016 stated: “Consumer Affairs Australia and New Zealand (CAANZ) is a forum of consumer affairs agencies – represented by senior officials – in Australia and New Zealand, established to support the formal responsibilities of Consumer Affairs Ministers. In March 2016, CAANZ requested that its Policy Research Advisory Committee (PRAC) conduct research into debt management firms. CAANZ asked PRAC to survey the regulatory landscape, examine the extent to which there are regulatory gaps and develop possible options to report back to CAANZ by the end of the year.”</p> <p>Given the answer to SQ17-000242 indicates that, at the time that the answer was given, PRAC had not provided its report to CAANZ,</p> <p>a. Why did this report miss its deadline?</p> <p>b. Has the report now been finalised and presented to CAANZ? If not, why not?</p> <p>c. Please provide a copy of the report.</p> <p>d. What are the next steps in this process?</p>	ACCC	Written	SQ17-000364

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44	6	Ketter	Debt vultures	<p>1. I refer to answers to questions taken on notice from the 2017 Additional Estimates (ref SQ17-000130) regarding so-called 'debt vultures'. In relation to the multi-agency 'Policy and Research Advisory Committee' (PRAC) referred to in that answer,</p> <p>a. When was PRAC established, and under what authority?</p> <p>b. What is the committee intended to achieve? For example, is it convened with the view to identifying regulatory gaps or potential changes to legislation or government policy?</p> <p>c. How often does PRAC meet?</p> <p>d. Does the committee keep minutes or reports of their meetings? If so, can copies be provided to the Committee? If no records are kept, why not?</p> <p>e. What have the outcomes of the committee been since its establishment?</p> <p>f. Is this the same committee referred to in ASIC's answer to a similar question about 'debt vultures' from the 2017 Additional Estimates (ref SQ17-000275), which ASIC described as 'The Policy and Research Committee of the Consumer Affairs Australia New Zealand (CAANZ) group'?</p>	ACCC	Written	SQ17-000365
45	3	Roberts	Energy Pricing	<p>What proportion of high & rising energy prices are due to:</p> <p>a) RET & other climate policies;</p> <p>b) poor price regulation;</p> <p>c) market protection policies?</p>	ACCC	Written	SQ17-000366
46	1	Rice	Fonterra	<p>Senator RICE: Why you are not pursuing Fonterra over their May 2016 step down?</p> <p>Mr Sims: The big difference was that Fonterra kept saying, through that period, that the prices were too high and they would not last. The key bit of background is that there is an agreement, which I guess we are also looking at, but that is something for the future, between where Fonterra had its prices linked to that of Murray Goulburn. Through that contractual engagement, it actually could not lower its prices, so it was out in the market telling its farmers that the prices were too high and that they would not last but there was nothing they could do about it. So we judge that there was no misleading conduct there.</p> <p>Senator RICE: I presume that you have got the emails that they sent to their suppliers about their prices throughout that time.</p> <p>Mr Sims: We have certainly looked at a number of those.</p> <p>Senator RICE: I have been forwarded them from one supplier. There was one line in an August letter that said that there would be a potential step down in price. But, after that, in September, November, February and, again, April, they were basically saying, 'We are going to hold our prices at \$5.60.' I want to know your reasoning for why that was, given that, right up until the month before the step down, the April email said, 'Following our March price review, Fonterra Australia is holding its current farm gate price for season 2015-16 at \$5.60.' They were basically saying, 'This is what it's going to be.'</p> <p>Mr Sims: It would be helpful to see that. Certainly the impression I had formed was slightly different to that, so I am happy to take that on notice.</p>	ACCC	Pg 128 - 129; Tuesday 30th May	SQ17-000367

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47	4	Rhiannon	Franchising Code of Conduct	<p>obtained a blanket resolution from franchisees to not audit the advertising fund for the years 2013, 2014 and 2015. Is this allowed under the legislation?</p> <p>Mr Sims: The legislation has changed a bit, but again I will pass to Mr Gregson.</p> <p>Mr Gregson: I am not close to the details on that. We are happy to take that on notice.</p> <p>Mr Sims: I think my memory is that the law changed so that there were ways that you could do what you have just described that are now no longer possible, but we will come back to you on notice.</p> <p>Senator RHIANNON: Could you clarify, because I was not sure, from the work that we had done, if it is allowed or if it is another breach of the law. So can you clarify what part of the law it is.</p> <p>Mr Sims: Under the law as it then applied, it was something that they could do, which, in the later event, they could not do. But we will clarify.</p> <p>Senator RHIANNON: Thank you. A copy of the audited accounts released to franchisees shows the information is scant. It also lumps in revenue from New Zealand franchisees. Is the advertising fund in breach, as it includes revenue from a country that is not subject to the legislation?</p> <p>Mr Gregson: I do not have an answer on that. We are going to have to take that on notice.</p> <p>Senator RHIANNON: Because you are not sure about the New Zealand aspect?</p> <p>Mr Gregson: That is right.</p> <p>Senator RHIANNON: Have you looked into this at all? Were you aware of this problem?</p> <p>Mr Gregson: I do not believe that was a matter that was under investigation, no.</p> <p>Senator RHIANNON: But the question was: were you aware of it?</p> <p>Mr Gregson: I am not aware of that being in our knowledge. My investigation teams may well have been.</p> <p>Mr Sims: Having read the case pretty well, I think we were aware of that issue. We did look at it. We would have to get back to you on where we got to.</p> <p>Senator RHIANNON: Right. So you were aware of it. Okay, could you get back to us on if you have done anything or, if you did not do anything, why you did not do anything.</p>	ACCC	Pg 118; Tuesday 30th May	SQ17-000368
48	8	Ketter	Independent Mechanics	<ol style="list-style-type: none"> 1. Independent car service and repair businesses claim that most manufactures are restricting access to the standard service information. This is despite the Voluntary Code of Practice-Access to Service and Repair Information for Motor Vehicles, which was released by the Federal Chamber of Automotive Industries two years ago. 2. Do you agree that manufacturers limiting access to standard servicing information for independent service and repair businesses inhibits competition? 3. The Government promised to review the voluntary code by September 2016. Then it promised to review the code by October 2016. Now, in a letter to the Shadow Assistant Treasurer, the Treasurer, Scott Morrison, said that the government doesn't have to do anything, because the ACCC is looking into it. Is the ACCC looking into this issue? 4. When did the ACCC begin looking into this issue? 5. What will the ACCC do in regards to this issue? 6. Will the ACCC make recommendations to the Government on this issue? 7. Why is it taking so long for this issue to be addressed? 8. What could the ACCC do within its powers to address this issue? 	ACCC	Written	SQ17-000369

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49	5	Ketter	Market Studies Power	<p>1. A number of overseas jurisdictions give their competition regulators an autonomous market studies power. This allows them to identify competition problems before they take hold. Does the ACCC have a formal market studies power (including powers to compel evidence)?</p> <p>2. Does the absence of full market studies power prevent the ACCC from identifying competition problems before they become more significant?</p> <p>3. Rod Sims has said that the absence of a formal market studies power limits the ACCC’s ability to undertake these studies. For the studies you have undertaken – into the cattle and beef industry, for example – did these studies identify any serious competition problems?</p> <p>4. I understand your market study into the cattle and beef industry identified serious concerns in regards to bid rigging in cattle auctions and serious intimidation of farming families. How widespread were these serious competition challenges?</p> <p>5. Would the ACCC be able to identify more competition problems in Australia if it had a market studies power?</p>	ACCC	Written	SQ17-000370
50	2	Xenophon	Murray Goulburn	<p>Senator XENOPHON: I will put some questions on notice, and I will discuss with you about the possibility of the ACCC having to come in for supplementary estimates on this. Murray Goulburn has forgiven debts, but not those from farmers who have moved to another processor. My understanding is that the ADF, one of the peak bodies representing dairy farmers, are not happy with that decision. Fonterra has decided to forgive debts, too, but not what they took away last year. Rather, they have offered an extra 40c a kilo of milk solids for next year. Farmers will not know what they are getting until next year, and it may not equate to what they have lost. In relation to Murray Goulburn, does the ACCC have a view on the conduct of Murray Goulburn, to forgive those debts to farmers only if they have not moved to another process? In some cases dairy farmers did move to another process, because they felt they had no choice but to.</p> <p>Mr Sims: Do you want me to take it on notice?</p> <p>Senator XENOPHON: If you have an initial view and perhaps partly on notice— [...]</p> <p>Senator XENOPHON: Is there an issue, potentially, of unconscionability of not forgiving the debts of those farmers who have moved to another processor?</p> <p>Mr Sims: This has been a recent decision—</p> <p>Senator XENOPHON: Will you take it on notice?</p> <p>Mr Sims: Sure. I am happy to take it on notice.</p>	ACCC	Pg 127 - 128; Tuesday 30th May	SQ17-000371
51	1	O'Neill	NBN	<p>Senator O'NEILL: With regard to consumers being informed about premises-specific impediments to their infrastructure, have there been any meetings or discussions about that recently?</p> <p>Mr Sims: I am sorry—premises-specific impediments to getting the NBN?</p> <p>Senator O'NEILL: Yes, I think Mr Cosgrove received the letter from Mr Jones.</p> <p>Mr Cosgrave: Yes, I did. I am going to have to take that on notice because I do not have the response to the correspondence with me. I think what you are referring to is a general proposition around information being available to consumers around impediments to the build. If I recall, the response was in relatively general terms and was not suggestive of any specific action on the part of the ACCC that followed from that. But I would like to check the correspondence. I will come back to you on that.</p> <p>Senator O'NEILL: Wonderful—if you could just indicate who you have met with, when the meetings happened and the time frame for action, it would be helpful.</p> <p>Mr Cosgrave: Indeed.</p>	ACCC	Pg 122; Tuesday 30th May	SQ17-000372

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52	3	Xenophon	Offshore gas	In respect of offshore gas being brought onshore and processed: 1. What sharing of infrastructure (including LNG processing) is permissible under current legislation? 2. Does this differ for oil, and if so, how? 3. Noting a need to bring more Gas to the domestic market, are there any changes to the legislation around gas infrastructure being contemplated?	ACCC	Written	SQ17-000373
53	2	Ketter	Price Inquiries	1. Does the ACCC have the power to initiate a price inquiry on its own accord, subject to Ministerial approval? If so, please identify the legislative provision(s) that give effect to this power. 2. Will the ACCC's Price Inquiry in relation to the Major Bank Levy report on prices for small business loans and credit card products?	ACCC	Written	SQ17-000374
54	11	Ketter	Resourcing	1. How many contacts has the ACCC received from consumers to date in 2017? a. What proportion of these are by telephone? What is the average waiting time for consumers making a complaint by telephone? b. What proportion of these are by email or web form? What is the average waiting period for consumers to receive an email response from the ACCC? c. What data analytics are done with information received through the contact centre? d. Does the ACCC envisage it will do more with data pursuant to recommendations of the Productivity Commission report into Consumer Law and Enforcement and the Consumer Affairs Australia New Zealand review into the Australian Consumer Law? 2. How many staff members does the ACCC have and at what classifications are they employed? How does this compare with the last 5 years? 3. How many consumer cases has the ACCC pursued through the legal system in the last 12 months? a. Of these how many have been successful? b. Please provide a schedule of penalties awarded through these actions. c. Of those cases or claims that have been successful (either by settlement or judgment) what is the amount awarded to the ACCC in legal costs, and from how many cases? Please detail cases and amounts. 4. Overall, how much does the ACCC spend on enforcement and compliance? Is this increasing or decreasing from previous years? Provide a break down, year by year, on ACCC spend on enforcement and compliance.	ACCC	Written	SQ17-000375
55	9	Gallagher	Small Business Roadshow	With reference to Minister Michael McCormack's 'small business roadshow' events that the Australian Competition and Consumer Commission has participated in: 1. Which officials from your agency have attended 'Small Business Roadshow' events? What is their position within your organisation? 2. How many times have the ACCC sent representative(s) to these events? 3. Can you please provide the costs your agency has incurred as a result of participating in 'Small Business Roadshow' events for: - Air travel? - Accommodation? - Road transport? - Catering? - Incidental costs?	ACCC	Written	SQ17-000376
56	1	Ketter	Ticket scalping	1. What resources does the ACCC have available to devote to enforcing consumer laws in the area of ticket scalping including the referral from Choice, and what plans does the Government have to address this problem?	ACCC	Written	SQ17-000377

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57	2	Xenophon	Ugg Australia	<p>Senator XENOPHON: You spoke to Deckers' lawyers—is that right?</p> <p>Mr Gregson: We had communications. I cannot tell you whether it was with Deckers directly or its lawyers. I would have to check the records on that.</p> <p>Senator XENOPHON: You may want to take that on notice. I understand that Deckers have agreed to remove the word 'Australia' from all their products and branding. Is that right?</p> <p>[...]</p> <p>Senator XENOPHON: You did not require Deckers to remove the words 'Ugg Australia' within any specific time frame? Were they allowed to do it at their leisure?</p> <p>Mr Gregson: We sought to get some clarity about the time frames that they were proposing, we pressed them on those, and we are now following them up on those time frames.</p> <p>Senator XENOPHON: So you have not given you an undertaking as to a time frame at this stage?</p> <p>Mr Gregson: No. This matter was not resolved with an undertaking. We had a clear understanding from them about the time frames that they would be looking to. As I said, we are following up.</p> <p>Senator XENOPHON: What is your clear understanding about the time frame?</p> <p>Mr Gregson: I do not have those time frames in front of me.</p> <p>Senator XENOPHON: Could you take that on notice...</p>	ACCC	Pg 126; Tuesday 30th May	SQ17-000378
58	6	Hanson	ACNC Registry	<p>1. How many religious based charities are registered? Can you break it down by religion? If so can you tell me by religion how many charities and how many deductions have been allowed ?</p> <p>2. How many audits of those on the ACNC Registry have been done in 2015/16? What are the main issues identified over the past five years?</p> <p>3. What does the ACNC do to ensure terrorist organisations do not obtain funding by using it in one way or another?</p>	ACNC	Written	SQ17-000379
59	1	Abetz	Charity status: General	<p>Are there other charities that routinely break the law yet retains its charity status?</p>	ACNC	Written	SQ17-000380
60	4	Abetz	Charity Status: Greenpeace Australia Pacific	<p>Recently there was a protest where the Registered Charity Greenpeace Australia Pacific broke into and occupied Newcastle Port as part of its anti-coal activism. According to a report in the Newcastle Herald, "Police arrived about 8am and began arresting protesters for trespassing." It is noted that in Facebook videos the participants proudly state that the illegal activity was on behalf of Greenpeace. Is it the Commission's view that organisations which are Registered Charities lose their charity status if they break the law?</p> <p>a) Does the Charities Commission have the power to investigate organisations that publicly break the law?</p> <p>b) If so, does and/or has the ACNC use/d these powers? Please provide examples.</p> <p>c) Does the ACNC consider trespass to be a significant reason for a registered charity to be de-registered? If not, why not?</p>	ACNC	Written	SQ17-000381
61	3	Abetz	Charity Status: Mens Shed Network	<p>1. Has the Mens Shed Network or individual Mens Sheds been granted DGR status?</p> <p>2. Has an, or any application by Mens Shed for DGR status been made?</p> <p>3. If so, what is the status of the application/s?</p>	ACNC	Written	SQ17-000382

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62	5	Abetz	Greenpeace Australia Pacific: Breach of the Charities Act	<p>The Commission’s attention is drawn to some extraordinary admissions made by a Mr Barry Rafe, who (according to the ACNC website) is one of eight directors – and therefore a responsible person – of Greenpeace Australia Pacific. In an interview with Pro Bono Australia, Mr Rafe claimed that Greenpeace has a right to break the law:</p> <p>“I’ve learnt that as humans we’ve got a human right to break the law, there are consequences but we’ve got a ... right to break the law. And if we’re talking activist organisations for example, you don’t go out of your way to break the law ... but sometimes there might be situations where you might need to make a point.”</p> <p>Mr Rafe – in the same article – said that Greenpeace sought and seeks ‘very good legal advice’ regarding their activities and the breaking of the law: “We have staff who want to be in harm’s way, and we’ve got to ease them back. We’ve got global protocols about who can go abseiling, we’ve got the Greenpeace SAS, we run sophisticated drones.”</p> <p>Finally, Greenpeace acknowledges that maintaining tax benefits conferred to them as a registered charity or a registered environmental organisation is important.</p> <p>“We don’t want to create a problem where our stakeholders aren’t able to get a tax deductible contribution made to us, we’re going to fight for that, but we’re not going to do anything that puts that at risk.”</p> <p>a) How does the ACNC reconcile an admission by a senior office bearer in a registered charity that they have a “right” to break the law? b) Is this public admission not a breach of the Charities Act? i. If not, why not? ii. If yes, what has the ACNC done to deal with this breach of the Charities Act? c) How can Greenpeace break the law yet still claim benefits as a registered charity?</p>	ACNC	Written	SQ17-000383
63	2	Roberts	Investigation of Australian Institute	If and when will I receive notice of the outcome of the ACNC’s investigation of the Australia Institute?	ACNC	Written	SQ17-000384
64	1	Abetz	Political campaigning and advocacy by registered charities	In April 2016 the ACNC published guidance with the title: Political campaigning and advocacy by registered charities – what you need to know. This guidance gives the following example: “A charity with a purpose of advancing the natural environment cannot have a purpose of encouraging its members to engage in illegal methods such as intimidation, trespassing or assault to promote a change to the law regarding logging.” What test does the Commission apply to determine if a charity has a purpose of encouraging its members to use illegal methods?	ACNC	Written	SQ17-000385
65	1	Abetz	Statements made by a responsible person	Would the commission give particular weight to statements made by a ‘responsible person’ or a representative spokesperson to determine if a charity has a purpose of encouraging illegal methods? (Please specify)	ACNC	Written	SQ17-000386
66	5	Ketter	Transparency	<p>1. There’s been a feeling in the sector and among the public that sometimes they are in the dark about actions the Commission is taking against dubious charities. Why can’t you explain more about decisions and investigations when there are suspicions a charity is disreputable?</p> <p>2. Do you see that as a constraint that needs to be re-examined?</p> <p>3. The 5 year review of the ACNC is due this year, do you have any views on how that review might be implemented and the kinds of issues it should address?</p> <p>4. Could you shed some light about the 5 year review’s public consultation and processes?</p> <p>5. Would you like to see that review include a discussion of how the ACNC can meet the expectations of the sector and the public relating to transparency about its investigations?</p>	ACNC	Written	SQ17-000387
67	1	McAllister	Bonds Maturity	<p>Senator KETTER: The debt statement indicates that there is a peak of \$649 billion, on page 7-8. Can you explain why there is a \$43 billion difference in that year? The end-of-year figure is \$606 billion.</p> <p>Senator Cormann: These are questions that should probably go to the Australian Office of Financial Management. It is a matter of the timing of when certain bonds mature and when new borrowings have to be undertaken in order to make up the difference.</p>	AOFM	Pg 83; Monday 29th May	SQ17-000388

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68	9	Ketter	Bank executive remuneration questions	<p>executives and directors?</p> <ol style="list-style-type: none"> 1. Could APRA provide the number of reviews they have done by number of executives and type of super fund? What was the outcome of these reviews – were any concerning practices identified? 2. Is it the case that the executives that do the work for the super funds within the large banking groups are employed and remunerated by the parent bank rather than the super fund, and that these executives generally only do a portion of their work for the super fund, with the rest of their work being performed elsewhere in the banking group? What is APRA’s view of this arrangement and whether it may lead to conflicts of interest? 3. Is it correct that the remuneration for the work executives do for the parent bank outside the super fund entities is unknown or not reported? What is APRA’s view of this? 4. Where the banks have multiple superannuation entities running different groups of funds (this is the case for CBA, Westpac and ANZ), these various entities usually have the same directors and are often run by the same executives, in this case are there multiple remuneration disclosures each with the portions of director and executive remuneration attributable to that superannuation entity? 5. Is it the case that the executives working for the bank super funds receive performance bonuses? What are the hurdles for these bonuses? 6. Is APRA concerned that super fund executives being paid bonuses based on the group achieving certain ROE, TSR, growth in cash earnings and so on may lead to conflicts between the interests of the banking group and the interests of shareholders? 7. How does APRA satisfy itself that these remuneration practices don’t breach the sole purpose test and other trust obligations? 8. Has APRA looked at the possible related party conflicts that arise from the roles performed by these executives inside and outside the super fund? 9. The executives on this disclosure do their “outside super” work for the bank group in areas like investment and insurance. Can APRA see serious conflicts arising if these functions are insured to other parts of the group where these executives work? 	APRA	Written	SQ17-000389
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69	3	Ketter	Bank Levy	<p>Mr Byres: I became aware of the bank levy in its current form or current proposal in late March. I know you are keen on the exact date and I have tried to look and see if I can pinpoint the exact date. I, unfortunately, cannot do so. But it was definitely in late March.</p> <p>Senator KETTER: You became aware of it on that date. How did you become aware of it?</p> <p>Mr Byres: I was informed by Treasury in a conversation. I was talking with Treasury on a range of other issues, and the information was passed to me as something that—at that stage it was on the basis of something the government was considering, and it was passed to me just so I was aware that that was in the pipeline.</p> <p>Senator KETTER: Were you asked to express a view?</p> <p>Mr Byres: Not on that day, no.</p> <p>Senator KETTER: In terms of that precise date, is that something you can take on notice, and perhaps have a look at your diaries?</p> <p>Mr Byres: I am happy to take it on notice and look further, but I know you asked the Treasury people yesterday for exact dates so I did have a look to see if I could provide you with the exact date and I cannot quite pinpoint it but I will have another look for it.</p> <p>[...]</p> <p>Senator KETTER: And at some point were you asked to express a view about the bank levy?</p> <p>Mr Byres: As I think the Treasurer has said today, we expressed the view that this did not jeopardise our prudential objectives and was not going to have a material impact on the resilience of the banking system.</p> <p>Senator KETTER: And when did you provide that advice?</p> <p>Mr Byres: As to date, I would have to take that on notice.</p> <p>Senator KETTER: Sometime in the month of April?</p> <p>Mr Byres: I would have to take it on notice whether it was April or just as the proposal was being finalised. I cannot tell you today. I will take it on notice.</p> <p>Senator GALLAGHER: Are you able to provide the committee with the feedback you provided</p>	APRA	Pg 94; Tuesday 30th May	SQ17-000390
70	1	Ketter	Bank Levy	<p>Senator KETTER: I just have a few more questions which I will try to whip through as quickly as possible. Mr Byres, I will try again on the bank levy and just suggest to you that, in terms of competing designs for the bank levy, is it true that a profits based model would minimise balance sheet risks as compared to a liability based model?</p> <p>Mr Byres: A profit based model, I presume, just means an increase in the corporate tax rate. Is that equivalent to what you are suggesting?</p> <p>Senator KETTER: Something along those lines, yes.</p> <p>Mr Byres: I would have to think that through. I am not sure. The answer is not obvious to me. Is your question, 'Is one worse than the other or some way more risky than the other?' I would have to think that through. It is not obvious to me—</p> <p>Senator KETTER: The question was in relation to balance sheet risks. Would a profits based approach avoid the issue of banks preferring riskier lending?</p> <p>Mr Byres: I am not sure I agree with the starting proposition that it encourages more risky lending, but I will take it on notice and provide you with a considered response.</p>	APRA	Pg 113; Tuesday 30th May	SQ17-000391

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71	8	Ketter	Banking Executive Accountability Regime	<p>1. According to the Treasurer’s media release on 9 May 2017, in relation to the Banking Executive Accountability Regime, “additional expectations will be established for how banks and their executives conduct their business consistent with good prudential outcomes”. What is APRA’s understanding of what those expectations are?</p> <p>2. Under section 21 of the Banking Act, APRA has the power to apply to the Federal Court to disqualify people from acting as directors, senior managers and auditors of ADIs. How often has this power been used in relation to ADIs?</p> <p>3. Under section 11CA of the Banking Act 1959, APRA may direct an ADI to remove a director or senior manager of the body corporate from office (paragraph 11CA(2)(c)) if it has reason to believe that the body corporate that is conducting its affairs in an improper or financially unsound way (paragraph 11CA(1)(i)). Does APRA need to apply to a court to use this power? Can APRA provide examples of where this power has been used? In how many instances has this power been used over the last 10 years?</p> <p>4. For the last 10 years, how many instances is APRA aware of in which banking executives were found guilty of crimes, but continued to work as banking executives?</p> <p>5. For the last 10 years, how many instances is APRA aware of in which banking executives were caught in illicit activities, but continued to work as banking executives?</p> <p>6. ASIC Media Release 17-095, dated 3 April 2017, states that “ASIC is also announcing that eight major lenders will provide remediation to consumers who suffer financial difficulty as a result of shortcomings in past lending practices.” In the light of this media release, can APRA provide advice about:</p> <p>a. the level of compliance with its serviceability requirements in relation to residential mortgages; and</p> <p>b. action it is taking in relation to compliance with serviceability requirements in relation to residential mortgages.</p>	APRA	Written	SQ17-000392
72	9	Ketter	CFSIL Dividend Questions	<p>In Estimates, Senator Gallagher referred to the Colonial First State Investments Limited Annual Financial Report for the year ended 30 June 2016 (“the report”).</p> <p>1. Is this report for a trustee entity/RSE that is responsible for some Commonwealth Bank super funds?</p> <p>2. Does the report make up some of the required reporting for this RSE entity?</p> <p>3. Was APRA aware that this report contains a \$268,000,000 dividend? Has APRA investigated this?</p> <p>4. Does APRA review financial reports from RSE entities?</p> <p>5. Do other RSE entities deliver dividends? If so, which ones?</p> <p>6. Where was the CFSIL dividend funded from? Does it represent profit taken from the super funds that the RSE operates?</p> <p>7. Who was the dividend paid to?</p> <p>8. Who is the decision to pay a dividend made by? Is it made or signed off by the trustee?</p> <p>9. Is APRA satisfied that dividend payments such as this are in line with member interests and trustee duties as provided for in the SIS Act, including S 52(2)?</p>	APRA	Written	SQ17-000393

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73	1	Hume	CGT Exemption for Merged Funds	<p>CHAIR: That is true. I think, for the sake of members, continue the galvanisation process—that is very good. I might not be asking the right group about this; this might be a question for ASIC, and you are allowed to redirect me to ASIC, but I will just throw out a hypothetical. We know that some union representative board members pay their salaries back to their union, and we understand exactly why that is: the union lends their time to the superannuation fund. Just as a hypothetical, if a board member of an industry superannuation fund paid their salary back to the union and then ran for political office, and that union funded one of its union officials to become a staff member to work on the campaign for that board member, is that something that you would be concerned about? We were talking about related party arrangements. Is that something that APRA would deal with, or is it something that ASIC would deal with? I imagine it would be highly inappropriate.</p> <p>Mrs Rowell: I am not sure I know how to respond to that.</p> <p>Senator WHISH-WILSON: You do not have to answer hypotheticals.</p> <p>CHAIR: No, you do not need to answer hypotheticals. It might be better put to ASIC. Moving on, you might be able to explain something that I do not understand. A lot of superannuation boards have alternate directors. I understand why they have alternate directors, but there seem to be large numbers of alternate directors on superannuation boards, sometimes mirroring the number of actual directors. Do you know whether those alternate directors get paid, even if they do not actually attend the board meetings?</p> <p>Mrs Rowell: I would need to take that on notice.</p> <p>CHAIR: I am not sure either. I have not been able to find it anywhere, but it is something I have pursued.</p> <p>Mrs Rowell: We will take that on notice.</p>	APRA	Pg 109; Tuesday 30th May	SQ17-000394
74	3	Gallagher	Conflict of Interest Requirements	<p>company to act in the best interests of the company but they are also trustees who are required to put the interests of beneficiaries above all other interests—how does that work when you have those two conflicting responsibilities? Does APRA have any guidance material on that? Do you provide advice on that?</p> <p>Mrs Rowell: We have a prudential standard on conflict management. We require trustees to have frameworks and policies in place to manage actual and perceived or potential conflicts of interest. That is something that we talk to trustees about. We did a thematic review on it a couple of years ago. We provided some recommendations for improvements to industry practices as a result of that review. We are in the process of undertaking a slightly narrower scope around related party arrangements—a thematic review on that—which we expect to be able to provide some responses on later in the year. It is an area that we are keenly interested in because we think it is important that those conflicts are effectively managed by the superannuation industry.</p> <p>[...]</p> <p>Senator GALLAGHER: You talked earlier about looking at issues of fees and governance—I know you say across the board. Can you give me any comfort that you are looking at some of these issues that I have raised tonight?</p> <p>Mrs Rowell: Yes. Our engagement with the industry touches on most of the things that you have raised. The degree to which we focus on those particular issues with any individual organisation will depend on the circumstances and what we think of their practices and their arrangements, but we focus on conflicts, fees, performance—all of those aspects—as part of our normal engagement with every superannuation entity.</p> <p>Mr Glenfield: Specifically, our on-site review process will very much look at the conflict management around a group and how you manage a conflict within a group. As Helen touched on, we are doing a thematic at present on conflict management across industry, which will give us views on better practice, which we will share with industry when that review is complete. It is very much a focus.</p>	APRA	Pg 107 - 108; Tuesday 30th May	SQ17-000395

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75	1	Hume	Integrity Measures - Superannuation	<p>CHAIR: I have some questions about some of the integrity measures in the superannuation industry. I should give you a heads-up that I used to work in this industry. [...]</p> <p>CHAIR: It is my understanding that a senior executive of a very large superannuation fund, a fund managing \$2.6 billion of compulsory retirement savings on behalf of Australian workers, is in this exact circumstance. I think it is a matter of public record that that senior executive was sacked as the general manager of a New South Wales public entity as a result of a referral from ICAC to the relevant department and subsequent internal and external investigations into his conduct. That was 13 years ago. Is APRA aware of this particular case? [...]</p> <p>Mrs Rowell: I cannot think, off the top of my head, of the specific circumstances to which you are referring, so it is hard for me to comment.</p> <p>CHAIR: First Super is a fund that has been backed by the CFMEU, a union that is subject to countless lawsuits due to its blatant disregard for the rule of law. First Super has an executive that is subject to those claims. Is this something that APRA is aware of?</p> <p>Mrs Rowell: We would have to take that on notice.</p>	APRA	Pg 99 - 100; Tuesday 30th May	SQ17-000396
76	1	Ketter	Interest-only loans	<p>Senator KETTER: I am going to come back to some of the macro prudential issues. Are you concerned that the tax system provides an incentive for the proliferation of interest-only loans?</p> <p>Mr Byres: We take the tax system as a fact of life. It is a given, exogenous, variable, and we have to work within that.</p> <p>Senator KETTER: Presumably you provide advice to government about these types of issues?</p> <p>Mr Byres: When we were going to institute the constraints on interest-only lending, we certainly briefed the Treasurer on what we were doing, why we were doing it, why we were choosing to do that and potential reasons within the environment of why people were keen to use interest-only lending.</p> <p>Senator KETTER: Can you give us a breakdown on the interest-only loans with property investors as compared to owner occupiers? Presumably it is a fairly wide margin.</p> <p>Mr Byres: I would probably take it on notice but, for the purposes of this evening, it is about 20 per cent of lending to owner occupiers is interest only, and about 60 per cent of lending to investors is interest only.</p>	APRA	Pg 114; Tuesday 30th May	SQ17-000397
77	1	Whish-Wilson	Mortgage Risk Weights	<p>Senator WHISH-WILSON: I am not sure how to probe you on that 'clean bill of health' thing—maybe later, as I have a couple of questions I might ask in relation to that. I want to ask about their own assessments of mortgage risk weights. The FSI report talked about narrowing the difference between the average mortgage risk weights for ADI institutions using IRB. The S&P downgrade of the second-tier banks last week brought this issue into close focus. You can take this question on notice if you do not have the information with you. What is the average of mortgage risk weights now applied to the major banks?</p> <p>Mr Byres: Unless Pat has the figure—at present we are working towards an average of 25 per cent.</p> <p>Senator WHISH-WILSON: Which you stipulated previously.</p> <p>Mr Byres: Yes. It may not be precisely that at the latest quarterly data, but that is the aspiration we are working towards, and there are some modelling changes working through the system.</p> <p>Senator WHISH-WILSON: How long will that take?</p> <p>Mr Byres: I will take that on notice, but the plan was certainly to have it at around the middle of this year—so it is not that far away.</p>	APRA	Pg 97; Tuesday 30th May	SQ17-000398

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78	2	Ketter	Performance Data	<p>In response to Senator Gallagher’s questions that: “...we have extensive data now going back years that have the for-profit banks and a lot of the individual bank-owned funds returning less than three per cent. I think that is the point that Alan Kohler was making: this is below term deposit rates. Does APRA have any concerns with this? In particular, there are many in the for-profit sector that are returning less than term deposit rates over the 10 years to June 2016. The questions are whether you are responding to that, whether it is on your radar and whether you think it is a problem. If you could respond to that for me.”</p> <p>Ms Rowell responded in part: “...The rate of return at a fund level or at an average across an industry segment level is not an appropriate measure of member outcomes, because it is not comparing like with like.” And that “...The commentary by industry stakeholders, in our view, potentially undermines that confidence based on analysis that is quite narrowly focused. Making very selective use of APRA statistics is quite disappointing. As I said, we think a much broader view of performance assessment is appropriate...”</p> <p>1. Has APRA undertaken any benchmark analysis of the performance major bank-owned funds based on their reported asset allocations? If so, please provide this and any other data that delivers the “broader view of performance assessment” APRA referred to in the response, including providing a like with like comparison and addressing the other concerns with the use of APRA data raised in the response.</p> <p>2. As per Senator Gallagher’s question, please clarify whether or not the major providers in the for-profit sector are returning less than term deposit rates over the 10 years to June 2016, and where they sit in relation to other benchmarks. In particular can you provide data in relation to the performance of the major banks’ largest offerings (by FUM) as underperformance in this area would have the greatest impact on member outcomes.</p>	APRA	Written	SQ17-000399
79	2	Whish-Wilson	Predatory Lending	<p>issuing an investment loan? Is it one thing they would consider?</p> <p>Mr Byres: It is not an explicit requirement on age, but it reflects the capacity to repay and likely sources of income in the foreseeable future to meet the obligations of the loan.</p> <p>Senator WHISH-WILSON: Does a prudent banker lend \$445,000 to 64-year-old single woman on a \$9 a month buffer?</p> <p>Mr Byres: Just based on you reciting that, it sounds like something we should have a look at.</p> <p>Senator WHISH-WILSON: You will get a copy after this from the committee, in confidence. I would like to seek the committee's permission to table it, at some stage. The interesting bit is that you have cracked down on interest-only loans. Is that correct? How prevalent are they? Are you able to drill down into the data in terms of age groups, for example?</p> <p>Mr Byres: No, I cannot tell you age groups. But I will give you a few high-level bits information. Interest-only lending has been running at about 40 per cent. So, of total lending, 40 per cent would be interest only and 60 per cent would be principal and interest. We have said we would like to see the proportion that is interest only come down to 30 per cent. That is the benchmark we have set, and we are paying particular attention to interest-only lending that is also high LVR, because that is a borrower who neither has equity nor is building equity in the loan, which is a higher risk proposition. Most interest-only lending is to investors, but there has been a material proportion of interest-only lending to owner occupiers, and that has also caught our eye because you want to make sure that people are not using an interest-only option just because it slightly improves their cash flow.</p> <p>Senator WHISH-WILSON: If you could take it on notice when you get the document, I would be interested to know exactly how you define predatory lending, and whether that would be an example of predatory lending.</p> <p>Mr Byres: You might share the same example with ASIC. We can compare notes with ASIC, because they would also probably have a perspective, given the responsible lending obligations under the Corporations Act.</p>	APRA	Pg 110; Tuesday 30th May	SQ17-000400

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80	8	Bushby	Superannuation Fund Governance	<p>1. How is the policy shift in greater levels of independence on super fund boards proceeding for:</p> <p>i. Retail funds?</p> <p>ii. Industry funds?</p> <p>2. Of the top 10 industry funds how many have a:</p> <p>i. 50/2/25 split (independent/ employer/union)?</p> <p>ii. 33/33/33 split (independent/ employer/union)?</p> <p>iii. 0/50/50 split (independent/ employer/union)?</p> <p>3. What reasons are being encountered for a no change stance by the more intransigent boards?</p> <p>4. What is the state of play regarding breakup between male and female directors on super boards generally, and retail and industry super funds specifically?</p> <p>5. Does APRA have any more recent data on the longevity of super fund directors, average tenure for industry generally, and retail and industry funds specifically?</p>	APRA	Written	SQ17-000401
81	3	Ketter	Trustee Duties	<p>Has APRA identified a specific conflict between super fund trustee directors' duties to the corporation (taken to be to the shareholders of the corporation) and their duties under the SIS Act to trust beneficiaries?</p> <p>1. If so, what are the requirements in managing this conflict, and where it cannot be entirely managed, which set of duties takes precedence?</p> <p>2. How should the conflict be managed when parent entity shareholders as well as members are deriving financial benefit from the fund?</p> <p>3. How can directors of for-profit funds meet the one duty without breaching the other?</p>	APRA	Written	SQ17-000402
82	1	Georgiou/ Gallagher	Commbank/ Bankwest takeover	<p>Senator GEORGIOU: My question is: have you requested the warranty claim notices in relation to the Bankwest share sale deed?</p> <p>Ms Carnell: No.</p> <p>Ms Scott: No.</p> <p>Senator GEORGIOU: No? And what would be required to get that information?</p> <p>Ms Carnell: We are currently doing some more work on the Commbank Bankwest takeover, when Commbank bought Bankwest. So we are in the process of doing a greater deep dive into that space. We have not left that particular issue. Craig has been doing some work on that.</p> <p>Dr Latham: Yes. We are putting together a report, working with ASIC. Jointly, hopefully, we will go forward and look at some of the behaviours in this area. We are noting quite a number of what you may well regard as systematic behaviours by the bank in order to be able to default loans. But that is still undergoing that process.</p> <p>Senator GALLAGHER: Are we able to see a copy of the report?</p> <p>Ms Carnell: We do not usually have things that are not public, so I cannot imagine why we would not make it public. ASIC has looked at a number of the cases of Commbank/Bankwest in the past, but they have looked at them separately. What we are looking at is to determine whether there are systemic behaviours in that space and what the reasons might be for that, working with ASIC.</p> <p>Remember, ASIC has the power.</p>	ASBFEO	Pg 114; Monday 29th May	SQ17-000405
83	7	Ketter	Phoenix Activity	<p>1. What do you think about the proposal to introduce a Director Identification Number, which has been suggested by many different bodies?</p> <p>2. What are the benefits of a DIN for enforcement agencies and the public?</p> <p>3. How will the DIN assist small business?</p> <p>4. Has the Government or Treasury sought feedback from you on this recommendation from the PC?</p> <p>5. If so, when was that?</p> <p>6. Do you hear from small businesses regularly about suspected fraudulent phoenix activity? Can you illustrate the types of damage this activity does to small business?</p>	ASBFEO	Written	SQ17-000406

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84	9	Gallagher	Small Business Roadshow	<p>With reference to Minister Michael McCormack's 'small business roadshow' events that the Australian Small Business and Family Enterprise Ombudsman has participated in:</p> <p>1. Which officials from your agency have attended 'Small Business Roadshow' events? What is their position within your organisation?</p> <p>2. How many times have ASBFEO sent representative(s) to these events?</p> <p>3. Can you please provide the costs your agency has incurred as a result of participating in 'Small Business Roadshow' events for:</p> <ul style="list-style-type: none"> - Air travel? - Accommodation? - Road transport? - Catering? - Incidental costs? 	ASBFEO	Written	SQ17-000407
85	1	Ketter	Action against Westpac	<p>1. Please identify instances in which has ASIC taken action (including but not limited to legal action) against Westpac in relation to responsible lending obligation since 2010?</p>	ASIC	Written	SQ17-000408
86	4	Ketter	Action under 912A(1)(f) of the <i>Corporations Act 2001</i>	<p>1. Can ASIC provide examples of when it has taken action using paragraph 912A(1)(f) of the Corporations Act 2001, the obligation for financial services licensees to ensure that its representatives are adequately trained and competent to provide financial services? Please provide examples of legal action and other action.</p> <p>2. How many times has ASIC taken legal action under paragraph 912A(1)(f) of the Corporations Act 2001, the obligation for financial services licensees to ensure that its representatives are adequately trained and competent to provide financial services, since its enactment in 2001?</p> <p>3. How many times has ASIC taken other enforcement action under paragraph 912A(1)(f) of the Corporations Act 2001, the obligation for financial services licensees to ensure that its representatives are adequately trained and competent to provide financial services?</p>	ASIC	Written	SQ17-000409
87	1	McAllister	Add-on Insurance	<p>Senator McALLISTER: Are there other actions you would like to see them taking prior to any enforcement action or policy changes from ASIC?</p> <p>Mr Saadat: Absolutely, and we have written to all of the insurers in the last couple of weeks to highlight our expectations in relation to the future conduct, including around commission payments and the design of the products themselves. One of the problem is that, the way they are designed the moment, consumers are often provided with very narrow cover and it is a product that, even where the consumer claims, the benefit that can be received is very, very small. So the design of the products is quite important, and then the distribution practices, including around making sure that the conduct of the person who is selling the product is consistent with the insurer's expectations.</p> <p>Senator McALLISTER: Can you table a copy of that letter, Mr Saadat?</p> <p>Mr Saadat: I think we probably could. I will take that on notice. I do not have it with me right now but, yes, we can come back to you.</p>	ASIC	Pg 27; Wednesday 31st May	SQ17-000410

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88	10	Abetz	ASIC Regulatory Guide 52	<p>just any purpose'. They rely on the case of Cowan v Scargill, but you will find that from the article. He then asserts or opines: 'Investors invest in particular companies because of the business carried on by the company. They should not have to first check on the social or political views of the directors.' It is suggested that where the expenditure of money or restriction on business activities has no reasonable connection with the business of the company, the directors have breached their duties and have not acted for a proper purpose as required by the Corporation Act.</p> <p>Mr Medcraft: Thank you for raising that. We will have a look at it, and we will come back with an answer on notice.</p> <p>Senator ABETZ: Thank you.</p> <p>Mr Medcraft: It raises an interesting issue.</p> <p>Senator ABETZ: Yes, as to whether or not that is an appropriate representation of the law as ASIC understands it. Then I understand you have RG 52, rules and guidelines 52. You are aware of that?</p> <p>Mr Medcraft: RG 52?</p> <p>Senator ABETZ: It is RG 52, 'Enforcement action submissions'. It is ASIC regulatory guide 52. I draw that to your attention as well. Could you have a look at that for us, please. It is in the context of this article written by Mr Speed.</p> <p>Mr Medcraft: Whether we are consistent or disagree? Whether RG 52 is consistent with that?</p> <p>Senator ABETZ: No, whether, in the past five years, ASIC has received any submissions under its RG 52 policy—I will use that as a term to encapsulate these matters—and whether you have received any complaints from people as to companies behaving in a particular manner, which is inconsistent with a thesis of Mr Speed's—</p> <p>Mr Medcraft: I see. We get it.</p> <p>Senator ABETZ: And then what are the procedures if an RG 52 complaint—if I can use that term—were made? Which officer would be assigned to that task? What assurances do we have that</p>	ASIC	Pg 7; Wednesday 31st May	SQ17-000411
89	1	Bushby	ASIC's \$121 M Government Funding Package	<p>Senator BUSHBY: Thank you. Just changing the subject, you mentioned some of your enforcement activities in your opening statement, Mr Medcraft. Could you provide a bit more specificity and an update to the committee on the current enforcement action. In doing so, can you also provide some information on how ASIC is using the government's \$121 million funding package, which was announced a bit over 12 months ago, to take proactive action in regulating the financial sector.</p> <p>[...]</p> <p>Mr Kell: [...] We are happy to provide a quick written summary for the committee to give you a sense of—</p> <p>Senator BUSHBY: Maybe on notice. I am way over time. My question was within the minute that I had left, but your answer is taking longer—which is fine.</p> <p>Mr Medcraft: The other thing that I will mention on data is that we are actually creating data labs for regtech start-ups to actually use anonymised data to test their ideas. That is a pretty interesting development as well.</p> <p>Senator BUSHBY: It sounds like you are making good use of the money that has been provided. If you could take that on notice in a bit more detail, that would be fantastic.</p>	ASIC	Pg 31 - 32; Wednesday 31st May	SQ17-000412

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90	2	McAllister	Australian Financial Complaints Authority	<p>Senator McALLISTER: I want to ask quickly about the new Australian Financial Complaints Authority. Were you consulted in the development of the proposal to integrate these three entities? [...]</p> <p>Senator McALLISTER: Yes, but my question is: are there are additional powers you can point to beyond those that are already vested in the three schemes that are being merged? I understand that you are not seeking to diminish the powers available to the Superannuation Complaints Tribunal. Are there additional powers?</p> <p>Mr Kirk: We could take it on notice. Nothing comes to mind as an additional power.</p>	ASIC	Pg 24 - 25; Wednesday 31st May	SQ17-000413
91	1	Dastyari	Bank Bill Swap Rate	<p>Senator DASTYARI: Finally, I note that we are going to table this graph at some point. Perhaps Mr Medcraft and Ms Armour, you could take this on notice: I am sure the information exists of a layman's explanation of the bank bill swap rate. Of why it is important, how it interacts—perhaps the graph will answer a lot of this—with the market. the consequences and significance of whether or not it has been manipulated and the winners and losers if such a thing happens.</p> <p>Ms Armour: We will need to be a little bit circumspect. I am happy to give a layman's explanation, but this is a matter that is before the courts so we cannot go into some of the—</p> <p>Senator DASTYARI: I understand that, but I want to take it to a different level. I see the significance of the bank bill swap rate but I feel that some of the debate around it, unfortunately, because of the technical nature of what we are dealing with, has become very easy to try and push aside. I have seen larger organisations treating the whole thing as: 'This is just a complicated internal bank matter. It does not mean anything to anybody.' I think there is a public interest in bringing that back to an explanation and an understanding of its relevance.</p>	ASIC	Pg 9; Wednesday 31st May	SQ17-000414
92	1	Ketter	Banking Executive Accountability Regime	<p>1. Were you consulted in relation to the Banking executive accountability regime prior to the budget?</p>	ASIC	Written	SQ17-000415
93	2	Ketter	Barclays Entities	<p>1. 17-077MR refers to ASIC accepting an enforceable undertaking from Barclays entities.</p> <p>a. The media release states that the Barclays entities have an exemption from holding an Australian Financial Services Licence. What does this exemption mean for customers of Barclays seeking to access External Dispute Resolution?</p>	ASIC	Written	SQ17-000416
94	1	Ketter	Capability Review	<p>1. According to ASIC's answer to AET162 about progress on its capability review, "ASIC undertook a further culture diagnostic in November 2016 to monitor progress from previous diagnostics completed in 2011 and 2014." Please outline the findings of the diagnostic? What were the key changes since previous diagnostics?</p>	ASIC	Written	SQ17-000418
95	4	Ketter	Commisure	<p>1. The executive summary of ASIC's report into Commisure states: 'In relation to key performance indicators (KPIs) for some claims staff, ASIC identified that for previous financial years KPIs included net loss ratios and income protection terminations rates. Although the weighting allocated to each of these KPIs was typically low, between 10% and 15%, this was subsequently addressed by CommInsure, with the relevant KPIs removed for claims staff.'</p> <p>a. Please explain what a 'net loss ratio' is.</p> <p>b. Could these KPIs have had the effect of encouraging staff to deny claims?</p> <p>2. ASIC's executive summary raised concerns about statements provided to customers about what certain products would and wouldn't cover in relation to the 'Total Care Plan' sold through financial advisers and the 'Simple Life Insurance' sold directly and said that ASIC's investigations were ongoing. Can ASIC explain those concerns? Can ASIC provide an update?</p>	ASIC	Written	SQ17-000419
96	1	Ketter	Compensation	<p>1. In his opening statement, Mr Medcraft stated that in the 12 months to May 2017, "ASIC obtained over \$804 million in compensation, remediation or returns of investor funds and over \$9.7 million in fines, penalties or infringement notices." Could a breakdown be provided of the institution/persons involved, and the matters in relation to which the amounts were paid.</p>	ASIC	Written	SQ17-000420

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97	1	Ketter	Consumer Credit Insurance	What is the status and timeline for the review of compliance with the recommendations of ASIC's report into Consumer Credit Insurance? (Refer to QON 178 from Senator Ketter, 2016-17 additional estimates).	ASIC	Written	SQ17-000421
98	1	Ketter	Debt vultures	1. This question is in relation to answer to a question on notice at the 2017 Additional Estimates (ref SQ17-000275). In that answer ASIC refers to working on a number of matters in relation to false or misleading representations in respect of credit repair services, and services in relation to the promotion to consumers of Part IX arrangements under the Bankruptcy Act, which it says are not yet public. Please can you advise if those matters are now able to be made public, and if so, give details?	ASIC	Written	SQ17-000422
99	1	Gallagher	Fees for no service inquiry	Senator GALLAGHER: Yes. We want the figures to be robust, that is for sure. Can I turn to the Financial advice: fees for no service report. You released an update a couple of weeks ago on this report. My reading of it is that it broadens the scope of customers affected quite considerably by another 100,000 or so and the amount to be repaid to \$205 million plus interest. I have a few questions about this, so I might have to come back to it if my time runs out. According to my reading of the update you have provided, looking at the various institutions paying back moneys, there seems to be one that is quite far behind. Has an explanation been provided around that? I am talking specifically about the Commonwealth Bank. They have paid \$5 million and have \$99 million in compensation pending. I know they have a lot more to pay, but that did seem out of step with the other banks. Ms Bird: I can get the figures from the Commonwealth Bank. My understanding is that they have repaid significantly more than the \$5 million as of today. That media release we put out was dated 21 April. It is a bit old. In fairness, it might be best if I take that on notice to get from them their figures as of today.	ASIC	Pg 16; Wednesday 31st May	SQ17-000423
100	1	Ketter	Fees for no service report	1. In relation to the fees for no service report, can ASIC provide details of the way in which interest is calculated, and the rationale underpinning this?	ASIC	Written	SQ17-000424
101	1	Ketter	Financial Services Council comments about code approval	1. During a hearing of the Senate Inquiry into Consumer Protections in the Banking, Insurance and Financial Services Sector, the FSC was asked whether they would seek approval of the life insurance code of practice. Although that they said they would consider ASIC approval, they said that the approval process would make the code more legalistic and less consumer friendly. Do you agree with this characterisation of this ASIC approval?	ASIC	Written	SQ17-000425
102	1	Ketter	FOI	1. In relation to the Australian's two year process to get documents surrounding media releases from ASIC, why did ASIC continued to insist that there should be a charge, when they accepted that provision of the documents would be in the public interest? - Charging a fee is permitted under the FOI Act. However, in the case before the information commissioner, ASIC accepted that the provision of the documents was in the public interest. Under paragraph 4.86 of the FOI Guidelines, Where an agency accepts that giving access to the document in question would be in the general public interest, but decides not to waive the charge, the agency should adequately justify why it is appropriate for the charge to be imposed in the circumstances.	ASIC	Written	SQ17-000426

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103	3	Williams	FOI: Ben Butler	<p>Senator WILLIAMS: Welcome, ASIC. You would be particularly familiar, Mr Medcraft and Mr Kell et cetera, with the emails that were FOIed by Ben Butler. Who is the expert on them?</p> <p>Mr Kell: I am happy to start.</p> <p>Senator WILLIAMS: I find it concerning because, if we look at correspondence with the Commonwealth Bank on 15 May 2014 from Greg Kirk:</p> <p>[...]</p> <p>What we are seeing, Mr Kell, is that your media team is preparing media releases and corresponding with the very people, whether it be Westpac or Commonwealth Bank—that is like me preparing a media release to attack the Labor Party, and I ring up Mr Bill Shorten and say, 'Bill, are you happy with this? Regards, Wacka.'</p> <p>[...]</p> <p>Senator WILLIAMS: Back to these media releases and the preparation of them. We mentioned Mr Cohen being involved and having an input into them. In one press release the initial draft said, 'CBA misled ASIC', but this was deleted from the final release. Are you familiar with what I am saying? Who authorised its deletion and why?</p> <p>Mr Kell: I would have to take that on notice.</p> <p>Senator WILLIAMS: One of a series of draft releases bears the handwritten heading, 'Version 15D Cohen', and the date, '15 May 2014', the day before the press release was issued. Can you explain why it has got 'Version 15D Cohen'?</p> <p>Mr Kell: I will have to take that on notice.</p>	ASIC	Pg 18 - 19; Wednesday 31st May	SQ17-000427
104	21	Ketter	Forex Investigation	<p>CBA, NAB, Westpac, ANZ and Macquarie Bank with regard to inadequacies at their foreign exchange desks.</p> <p>2. Is ASIC considering further action against persons involved in the inadequacies referred to?</p> <p>3. Has ASIC quantified the loss or part of the loss to customers from the misconduct described? What is the amount of the loss?</p> <p>4. For each instance in which stop-loss orders have been triggered, is ASIC aware of the amount of the losses? If yes, what was the amount of the losses?</p> <p>5. Has remediation been undertaken by each of the five banks involved or is it proposed? Have the customers impacted been contacted by the banks?</p> <p>6. Has action been taken, either by the banks involved, or by the regulator against any of the individuals involved?</p> <p>7. Was action against the individuals involved a condition of the any of the undertakings?</p> <p>8. On Friday, 26 May 2017, ASIC issued its Report 525 - Promoting better behaviour: Spot FX. Paragraph 23 of the ASIC Report on promoting better conduct in FX, released on Friday states that "The spot FX market has been the focus of regulatory scrutiny globally in recent years. Regulatory action against banks for misconduct and control failings in their spot FX businesses has been taken by a number of international regulators (including the UK Financial Conduct Authority, the US Commodity Futures Trading Commission, the US Department of Justice, and the Swiss Financial Market Supervisory Authority)."</p> <p>a. Please identify the instances of regulatory action taken by the UK FCA, the US Commodity Futures Trading Commission, the US Department of Justice and the Swiss Financial Market Supervisory Authority that are referred to.</p> <p>9. In a report on 22 December 2016 in relation to the CBA and NAB undertaking, the Australian Financial Review stated that "[t]he Australian Financial Review understands that because the trading took place overseas jurisdictional complexities led ASIC to accept an undertaking." Is this statement correct? Could ASIC provide a further explanation.</p>	ASIC	Written	SQ17-000428

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105	1	Ketter	Investigations into YOUI	<p>1. In 18 August 2016, Fairfax media reported on concerning allegations in relation to insurer YOUI:</p> <ul style="list-style-type: none"> o “Five whistleblowers say the company culture encouraged sales staff to defraud potential customers on a large scale by billing them for policies they never signed up for”. o “The whistleblowers also say customers are having claims rejected due to a cult-like corporate culture that drives staff to falsify insurance documents to make sales. Youi’s customers are left paying for policies that don’t actually cover them.” <p>Please provide an update on ASIC’s investigations into YOUI.</p>	ASIC	Written	SQ17-000429
106	3	Ketter	Managed Investment Schemes	<p>1. Are loans provided to retail investors for investment purposes currently subject to responsible lending obligations? If no, what is ASIC’s understanding of the rationale for this.</p> <p>2. What consumer protections currently apply in relation to Managed Investment Schemes?</p>	ASIC	Written	SQ17-000430
107	1	Roberts	Market Observations	<p>Noting that those in the commentariat consistently rail against greedy and powerful corporations, is it not the case that corporations are in fact creatures of the state, rather than free market capitalism, which are created by government and endowed with privileges that individuals do not have such as limited liability?</p>	ASIC	Written	SQ17-000431
108	1	Ketter	NAB	<p>In relation to claims of false witnessing at NAB, is it correct that NAB first notified ASIC about this issue on May 18, which was six months after NAB reportedly first became aware of the issue?</p>	ASIC	Written	SQ17-000432
109	3	Ian MacDonald	Proceeds of crime actions	<p>Senator IAN MACDONALD: And finally: if there are monetary penalties in criminal cases, the criminal laws of various states provide that the victim can sometimes be awarded some part of any monetary penalty—</p> <p>Mr Price: Proceeds of crime actions.</p> <p>Senator IAN MACDONALD: Yes. Is that relevant to the legislation under which you or the actions before the courts have related to?</p> <p>Mr Price: Typically, it would not be ASIC that takes a criminal action. We might refer a brief of evidence to the Commonwealth Director of Public Prosecutions. I will need to check, but my memory is that ASIC itself does not bring proceeds of crime actions. That is done by other regulatory agencies.</p> <p>Mr Day: Proceeds of crime actions are brought by the Australian Federal Police. In circumstances where we believe at an early stage, even before charges are laid, that there is a possibility, we will liaise with the Australian Federal Police. Sometimes we have had proactive requests from the federal police about matters themselves. They are the party that takes those actions, and they are then able to take the appropriate steps.</p> <p>Senator IAN MACDONALD: Are you able to tell me in this instance whether you have been in touch with the federal police, and, if you are able to tell me that, can you tell me what has happened?</p> <p>Mr Day: We would have to take that on notice.</p>	ASIC	Pg 24; Wednesday 31st May	SQ17-000433
110	2	Ketter	Product Intervention Power	<p>1. Do you think that credit products should be subject to both the product intervention power AND the design and distribution obligation?</p> <p>2. What is your view on whether timeshare products should be within the scope of product intervention power and design and distribution obligation?</p>	ASIC	Written	SQ17-000434

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111	1	Whish-Wilson	Product intervention powers	<p>Senator WHISH-WILSON: I want to go to your focus on consumer outcomes. You talked about product intervention powers, which is obviously a very significant new addition to your arsenal. You have made some fairly strong comments—and I would expect that from you as a regulator—about using product intervention powers within banks. Would you care to expand on how you might see it working?</p> <p>Mr Medcraft: Peter, do you want to comment on this?</p> <p>Mr Kell: Yes. We strongly supported a product intervention power during the financial system inquiry, so we are obviously pleased to see that proposal move forward. And there has recently been consultation around a particular model for the product intervention power that has been put out by Treasury.</p> <p>Senator WHISH-WILSON: How far away do you think we are from getting some legislation on this—or potentially regulations?</p> <p>Mr Kell: I would have to take that on notice and get that to government in terms of the time frame. But I know it is a priority area. The first issue is about how we might use it. We see it as being a valuable addition to our toolkit that would allow us to step in where there is significant risk or detriment to consumers as a result of the design of products right across the areas we regulate. At times, it has been suggested that this would be about banning products. I think that would be an exceptional and relatively unusual use of the power. In many other cases, it might be just requiring a modification to the way the product is sold, or to aspects of its design, to ensure that risks are reduced for consumers. So we see it as being quite valuable. An example is that we have recently been looking at flex commissions through car dealerships, where the finance company pays a higher rate to the dealer if they manage to convince the consumer to pay a higher interest rate—which obviously results in significantly poor outcomes for the most vulnerable and least financially experienced consumers. It took us a very long time to deal with that—</p>	ASIC	Pg 13; Wednesday 31st May	SQ17-000435
112	1	Ketter	Reports	<p>1. Please provide a list of upcoming reports that ASIC is currently working on, scoping or proposing work on.</p>	ASIC	Written	SQ17-000436
113	1	Gallagher	Responsible Lending	<p>Senator GALLAGHER: Regarding responsible lending, I think ASIC has some work underway in relation to a case against Westpac, looking back over a period of time—three and a bit years, from December 2011 to March 2015. Are you able to give me any information about that?</p> <p>Mr Saadat: I cannot really say much about any new developments on that matter. It is before the court and there is another directions hearing, I think within a few weeks' time.</p> <p>Senator GALLAGHER: How many loans does it involve?</p> <p>Mr Saadat: The case has two elements. One element is around their overall process for approving loans. That would affect quite a few loans—I do not have the exact number in front of me.</p> <p>Senator GALLAGHER: Could you take that on notice?</p> <p>Mr Saadat: We can take that on notice.</p> <p>[...]</p> <p>Senator GALLAGHER: We might get further updates from that as required. You said that the matter is before court. Have you imposed any other penalties in relation to this?</p> <p>Mr Saadat: On Westpac?</p> <p>Senator GALLAGHER: Yes.</p> <p>Mr Saadat: No, the matter is before the court, so we have not announced any other regulatory outcomes.</p> <p>Mr Kell: We can certainly provide you with an update on the matters we have taken around responsible lending breaches, if that is what you are asking for generally.</p>	ASIC	Pg 37; Wednesday 31st May	SQ17-000437

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				<p>promote responsible lending in the home loan sector.” This media release raises concerns about the practice of 8 lenders in relation to interest only loans. How long have these practices been going on for?</p> <p>2. When did ASIC first become aware of the practices referred to in the media release?</p> <p>3. Does ASIC have an approximate number of customers affected or at least the scope of the matter? Please provide a breakdown in relation to each lender.</p> <p>4. According to MR 17-095, “[i]n addition to typical hardship processes, lenders will individually review cases where consumers suffer financial difficulty in repaying their home loans, and determine whether they have been impacted by shortcomings in past lending practices. Where appropriate, consumers will be provided with tailored remediation, which may include refunds of fees or interest.” How many customers does ASIC expect will be remediated? Please provide a breakdown in relation to each lender.</p> <p>5. What further action is ASIC undertaking in relation to the issues identified?</p> <p>6. According to 17-095 MR on 3 April 2017, “ASIC is also announcing that eight major lenders will provide remediation to consumers who suffer financial difficulty as a result of shortcomings in past lending practices.” For each of the eight lenders, please identify whether or not any of these shortcomings relate to loans issued after 20 August 2015.</p> <p>7. In 17-095 MR, ASIC states that “[a]s part of today’s announcement, eight lenders examined by ASIC have improved their practices for enquiring about expenses to determine the consumer’s financial situation and capacity to make repayments. Rather than obtaining a single monthly living expense figure and then relying on a benchmark figure to assess suitability, borrowers’ actual figures for different categories of living expenses (e.g. food, transport, insurance, entertainment) will now be obtained. This will provide lenders with a better understanding of consumers’ expenses.”</p> <p>8. In 15-220 MR dated 20 August 2015, ASIC states that “Following ASIC’s review, all 11 lenders have changed their practices in line with ASIC’s recommendations or have committed to</p>			
114	14	Ketter	Responsible Lending Media Releases		ASIC	Written	SQ17-000438
115	1	Ketter	Review of direct life insurance	1. Please provide an update on ASIC’s review of direct life insurance, including any preliminary concerns and/or findings.	ASIC	Written	SQ17-000439

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116	3	Ian MacDonald	Storm	<p>Senator IAN MACDONALD: What can you tell me about the wash-up on the ongoing prosecutions with Storm?</p> <p>Mr Kell: If you are referring to the Cassimatis's—</p> <p>Senator IAN MACDONALD: And the banks that are implicated.</p> <p>Mr Kell: It might be useful if we provide you with a structured report on each of those issues. In terms of matters that are still on foot, in August last year the Federal Court found that the Cassimatis's breached their duties as directors of Storm Financial. Earlier this year the court heard submissions on penalties and costs. We are still awaiting the decision on that. That has taken some time. There have been outcomes in relation to compensation against various of the banks, including CBA and Macquarie. Because I do not have all the figures off the top of my head, I would probably prefer to provide you with a brief structured run-through of all of those outcomes. There are quite a few of them, as I am sure you can appreciate. It has possibly been one of the biggest things we have ever done.</p> <p>Senator IAN MACDONALD: That would be helpful and useful. Thank you for that... [...]</p> <p>Senator IAN MACDONALD: Without asking for the treaties on the law that you administer, you mentioned, Mr Kell, that you are awaiting the decision of the court on penalties. Is the law such that the penalty can include an order to compensate, pay back, repay or refund those who have proved some misfeasance?</p> <p>Mr Kell: I do not think that is a feature of this case, but I will double-check that and come back to you. We are seeking pecuniary penalties, disqualifications, and restraint from providing financial services. Compensation has primarily been around the role of the banks where we have obtained a series of settlements.</p>	ASIC	Pg 23 - 24; Wednesday 31st May	SQ17-000440
117	11	Xenophon	Transparent reporting of oil and gas reserves	<p>In relation to consistent and transparent reporting of oil and gas reserves:</p> <ol style="list-style-type: none"> 1. What approach does the US Securities and Exchange Commission have with respect to how reserves are calculated and subsequently reported? 2. Does the SEC approach provide consistency? 3. Does the US SEC insist on full disclosure on a consistent basis of the average sales price (including transfers) per unit of oil produced and of gas produced in each production field? 4. Does the US SEC insist on full disclosure on a consistent basis of the average production cost (lifting cost) per unit of production in each production field? 5. What approach does the ASIC have with respect to how reserves are calculated and subsequently reported? 6. Does the ASIC approach provide consistency? 7. Does ASIC insist on full disclosure on a consistent basis of the average sales price (including transfers) per unit of oil produced and of gas produced? 8. Does ASIC insist on full disclosure on a consistent basis of the average production cost (lifting cost) per unit of production in each production field? <ol style="list-style-type: none"> a. If not, why not? 9. What is the threshold for reporting of oil and gas reserves? For example, does BHP and Exxon have oil and gas reserves in the Bass Strait and are they reported in each production field? <ol style="list-style-type: none"> a. If not, why not? 	ASIC	Written	SQ17-000441

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118	1	Abetz	Union Education Fund	<p>Senator ABETZ: I have some quick and discrete areas of inquiry. The first one relates to the Union Education Fund, and I am assuming that you do not have those records with you, so could you take on notice when was the last time an annual report was filed with ASIC. I understand from my searching that it was in 2009, but could you please confirm that. If that is the case, what, if any, follow-up action has ASIC taken in relation to this matter? Part of my concern is that, if I am understanding this correctly, this body is still administering some taxpayer funds. So can I leave that with you.</p> <p>Mr Medcraft: We will take that on notice.</p>	ASIC	Pg 6; Wednesday 31st May	SQ17-000442
119	2	Bushby	Union owned Industry Superannuation Funds	<p>Senator BUSHBY: I will ask a few questions, but it might be too early for you to be able to answer them and some of them might not be in your knowledge yet. But, once again, it might prompt you to think about a few things which, as you move forward, you look at. Do union owned industry superannuation funds currently have to report to ASIC on their status in industrial awards? For example, do they need to report if they are named in an enterprise agreement as a default fund?</p> <p>Mr Fitzpatrick: I will have to take that on notice. I would think that that information is actually available publically.</p> <p>Senator BUSHBY: I think it is publically available. Does it need to be notified to you?</p> <p>Mr Fitzpatrick: That would be my understanding, but I would like to take that on notice.</p>	ASIC	Pg 29; Wednesday 31st May	SQ17-000443
120	2	Ketter	'Business Tax File Number' webpage	<p>1. Why does the frontpage for business tax file number not mention co-operatives alongside partnerships, companies and trusts?</p> <p>2. When will this page include cooperatives?</p>	ATO	Written	SQ17-000450
121	2	Ketter	'Choosing your business structure' webpage	<p>1. Why does the 'Choosing your business structure' page not include the co-operative as an option alongside sole trader, partnership, company and trust?</p> <p>2. When will this page include cooperatives?</p>	ATO	Written	SQ17-000451
122	1	Whish-Wilson	Active Compliance Investigations - PGHWI	<p>Senator WHISH-WILSON: Okay. You have already been asked questions about the Inspector-General of Taxation and whether you believe that position should be taking out an investigation. So I will not go down that road. But, in relation to the workload in the private groups and high-wealth individuals, what is your case load at the moment for those groups? How many investigations are underway?</p> <p>Mr Jordan: I will hand over to Will Day, who is acting in that role, that Michael Cranston previously had.</p> <p>Mr William Day: In terms of taxpayers, we are responsible for helping taxpayers. Any private group, with taxable income of more than \$2 million a year, we look at. We also have particular focus on wealthy Australians who have income somewhere between \$5 million and \$30 million, and a particular focus on high-wealth individuals who have a net worth of over \$30 million. We also have corporate responsibility looking at not-for-profits, trusts, and then a tax evasion and crime area that deals with phoenix—</p> <p>Senator WHISH-WILSON: You have a big workload at the moment, Mr Day?</p> <p>Mr William Day: Yes, we do. We have over 1,800 staff.</p> <p>Senator WHISH-WILSON: 1,800 staff. And how many investigations are underway?</p> <p>Mr William Day: I would have to take that on notice.</p>	ATO	Pg 16; Tuesday 30th May	SQ17-000452

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123	11	Griff	AirBnB/Sharing economy	<p>1. Does the ATO collect data on the number of individuals claiming income from AirBnB and Stayz, and how much this has generated in tax income? If so, can you provide this data for the past two financial years.</p> <p>2. How does the ATO monitor that AirBnB and Stayz income is being declared, and appropriately declared at that?</p> <p>3. Other than the information page/s on the ATO website, does the ATO conduct any directly or indirect education activities to make users of the sharing economy aware of their tax obligations (for instance, via these platforms)? Please detail.</p> <p>4. In June 2016, News.com.au reported that the ATO was planning a crackdown on the \$500m sharing economy to capture undeclared income from AirBnB, Uber etc. Has The ATO commenced audits of individuals for suspected undeclared AirBnB income?</p> <p>a. What methods is the ATO using to locate these individuals?</p> <p>b. Is the ATO employing any data matching with other agencies? If so, which?</p> <p>c. If it has commenced these audits, are they ongoing?</p> <p>d. What has been the outcome so far?</p> <p>e. If not, when will this auditing occur?</p> <p>5. Does the ATO have any estimates of the level of black market /undeclared income from Airbnb? Please provide these.</p> <p>6. Is the ATO engaging with AirBnB to cooperate/data share? If so, please detail.</p>	ATO	Written	SQ17-000453
124	5	Ketter	ATO IT Outages	<p>1. Has the Australian Tax Office been following the recent IT failures with the ATO websites and portals?</p> <p>2. Why are IT failures continuing? What is the nature of ongoing outages at the ATO?</p> <p>3. Can the ATO please provide a breakdown of IT failures since February by duration, type of failure, and associated complaints?</p> <p>4. How many complaints has the ATO received?</p> <p>5. Has the ATO received correspondence to the effect that tax practitioners and taxpayers generally are losing confidence in the ATO's processes?</p>	ATO	Written	SQ17-000454

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125	4	Ketter	ATO Procedures and Practices - Compliance Communications	<p>instructions that tax agents, accountants and lawyers should not be allowed to directly contact SES officers, except in accordance with the ATO's practices and procedures. What were the ATO's procedures for allowing tax agents, accountants and lawyers to directly contact SES officers at the ATO?</p> <p>Mr Jordan: I am not aware of those specific guidelines.</p> <p>Senator KETTER: So those guidelines do not exist?</p> <p>Mr Jordan: I do not know. I would have to take that on notice. It was a specific thing from my predecessor to staff or to SES officers?</p> <p>Senator KETTER: To SES officers.</p> <p>Mr Jordan: I will take that on notice...</p> <p>[...]</p> <p>Ms Lendon: In terms of the question that you have raised, we are not aware of any instruction of that kind. The closest to it was that there was an independence around our tax council network advice. So we tried to guide people—tax agents and so on—through our compliance areas and so on, rather than going directly to our tax counsel network. That might be where some of the confusion is, but certainly the commissioner of that time was keen to be open with the community and have ongoing dialogue.</p> <p>Senator KETTER: Okay. So, in terms of the people involved in prosecutions, for example, are there any guidelines around contact with tax agents, accountants and lawyers?</p> <p>Ms Lendon: In respect to prosecutions, I would have to take that one on notice.</p> <p>Senator KETTER: Are you aware, Commissioner, or others present, of any cases where large accounting firms have directly contacted SES officers?</p> <p>Mr Jordan: I am not aware of any by name, but I am absolutely certain that there would be dozens, lots.</p> <p>Senator KETTER: And so you would not have issued any instructions that this should not happen?</p> <p>Mr Jordan: As I say, that is just the system working. People have to talk to each other. So, when</p>	ATO	Pg 13; Tuesday 30th May	SQ17-000455
126	2	Ketter	Australian Business Register	<p>1. Why does the ABN entitlement page on the Australian Business Register omit co-operatives?</p> <p>2. When will this page include cooperatives?</p>	ATO	Written	SQ17-000456

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127	1	Whish-Wilson	Breach of Code of Conduct & Whistleblowing	<p>were asked to carry out a task that they may have suspicious about? Is there an independent person they can go to within the organisation?</p> <p>Ms Curtis: There are lots of avenues for staff members to report wrongdoing, whether that be fraud or potential conflict of interest—there are all sorts of things that could constitute wrongdoing or misconduct. We have an email for our internal investigations unit, which people can email too. They can report anonymously using the ATO's anonymous fraud alert form. We have a 'leave a message' on a 24-hour hotline. These are all internal avenues. We were talking about the PID Act. You can report to an authorised officer under the PID Act and you can report to your manager. So there are lots and lots of avenues for progressing things, whether it be anonymously or directly.</p> <p>Mr Jordan: One of the best ways, and what we would hope would often happen, is to tell the person asking, 'It is inappropriate for you to ask me to do that and I am not doing it.'—stop it there.</p> <p>Senator WHISH-WILSON: I am sure that is the common sense approach but, as you know Mr Jordan, in an environment where you are working with other people—</p> <p>Mr Jordan: My boss asked me to do something so I thought I should.</p> <p>Senator WHISH-WILSON: You are worried about potential repercussions and those kinds of things. The committee has been dealing with it, across the board, for whistleblowers. If you did have an internal independent integrity adviser, would that be a role that someone could go to in terms of a first point of contact?</p> <p>Ms Curtis: Yes, if we did have that role someone could go there but, as I said, there are so many avenues. I think you hit the nail on the head; it is whether people feel comfortable, which is why we do have lots of different ways in which you can raise these issues and why many of them are anonymous.</p> <p>Senator WHISH-WILSON: Do you have a record you could provide to the committee as to how often those kinds of processes have been used internally, in terms of whistleblowing and issues been raised?</p> <p>Ms Curtis: I do not have that with me but I can take that on notice.</p>	ATO	Pg 17; Tuesday 30th May	SQ17-000457
128	2	Griff	Data matching	<p>1. Please advise how many data matching requests for illegal non-citizens the ATO has received from the Department of Immigration and Border Protection for 2015-16 and financial year to date. (Please break down by date each request was submitted and number of individuals in each submission, if possible)</p> <p>a. On each of these occasions, how many individuals were successfully data-matched?</p>	ATO	Written	SQ17-000458
129	1	Hanson	DTA - Foreign owned multinationals	<p>In what way, if any, do foreign owned multinational companies avoid taxation through Double Tax Agreements?</p>	ATO	Written	SQ17-000459
130	1	Leyonhjelm	Excise Tax on Loose Leaf Tobacco	<p>Senator LEYONHJELM: I have got two series of questions. One is in relation to the increase in excise on loose leaf tobacco. Do we have the right people here? The increase in excise on loose leaf tobacco in the budget, just remind me, when is that due to take effect?</p> <p>Mr Dyce: I will have to check on that.</p> <p>Senator LEYONHJELM: It does not matter.</p> <p>Mr Dyce: I can take it on notice.</p>	ATO	Pg 48; Tuesday 30th May	SQ17-000460

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131	1	Di Natalie	Expenses for managing your tax affairs	<p>Senator DI NATALE: If somebody has so many deductions that they manage to bring their tax below the tax-free threshold—for example, there are 48 millionaires we saw reported somewhere—they would not be subject to the Medicare levy, would they?</p> <p>Senator Cormann: This sounds like a hypothetical proposition to me. The officer has answered the question.</p> <p>Senator DI NATALE: It is not hypothetical; it is a statement of fact.</p> <p>Senator Cormann: The Medicare levy is applied to taxable income but, incidentally, income tax rates are applied to taxable income too. Obviously, as you have indicated before, the higher your taxable income, the higher the marginal tax rate that will apply to your income.</p> <p>Mr Jordan: Can I make just one little comment here. It is not on the Medicare levy, but it is on the label in the tax return I think you are referring to. Every year, it seems to get a bit of publicity, and I want to investigate whether we can put another label in the tax returns to stop this from happening. The label is called 'Expenses for managing your tax affairs'. You see someone earning a million bucks and then you see a \$1.1 million claim for managing their tax affairs, and you say, 'That's outrageous, are they paying an accountant a million bucks?' But what is included in that is not just the fee you pay to the tax agent, but any penalty interest you might have paid to the tax office. Because penalty interest is tax-deductible. If we owe you interest, it is taxable to you, so you might get one of these high-wealth individuals who we have nailed for 10 million bucks of extra tax and some of that might be \$1 million of interest. It goes into that box, and I would break that box up, because this keep coming up.</p> <p>Senator DI NATALE: How many of those 48 would be in that category?</p> <p>Mr Jordan: I cannot—</p> <p>Senator DI NATALE: That is not what I am here to ask, but I would be interested, on notice, if you could take that, and I get it...</p>	ATO	Pg 36; Tuesday 30th May	SQ17-000461
132	5	Ketter	Gosford Office	<p>1. With regard to the construction of a building to house an Australian Tax Office on the Gosford waterfront, what is the formal contractual arrangement or proportional requirement with the developer DOMA Group, [the developer] regarding the use of Central Coast sourced:</p> <ol style="list-style-type: none"> Services Labour Materials Sub-contractors Suppliers (such as machinery and transport) Apprentices <p>2. Since the commencement of the construction of the Australian Tax Office on the Gosford waterfront what is the current use by the developer [the DOMA Group] of Central Coast sourced:</p> <ol style="list-style-type: none"> Services Labour Materials Sub-contractors Suppliers (such as machinery and transport) Apprentices <p>3. Can the ATO provide any details of any Central Coast-based businesses used by the developer in the construction of the ATO on Gosford waterfront and a detailed breakdown the amounts spent on the services/products provided by these businesses?</p> <p>4. At the request of any Minister or representative of Government were any undertakings made by the Australian Tax Office or the developer, DOMA, regarding local procurement and employment for this project? Can the ATO provide any documents relating to this question?</p> <p>5. Can the Australian Tax Office provide a copy of the contract between them and the DOMA Group for the construction of the tax office on the Gosford Waterfront?</p>	ATO	Written	SQ17-000462

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133	2	Dastyari	GST Classification	<p>In relation to GST exemption: a) Are tampons listed specifically in the legislation? b) Are condoms listed specifically in the legislation?</p> <p>For issues and items that are not specified as GST-exempt, where calculations need to be made about whether something is a luxury item, a food item or a hygiene item: a) what standard processes are in place for the ATO to make these considerations; and b) how does the ATO consider items that align with more than one category?</p>	ATO	Pg 57 - 59; Tuesday 30th May	SQ17-000463
134	3	Ketter	Informing taxpayers about an obligation to pay a debt	<p>1. What is the ATO's practice in informing taxpayers about an obligation to pay a debt? 2. Are taxpayers always informed by letter before the matter is escalated, or is the MyGov system sometimes the only way in which people are notified? 3. If the latter, does the ATO check whether the taxpayer has logged in to MyGov to read the message before escalating it to the next stage?</p>	ATO	Written	SQ17-000464
135	2	Ketter	Labour Hire Contractors and Consultants	<p>concerns that the ATO is increasing its usage of labour hire contractors and consultants. In fact, there were questions raised at additional estimates last year. There were questions put on notice. Senator McAllister and I asked questions on notice. In response to my questions, you said the cost of outsourced contact centre service contracts was expected to be \$118 million for 2016-17. So my question is: who are the providers for this \$180 million expenditure? Ms Cawthra: We certainly have a range of labour options that we use inside the ATO to ensure that we have flexible and responsive client services. One of those is outsourcing and the opportunity to outsource some of our low-value work as in low-complexity work to those that are better suited to undertake that work. The use of outsourcing has, in fact, been ongoing over the last 10 to 15 years in terms of our changing nature of our work. In terms of the labour hire, it is a different way of managing labour and it is a small portion of our overall workforce, and we use it quite specifically to support projects of particular natures or, in fact, managing very short-term resourcing needs inside the organisation, and then we also use contractors who generally are in the IT industry who are coming in for very specific projects. Senator KETTER: Okay, but my question was: who are the providers for the \$180 million? Ms Cawthra: We have a range of providers in there. One of those is a company called Serco. There are a number of others that I could take on notice or I could ask my colleague Melinda Smith who may, in fact, know the other ones more specifically. Sorry, I have been handed them. Serco, Stellar, Datacom and then we have new suppliers available Concentrix, Salma and Pro. Senator KETTER: They are all providers involved in that \$180 million figure? Ms Cawthra: Yes, they generally provide services for call centres and for processing. Senator KETTER: Is that \$180 million in addition to the \$298.5 million you list as providers for the direct provision of an unspecified number of staff? Ms Cawthra: That would be in addition. Senator KETTER: For what period does that expenditure of \$298 million cover? Ms Cawthra: I would have to take that on notice, Senator.</p>	ATO	Pg 23 - 24; Tuesday 30th May	SQ17-000465

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				<p>1. Can the ATO provide an update on the latest available figures for the number of taxpayers for these \$1000 increments, for financial years 2012-13, 2013-14, 2014-15, 2016-17, 2017,18:</p> <ul style="list-style-type: none"> - \$35,001 to \$36,000 - \$36,001 to \$37,000 - \$37,001 to \$38,000 - \$38,001 to \$39,000 - \$78,001 to \$79,000 - \$79,001 to \$80,000 - \$80,001 to \$81,000 - \$81,001 to \$82,000 - \$178,001 to \$179,000 - \$179,001 to \$180,000 - \$180,001 to \$181,000 - \$181,001 to \$182,000 <p>2. Has the ATO done any research into why there is such a spike in the \$1000 increments just below a change in each marginal tax rate?</p> <p>3. Does the ATO look more carefully/audit more extensively people who manage to reduce their taxable income to the \$1000 increment just below the change in the marginal tax rate?</p>			
136	14	Pratt	Marginal Tax Rates		ATO	Written	SQ17-000466
137	1	Hanson	Multinational anti-avoidance law	<p>Senator HANSON: So have we moved from basically a paper-based tax loss, and should we be moving to, or are we moving to, a transaction tax, where they will pay their tax on sales and not just write it off as a paper loss with their subsidiary companies?</p> <p>Mr Hirschhorn: Could I make just a couple of comments to give some context. The figure of one per cent or two per cent of income is often thrown around as the tax that is paid by some multinationals. I will go back a step. If we look at corporate tax in Australia, there is about \$70 billion a year in corporate tax. Of that, \$45 billion is paid by large companies and multinationals—that is, about 1,100 companies pay \$45 billion—about 100 companies pay \$30 billion and about 10 companies pay over \$20 billion.</p> <p>Senator HANSON: Is the 90 per cent of corporate Australia mostly owned by multinationals? What is the percentage of multinationals owning corporate businesses here in Australia?</p> <p>Mr Hirschhorn: Of course, any public company has a mixture of onshore and offshore ownership; it is very hard to tell, but—</p> <p>Senator HANSON: But it is extremely high in Australia, isn't it?</p> <p>Mr Hirschhorn: Australia is an open economy, and so, in the same way that Australians have many investments offshore, many of our companies have investment from offshore. I will take it on notice...</p>	ATO	Pg 25 - 26; Tuesday 30th May	SQ17-000468

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138	9	Urquhart	Offset Data	<p>1. In each of the financial years 2014-2015, 2015-2016 and in 2016-2017 to date, how many claims were made to the Australian Taxation Office in relation to the producer offset?</p> <p>2. In each of the financial years 2014-2015, 2015-2016 and in 2016-2017 to date, how many claims were made to the Australian Taxation Office in relation to the location offset?</p> <p>3. In each of the financial years 2014-2015, 2015-2016 and in 2016-2017 to date, how many claims were made to the Australian Taxation Office in relation to the PDV offset?</p> <p>4. In each of the financial years 2014-2015, 2015-2016 and in 2016-2017 to date, what is the average time between a claim and refund in relation to the producer offset?</p> <p>5. In each of the financial years 2014-2015, 2015-2016 and in 2016-2017 to date, what is the average time between a claim and refund in relation to the location offset?</p> <p>6. In each of the financial years 2014-2015, 2015-2016 and in 2016-2017 to date, what is the average time between a claim and refund in relation to the PDV offset?</p> <p>7. In each of the financial years 2014-2015, 2015-2016 and in 2016-2017 to date, how many refunds were made more than 55 days from the date of the claim in relation to the producer offset?</p> <p>8. In each of the financial years 2014-2015, 2015-2016 and in 2016-2017 to date, how many refunds were made more than 55 days from the date of the claim in relation to the location offset?</p> <p>9. In each of the financial years 2014-2015, 2015-2016 and in 2016-2017 to date, how many refunds were made more than 55 days from the date of the claim in relation to the PDV offset?</p>	ATO	Written	SQ17-000469
139	6	Ketter	Panama Papers	<p>1. Recent media coverage has suggested investigations into the Panama Papers and related matters may have been compromised due to the investigation of the alleged \$165 million fraud. Not seeking comment on those allegations, but rather can you explain how the investigations unit into the Panama Papers is structured, and how it has been impacted by the ongoing investigation?</p> <p>2. Has there been a rearrangement of personnel? Can you elaborate?</p> <p>3. Has evidence about the Panama Papers allegations been compromised? If so, how? If (possibly) not, what assurances can you give that it hasn't.</p>	ATO	Written	SQ17-000470
140	1	Bushby	Project Elbrus - Investigations Start date	<p>Senator BUSHBY: [...] At what time, though, did the fraudulent activity actually start occurring? How long before those three agencies became aware of the activity did it actually start?</p> <p>Mr Jordan: I am not sure. As I said, it has not been years—</p> <p>Senator BUSHBY: Yes, that is my understanding.</p> <p>Mr Jordan: It has all been pretty quick and amazingly large, because—remember they offered inducements to employment agencies of \$900, apparently to put people into them, and they did not charge a fee, so it was a nil fee. Sometimes, when you think something is too good to be true, it might well be. They were legitimately, apparently, on-selling health insurance, car leases and all that to all these consultants and making legitimate money out of that sort of arrangement, but, in terms of the actual starting date, perhaps Will Day might be able to help you out there.</p> <p>Mr William Day: I do not have an exact date, but it was certainly pretty real-time information. In the months leading up to that initial referral in February and then from once our profiling and—</p> <p>Senator BUSHBY: To clarify, you are saying it started occurring—</p> <p>Mr William Day: February 16.</p> <p>Senator BUSHBY: So it was the months before that the activity started?</p> <p>Mr William Day: That is what I believe. We can take on notice the exact date.</p>	ATO	Pg 21; Tuesday 30th May	SQ17-000471
141	3	Hanson	PRRT - LNG Audits	<p>1. Has any PRRT been paid in respect of LNG?</p> <p>2. What is the quantum of PRRT credits in respect of LNG?</p> <p>3. What is the ATO doing about tax evasion in respect of under reporting of Royalty obligations identified in the ANAO Report (No 28, 2016-17. Collection of Royalties from the NW Shelf)?</p> <p>4. How many audits are done on PRRT Returns due in July each year?</p>	ATO	Written	SQ17-000472

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142	11	Ketter	Serious and organized crime in tax system measures and funding	<p>1. The Government has extended the ATO’s funding by four years to target serious and organised crime in the tax system. What are the types of crime being targeted in particular?</p> <p>2. How successful has the ATO been in this area?</p> <p>3. What will this additional funding be used for? Will it be targeted to any specific area?</p> <p>4. Why was the taxable payments reporting system extended to contractors in the courier and cleaning industries? What are the specific challenges in these industries?</p> <p>5. The Government will provide one year of additional funding (\$32 million) for ATO audit and compliance programs to better target black economy risks. Why is the funding only extended for one year? Were you consulted on this?</p> <p>6. Is illegal phoenix activity one of the challenges in this area?</p> <p>7. Is tracking directors who repeatedly liquidate companies only to start them up again a difficult task? What are the main impediments to tracking such directors?</p> <p>8. What is the multiplier of resourcing to revenue or liabilities raised in this area?</p> <p>9. How successful has the ATO’s audit and compliance programs been at targeting black economy risks?</p> <p>10. Can you provide a breakdown of staffing levels in this unit for the past five years to present?</p>	ATO	Written	SQ17-000473
143	1	McAllister	Serious Non-Compliance unit resourcing	<p>Senator McALLISTER: I want to ask you about the compliance program, or what may be called the Serious Non-Compliance unit. Is it still in existence?</p> <p>Mr William Day: There is a tax evasion and crime team within Private Groups and High Wealth Individuals. That does the same work that the former Serious Non-Compliance business line looked at and includes a focus on financial crime, phoenixing and aggressive tax planning. That fits within the Private Groups and High Wealth Individuals business line. The compliance program was actually a publication process.</p> <p>Ms Lendon: We have renamed some of the areas, but essentially the work fits within the tax evasion and crime unit, which covers off financial crime, as Will mentioned, phoenix and some of the investigations and prosecutions work.</p> <p>Senator McALLISTER: So it has been renamed. Has there been any change in the resourcing for that group?</p> <p>Mr William Day: There have been some resourcing changes over the years—</p> <p>Ms Lendon: Essentially for the business line itself it has remained, for the last few years, around 850 people. We can take that on notice if you want to get more specific about the areas within.</p> <p>Senator McALLISTER: The whole business unit has 850 people—</p> <p>Ms Lendon: 1,850 people.</p> <p>Senator McALLISTER: What about the Serious Non-Compliance unit?</p> <p>Ms Lendon: I will have to take that on notice and come back with the figure.</p>	ATO	Pg 29; Tuesday 30th May	SQ17-000474
144	3	Dastyari	Single Touch Payroll	<p>Senator DASTYARI: This is how you stop that happening again. Mr Jordan, the question that I had was: when did you put this proposal to government that they should move to Single Touch Payroll?</p> <p>Mr Jordan: I do not have a single date on that.</p> <p>Senator Cormann: We will take that on notice.</p> <p>Senator DASTYARI: Can you take that on notice?</p> <p>Senator Cormann: We will take on notice whether we can provide you with any assistance.</p>	ATO	Pg 19; Tuesday 30th May	SQ17-000475

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145	9	Gallagher	Small Business Roadshow	<p>With reference to Minister Michael McCormack's 'small business roadshow' events that the Australian Taxation Office has participated in:</p> <p>1. Which officials from your agency have attended 'Small Business Roadshow' events? What is their position within your organisation?</p> <p>2. How many times have the ATO sent representative(s) to these events?</p> <p>3. Can you please provide the costs your agency has incurred as a result of participating in 'Small Business Roadshow' events for:</p> <ul style="list-style-type: none"> - Air travel? - Accommodation? - Road transport? - Catering? - Incidental costs? 	ATO	Written	SQ17-000477
146	1	Roberts	Superannuation	<p>Is it the case that Superannuation doesn't actually belong to the people contributing but to the government ... given that the primary agency with responsibility in this area is the Australian Tax Office (ATO)?</p>	ATO	Written	SQ17-000478
147	1	Ketter	Superannuation Gap	<p>Senator KETTER: I have got a couple of other questions, if you do not mind, Mr Jordan. The other area of disappointment for me was in relation to the lack of any work done by the ATO to estimate the superannuation gap. I know that you are working on that issue. Can you give us an update as to how close you are to providing an estimate.</p> <p>Mr O'Halloran: Last time that I reported to this committee or the SG inquiry, I had said that we were continuing to work to better recognise the cash economy, for want of a better word, and some issues out of that. We have advanced that work so that we now have what we believe, as subject to some finalisation, to be of greater reliability in relation to the methodology that we have applied to SG. We have advanced that far. As I touched on at the last committee, and I think it might have been from some of the members, it was recognised that there needed to be some quite detailed explanation on the SG gap, the trend over time et cetera, so that is the advance we have made to date. Certainly we are now looking at that as part of a broader discussion around a number of other gaps that the ATO will be working through as quickly as possible.</p> <p>Senator KETTER: When will you publish that estimate?</p> <p>Mr O'Halloran: I certainly have not finalised a publication date for the SG, but certainly we are now more confident in our methodology as a result of the work that we did to include the cash economy, which was some of the independent advice that needed to be brought in.</p> <p>Senator KETTER: In relation to the multi-agency working group that is looking at this issue, when will the government release the report?</p> <p>Senator Cormann: I will have to take that on notice.</p>	ATO	Pg 31; Tuesday 30th May	SQ17-000479
148	2	Cameron	Trade Support Loan	<ul style="list-style-type: none"> • Breakdown of accumulated loan amount: electorate, gender, state, age groups, occupations, industry of employer - by each year since inception • Breakdown of loan repayment: electorate, gender, state, age group, occupations, industry of employer - by each year since inception 	ATO	Written	SQ17-000643
149	1	Lambie	Treasury Laws Amendment (GST Low Value Goods) Bill 2017 - Consultation	<p>Has the Australian Taxation Office undertaken consultation on the Treasury Laws Amendment (GST Low Value Goods) Bill 2017 subsequent to the Committee's Report released on 9 May?</p>	ATO	Written	SQ17-000480

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150	1	Polley	GST Distribution	<p>Senator POLLEY: The review from the Treasurer has been asked to report by the end of January next year. I just want to know whether the Prime Minister or the Prime Minister's department has sought any advice prior to his statement when he said that any changes to the GST distribution would be a few years away. Have you provided any advice to the Prime Minister's department or his office?</p> <p>Mr Willcock: I can only repeat what I said to the last question. The work that we do is as a consequence of being tasked by terms of reference. Unlike being a department of state, we are, if you like, an arm's-length statutory authority set up under our statute. Our statute sets out a process whereby we are tasked through terms of reference.</p> <p>Senator POLLEY: The assistant minister might want to answer this: is there any way that the federal government can guarantee that Tasmania and South Australia will not be any worse off from any changes that this review may bring down?</p> <p>Senator McGrath: I will have to take that on notice.</p> <p>Senator POLLEY: Is that because we have Western Australians in the room?</p> <p>Senator McGrath: I will just have to take it on notice.</p>	CGC	Pg 66; Wednesday 31st May	SQ17-000481
151	2	Smith	GST Distribution	<p>Senator SMITH: Mr Willcock, on notice, can you provide me with a list of those payments that have been quarantined from the GST distribution arrangements for the last four years? And what was the value of the payments that have been quarantined? In addition to that, can you also advise whether, technically, it is available to the Commonwealth Treasurer to change the relativity recommendation that is made by the Commonwealth Grants Commission to the federal Treasurer?</p> <p>Mr Willcock: We can certainly provide you with the list of quarantined payments, because payments quarantined as a result of directions to us are in terms of reference from the Treasurer, so we simply need to look at our terms of reference: we can get that. The role of the commission is to make a recommendation to the Treasurer on how to share out the GST pool a way that achieves horizontal fiscal equalisation. The commission's job finishes with the making of that recommendation. What then happens to the commission's recommendation is, frankly, up to the Treasurer. And what, if any, constraints there would be for the Treasurer in the circumstances that you postulate—</p> <p>Senator SMITH: Yes, but there is no legislative restraint, is there?</p> <p>Mr Willcock: Not that I am aware of.</p>	CGC	Pg 71; Wednesday 31st May	SQ17-000482
152	1	Ketter	National Partnership on remote housing	<p>Senator KETTER: On the issue of the national partnership on remote housing: this is a pressing social and economic issue. With respect to closing the gap, are payments made under the national partnership on remote housing excluded from the Commonwealth Grants Commission's assessment?</p> <p>Mr Nichols: I believe that all payments associated with closing the gap are excluded from affecting GST shares; however, there is a national partnership payment on remote Indigenous housing that does have some effect.</p> <p>Senator KETTER: Does the budget contain any new GST-excluded funding for remote housing to help close the gap on Indigenous disadvantage?</p> <p>Mr Nichols: Not that I am aware.</p> <p>Senator KETTER: Could you take that on notice?</p> <p>Mr Nichols: We could take that on notice.</p>	CGC	Pg 63; Wednesday 31st May	SQ17-000483

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153	3	Ketter	Remoteness Allowance	<p>Senator KETTER: Has anyone from the CGC ever visited a school or medical facility in southern Tasmania?</p> <p>Mr Nichols: State visits are a routine part of the commission's methodology reviews with the exception of the 2015 review, which was a shortened review. I would have to take on notice whether anyone has actually visited a Tasmanian school, but it would be likely in a previous review.</p> <p>[...]</p> <p>Senator KETTER: What effect did the 2015 change in the formula have on the allocation of GST to Western Australia?</p> <p>Mr Nichols: There is some published material at the time of the 2015 review. Some areas of Western Australia previously considered to be very remote and are considered to be remote, so on balance there may have been a slight decline, but I would have to check that.</p> <p>Senator KETTER: Could you take that on notice?</p> <p>Mr Willcock: Just to clarify, are you looking for the counterfactual: the outcome for WA under the 2015 methodology and what would have been the outcome for WA if the commission had not changed its methodology in 2015 away from SARIA to ARIA?</p> <p>Senator KETTER: Yes, and could you also give that change in respect of the other states?</p> <p>Mr Willcock: We will take that on notice.</p>	CGC	Pg 64; Wednesday 31st May	SQ17-000484
154	1	Whish-Wilson	Australian's export credit agency	<p>Senator WHISH-WILSON: Based on the advice you provided previously in 2012—I accept that with new information any logical person or organisation can change their mind—would the NAIF providing facilities to resource-related projects in Australia on the advice of the Efic be contrary to this advice you have provided?</p> <p>Ms Chester: I do not know enough about the current arrangements to form a view and then extrapolate back to some work that we did over five years ago. Unfortunately, I am not able to give you a simple answer there.</p> <p>Senator WHISH-WILSON: Perhaps if you could take that on notice—</p> <p>Ms Chester: I am happy to.</p> <p>Senator WHISH-WILSON: on whether, in your view, anything has changed. The clear idea that you have stated there is that Efic should not continue to provide facilities to large corporate clients or resource-related projects. Certainly, I know that when we looked at the Asian Development Bank when it came to the Senate, my party supported it conditional on exactly the same kind of stipulations around that money going to large commercial entities, particularly for resource-related projects. I would be very interested if you could take that on notice.</p> <p>Ms Chester: Yes, Senator.</p>	PC	Pg 47; Wednesday 31st May	SQ17-000491

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155	1	Ketter	Default Superannuation alternatives	<p>Senator KETTER: I just have one further question, Ms Chester, going back to my discussion about your study about default superannuation alternatives. You volunteered the finding that, in the long tail of underperforming superannuation funds, it is not sector specific. You said that was an APRA finding. How does that stack up with another APRA statistic, which is that 93 per cent of all funds in the bottom quartile of performance are in the retail sector?</p> <p>Ms Chester: I am not aware of that metric. All I know is that I am looking at APRA data for the 76 MySuper products over the medium term—so five to six years. When you look at the very furthest end of that tail over that period of time, there are five corporate funds, six industry funds, six retail funds and two public sector funds.</p> <p>Senator KETTER: I am talking about the bottom quartile of performance.</p> <p>Ms Chester: That is the bottom quartile. That is my tail. I am referring to the bottom quartile as well. I am saying that the numbers that we have cited in our report, which are on the APRA website, do not align with those numbers. Perhaps you would like to give us a question on notice with the specifics of those metrics.</p> <p>Senator KETTER: Sure.</p> <p>Ms Chester: We could get back to you and explain how they coexist with the other metrics that APRA has shared with us.</p>	PC	Pg 57; Wednesday 31st May	SQ17-000492
156	1	Ketter	Phoenix Activity	<p>Senator KETTER: Could I just quickly move to another topic: we were talking about phoenix activity and your recommendation to adopt a direct identification number. Can you tell us why you have come up with that recommendation?</p> <p>Ms Chester: I think that was from our report from the year before last on business entry and exit. Indeed, there has been a lot of recent media commentary and some of the regulators have developed a view on this as well. It just makes it easy to stop bad behaviour if you have a DIN. The commission was presented with fairly robust evidence to that effect from looking internationally, such that we felt, in principle, there was an overwhelming case of the benefits outweighing the costs.</p> <p>Senator KETTER: How does it assist small business?</p> <p>Ms Chester: I will have to take that question on notice. It was an inquiry of two years ago, and I was not the commissioner on it. I am happy to come back to you with a more fulsome answer.</p>	PC	Pg 52; Wednesday 31st May	SQ17-000494
157	7	Ketter	Phoenix Activity	<ol style="list-style-type: none"> 1. Why did the Productivity Commission recommend a Director Identification Number? 2. What are the benefits of a DIN for enforcement agencies and the public? 3. How will the DIN assist small business? 4. Has the Government or Treasury sought additional information on this recommendation from the PC? 5. If so, when was that? 6. Which stakeholders did the PC consult about this measure? What were their views? 	PC	Written	SQ17-000495
158	1	Ian MacDonal	Zone Tax Rebate	<p>Senator IAN MACDONALD: My time has finished, but can I just put a question on notice to you: have you ever looked at the zone tax rebate in connection with this or other inquiries that you have done? Do you have any thoughts on it? That would be a question on notice, because I have run out of time.</p> <p>Ms Chester: I am happy to take that question on notice.</p> <p>Senator IAN MACDONALD: Thank you.</p>	PC	Pg 57; Wednesday 31st May	SQ17-000496

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159	1	Gallagher	SCT Additional Resourcing	<p>Senator GALLAGHER: If, ASIC gets, say, \$121 million in extra resources, does that flow onto you?</p> <p>Ms Davis: Last year, when there was an MPP specifically for SCT, it was earmarked. But it was relevant to us. If it is relevant to other ASIC activities then no.</p> <p>Senator GALLAGHER: So your workload is pretty heavy at the moment. What do you estimate your resourcing needs to be to deal with the complaints and have them finalised by July 2020?</p> <p>Ms Davis: We are currently undertaking that work following the recent announcements and looking at what that might be. So it is a little bit early to answer that exact question.</p> <p>Senator GALLAGHER: Do you know when you will be finished that work?</p> <p>Ms Davis: I expect the indicative simplistic modelling, based on what we know today, to be available at the end of June.</p> <p>Senator GALLAGHER: Can you take that on notice. I would be interested in that.</p> <p>Ms Davis: I can take that on notice.</p>	SCT	Pg 61; Wednesday 31st May	SQ17-000497
160	9	Ketter	Board of Taxation and community input into improving the design of taxation laws and their operation	<ol style="list-style-type: none"> 1. Are there any community representatives on the Board of Taxation? 2. How are the views and concerns of community representatives taken into account by the Board of Taxation? 3. Are there targets for the volume of community feedback via Sounding Board? 4. How many contacts has Sounding Board received from each of : <ol style="list-style-type: none"> a. the general public b. community groups or NGO's c. the tax industry 5. How are community ideas, suggestions or concerns dealt with by the Board? 6. Are there any examples of the Board making decisions or recommendations based on feedback from the general public or community groups? 	Treasury Group - Board of Taxation Secretariat	Written	SQ17-000498
161	1	Bernardi	\$660 Million Budget Saving - Consultation	<p>Senator BERNARDI: What is the tax office doing about phoenixing in this area to try and redress the \$660 million that the government, by its own figures, suggests it is losing every year?</p> <p>Mr Dyce: We have significant compliance resources directed to these issues. We have a number of audits underway constantly and we make a number of adjustments in this space as well. I do not have the figures on that but it is not something that we do not currently work on. The legislative change will significantly reduce the resourcing that we need in this space because it will require payment at settlement rather than at some point later on. Can I also add that when we talk about the risk here, that is a proportion of the industry. There is still a significant number of players in the industry that operate quite appropriately. It is a balanced approach that we adopt.</p> <p>Senator BERNARDI: In respect to your resourcing within the ATO, do you have an estimate of the amount of money that will be saved from your compliance department in this particular area as a result of this measure?</p> <p>Mr Dyce: There was a figure in the budget papers but I do not have it at hand right now. But that was factored in too because, with this change, we will need less resources in this space.</p> <p>Senator BERNARDI: So will those resources be deployed into other areas of compliance or they are they a budget saving?</p> <p>Mr Mills: We will work that out at the time because the measure comes in from 1 July 18.</p> <p>Senator BERNARDI: Finally, Minister, what consultation took place through the industry in respect to this measure prior to it being announced?</p> <p>Senator Cormann: I would have to take that on notice. This obviously comes within the portfolio responsibility of Minister O'Dwyer. I will consult with her and provide to you the answer in the usual way.</p>	Treasury Group - Budget Policy Division	Pg 29; Tuesday 30th May	SQ17-000499

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162	2	Ketter	Budget Glossie - Infrastructure Investment	<p>Senator KETTER: I want to turn to the glossy on infrastructure investment—I am not sure if you have it in front of you—and take you to pages 10 and 11 of that document. The graphic references \$70 billion of infrastructure commitments. Are you able to provide a breakdown of each of the projects?</p> <p>Senator Cormann: We might have to take that on notice.</p> <p>Senator KETTER: Okay. In particular, could we get a breakdown on each of the projects, including year-by-year funding breakdowns?</p> <p>Senator Cormann: We will take that on notice.</p> <p>[...]</p> <p>Senator KETTER: In relation to these projects, can you confirm how many were commenced prior to the 2013 election?</p> <p>Senator Cormann: Yes, sure. I assume you are not claiming the Inland Rail or Western Sydney Airport or the new Victorian infrastructure? I suppose you are not claiming any of those, are you?</p> <p>Senator KETTER: We are just looking to see how many were initiated under the 2013-14 budget. Does the figure include the Perth Freight Link and East West Link funding? There is a reference to \$1.2 billion and \$3 billion respectively.</p>	Treasury Group - Budget Policy Division	Pg 83 - 84; Monday 29th May	SQ17-000500
163	1	Gallagher	Budget Glossies	<p>Senator GALLAGHER: So your area is not really responsible? Questions on this are not really for you. Is that right? I had some questions about when the glossies went. If it is Corporate—</p> <p>Senator Cormann: If we know, we will help.</p> <p>Senator GALLAGHER: Did you know?</p> <p>Mr M Brennan: Yes. We probably do not have the list here, but from my recollection two glossies went to the printer on Saturday night and two went on Sunday night.</p> <p>Senator GALLAGHER: Who has final sign-off for the glossies?</p> <p>Senator Cormann: These are documents of the government.</p> <p>Senator GALLAGHER: So does a minister sign them off before they go?</p> <p>Senator Cormann: In the end, for the documents that have both the Treasurer's and my name on them, we both give final sign-off. The glossies have a similar process.</p> <p>Senator GALLAGHER: So that is ministerial, basically. Once you have signed off there are no other changes that can happen to those documents?</p> <p>Senator Cormann: This is in relation to the text. Treasury, as I understand it, will fact check and make sure that all the numbers are right all the way through to the end. But, as far as the text is concerned, we provide final sign-off. That is right.</p> <p>Senator GALLAGHER: I think last week, you or your department said there were five consolidations—</p> <p>Senator Cormann: These are done through Finance.</p> <p>Senator GALLAGHER: Right. They are. If I was to ask when the final one was done, that would have to be done—</p> <p>Senator Cormann: That would be a question for Finance.</p> <p>Senator GALLAGHER: It has taken until 5 o'clock to refer me back to Finance!</p> <p>Senator Cormann: I am happy to take it on notice and get an answer through Finance.</p>	Treasury Group - Budget Policy Division	Pg 76; Monday 29th May	SQ17-000501

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164	2	Ketter	Budget Paper No.1 - Fiscal Balance	<p>Senator KETTER: Can you tell us when was the decision made to replace the presentation of fiscal balance in table 1 of statement 1 in Budget Paper No. 1 with the net operating balance?</p> <p>Senator Cormann: That was obviously part of the budget process. It was a decision taken by the government. If you are looking for a specific date, I would have to take that on notice for you.</p> <p>Senator KETTER: Minister, who was consulted on this decision?</p> <p>Senator Cormann: Well, it went through the usual budget process, which means that it went through the Expenditure Review Committee and ultimately was signed off by the cabinet.</p> <p>Senator KETTER: What about outside of government?</p> <p>Mr M Brennan: I would have to cast my mind back as to whether there was any consultation, but I do not think there was much consultation. It was essentially a submission that went to the Expenditure Review Committee. It might actually have been co-sponsored by the Treasurer and the Minister for Finance, and that has the usual ERC processes around it. That was the basis for this decision.</p> <p>Senator Cormann: You are not in the Finance estimates, but we went through these in some detail in the Finance estimates too. Of course, the net operating balance has always been reported in the budget papers. We have just chosen to give it more prominence because we believe that it is an important indicator of the forecast and projected financial performance of the government over the forward estimates period. We believe it is more useful as a complementary indicator to the underlying cash balance than, in ordinary circumstances, the fiscal balance was—which is, of course, still also separately reported.</p>	Treasury Group - Budget Policy Division	Pg 52; Monday 29th May	SQ17-000509
165	2	Gallagher	Calculation of Budget Surplus	<p>Senator GALLAGHER: Are you avoiding answering the question I have asked which is: all other things being equal, to get to one per cent of GDP as a surplus with the tax to GDP cap in place and being reached, what savings would the government have to embark upon to actually reach that one per cent?</p> <p>Senator Cormann: You are making an assumption that I do not accept. That assumption is that the words 'as soon as possible' mean over the current medium term.</p> <p>Senator GALLAGHER: So it is beyond '27-28?</p> <p>Senator Cormann: The budget reflects all of the policy decisions to date that remain current that remain the policy positions of the government, plus all of the information that we have today about economic and other parameters. That is all reflected here. Based on this, we can say that the projections show that we are projected to return to surplus by 2021. We are projected to remain in surplus all the way through the medium term, though not to reach a surplus of one per cent as a share of GDP. But that does not detract from the fact that we remain committed to achieving a surplus of one per cent as a share of GDP as soon as possible.</p> <p>Senator GALLAGHER: But beyond '27-28.</p> <p>Senator Cormann: We have not put a more precise target on it because we do not think that that would be responsible in all the circumstances. But we have openly and transparently presented all of the data, all of the information, and this graph in particular is a very clear illustration on the projected state of the budget based on all of the information we have today.</p> <p>Senator GALLAGHER: In the last 20 years, can you advise the committee whether over that time there has been this level of increased receipts, which is over \$20 billion, and increased payments of \$14.5 billion as a result of government decisions?</p> <p>Mr M Brennan: I would need to take that on notice. We can certainly do that either in nominal terms or as a percentage of the budget or of GDP.</p>	Treasury Group - Budget Policy Division	Pg 77 - 78; Monday 29th May	SQ17-000510

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166	1	Ketter	Commonwealth government securities	<p>Senator KETTER: Moving onto Commonwealth government securities, can you tell me when the decision was made that there would be a direction given on setting the maximum face value of Commonwealth government securities at \$600 billion?</p> <p>Mr M Brennan: The determination was published by the federal register on budget day so on 9 May.</p> <p>Senator KETTER: But the actual decision to make that direction would not have been taken on that day.</p> <p>Mr M Brennan: No, the decision would have been taken some time before that by the Treasurer.</p> <p>Senator KETTER: Are you able to take that on notice?</p> <p>Senator Cormann: If you are asking when the decision was made, we would be happy to take that on notice. While there might have been consideration in the lead up, ultimately, I think it is fair to say, the actual decision is made when the document is signed.</p> <p>Senator KETTER: But it was published in the budget as a footnote in Budget Paper No. 1 on page 7-8 so the decision was obviously made prior to that date.</p> <p>Senator Cormann: And it was executed on budget day.</p> <p>Senator KETTER: Minister, you are taking the question on notice?</p> <p>Senator Cormann: Yes.</p> <p>Senator KETTER: Can you advise what time this direction was made on budget day?</p> <p>Mr M Brennan: Again, I would have to take that on notice. In terms of when the direction appeared on the federal register, I would have to take that on notice.</p>	Treasury Group - Budget Policy Division	Pg 82; Monday 29th May	SQ17-000511
167	1	Roberts	Energy Pricing	<p>Senator ROBERTS: I am also somewhat concerned that, when it comes to water rights and energy policy, rural Australia is essentially being governed by the federal government. That is just an observation; it is not a question. Energy prices are highly significant to economic performance. Would you agree?</p> <p>Mr M Brennan: In general I would agree with that, yes.</p> <p>Senator ROBERTS: Is there any way of assessing their significance to the performance of the economy? Is there a measure or a group of measures?</p> <p>Mr M Brennan: I am sure it has been tried. Without overcommitting them, it might be something that our Structural Reform Group, who are appearing tonight, may be able to help with.</p> <p>Senator ROBERTS: What is the assumption on energy prices in the current budget? Are there various assumptions? I have no idea.</p> <p>Mr M Brennan: Again, I will clarify that this is the case, but I do not think we have an explicit assumption on energy prices that feeds into either our CPI or overall growth forecasts. But I will check. Sorry; we do have some commodity price forecasts, for coal, for example, and the like—</p> <p>Senator ROBERTS: And gas?</p> <p>Mr M Brennan: I would have to check on gas—but not energy in terms of its feed-in to domestic inflation. But I will check on whether that is—</p> <p>Senator ROBERTS: And respond on notice?</p> <p>Mr M Brennan: Yes. We will come back to you.</p>	Treasury Group - Budget Policy Division	Pg 79; Monday 29th May	SQ17-000513
168	1	Roberts	Expanding Scope of Independent Agencies	<p>Noting the enormous and growing size of government, is it the case that independent agencies such as the Productivity Commission (PC), Australian National Audit Office (ANAO) and Parliamentary Budget Office (PBO) should be given more responsibilities and resources for such functions as budget transparency portals (like that advocated by the Australian Taxpayers' Association), dynamic tax modelling (based on Laffer Curve principles like the American Enterprise Institute's TaxBrain) and cost-benefit-analysis (CBA) of major policies, legislation and regulations?</p>	Treasury Group - Budget Policy Division	Written	SQ17-000493

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169	1	Ketter	Funding	<p>Senator Cormann: I would have to take that on notice.</p> <p>Senator KETTER: How much was from the 2013-14 budget?</p> <p>Senator Cormann: I would have to take that on notice.</p> <p>Senator KETTER: How much of the \$70 billion consists of funding, presumably grant funding, to the states?</p> <p>Senator Cormann: I have just been advised there are actuals for 2013-14 and relevant subsequent years, which means that they are actually based on final budget outcomes that we delivered in government, and decisions and expenditure that incurred during our period in government.</p> <p>Senator KETTER: Are you saying that none of this amount—</p> <p>Senator Cormann: What I am saying is this is \$75 billion worth of infrastructure investment that went into the economy, into the community during our period in government, unless you are telling me that you made spending decisions during caretaker period.</p> <p>Senator KETTER: The 2014-15 budget continued on with some of the infrastructure listed from the previous budget.</p> <p>Senator Cormann: I think you are trying to have your cake and eat it too. You keep telling us that we should take responsibility, which of course we do, and now you are trying to claim credit for what we are doing in 2014-15, 2015-16 and beyond.</p> <p>Senator GALLAGHER: I cannot understand what this is. You tabled this table. We have got some questions on it.</p> <p>Senator Cormann: Just explain to me, are you claiming credit for the East West Link or for the Melbourne to Brisbane Inland Rail or the Moorebank intermodal investment that we decided on or the Adelaide to Tarcoola upgrade or the WestConnex concessional loan, which you heavily criticised, or the Asset Recycling Initiative, which you also criticised, or the WA GST top-up payments which we made to the tune of more than \$1.2 billion over the last three years. Which bit are you actually claiming credit for? Is the Western Sydney Airport Corporation something that you are supporting? I am happy to give you a reconciliation on notice, and we can have a further</p>	Treasury Group - Budget Policy Division	Pg 81-82; Monday 29th May	SQ17-000515
170	5	Ketter	Good debt / bad debt	<p>1. The Treasurer said in his speech on 27 April 2017 that the budget would increase the 'visibility on good and bad debt'. Are the phrases 'good debt' or 'bad debt' mentioned anywhere in the budget papers?</p> <p>2. Did the Treasurer mean the difference between recurrent and capital spending and the impact on debt? Does that mean the Treasurer called recurrent spending and the debt coming from that, 'bad debt'? What's included in that recurrent spending?</p> <p>3. The Treasurer also mentioned in his speech of 27 April 2017 that 'portfolios will be held responsible for the debts they are incurring for future generations as a result of their expenditure.' Can you point to where in the budget papers portfolios are being held responsible for debts they incur?</p>	Treasury Group - Budget Policy Division	Written	SQ17-000516
171	3	Roberts	Government Expenditure	<p>Is it the case that over some reasonable time-frame, Commonwealth Government expenditure could be radically reduced in three stages: firstly, 'corporate welfare' expenditure accounting for 5.9% of 2017-18 total expenditure; secondly, state & local government 'duplication' & 'welfare' expenditure accounting for 38.2% of such expenditure; and thirdly, 'social welfare' expenditure accounting for 36.5% of such expenditure?</p>	Treasury Group - Budget Policy Division	Written	SQ17-000517
172	1	McAllister	Payment Forecasting Performance	<p>In Budget Statement 8 (P 8-11) there is no assessment of payment forecasting performance, why does Finance not include an assessment of their forecasting performance?</p>	Treasury Group - Budget Policy Division	Written	SQ17-000520

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173	3	Whish-Wilson	Recurrent and Capital Budget	<p>Budget Paper No. 4 – Statement 4 prioritises, in effect, the allocation of borrowing to capital spending when assessing the impact of capital and recurrent spending on debt, stating: "...where borrowing is greater than capital spending, the government can be said to be financing recurrent spending from debt."</p> <p>Yet in assessing the impact of portfolio spending on debt: Table 4 notionally allocates the annual change in borrowing requirements according to portfolios' share of total expenses in each year, over the period from 2008-09 to 2017-18.</p> <p>1. Is it the intention when allocating debt to recurrent or capital spending to assume that capital spending is the first use of debt?</p> <p>2. Why wasn't the impact of portfolio spending on debt attributed on the basis of capital spending—to the extent that capital spending accounts for the annual change in borrowing requirements—rather than total expenses?</p> <p>3. Does the current method of determining the impact of portfolio spending on debt attribute a higher proportion of debt to those portfolios with a high recurrent expenditure, rather than those portfolios with high capital expenditure?</p>	Treasury Group - Budget Policy Division	Written	SQ17-000521
174	2	Leyonhjelm	Skilling Australian Funding	<p>Senator LEYONHJELM: I always find myself asking questions of the wrong people, so this is nothing new. Do you have any modelling as to how many apprenticeships and traineeships will be created as a result of that money being transferred to Skilling Australia?</p> <p>Mr M Brennan: As I mentioned before, the budget papers mention the figure of 300,000 additional apprenticeships, traineeships and higher-level vocational qualifications as a result of the money, but that is taking into account both the money coming from the Commonwealth and the matching contribution from the states. I should mention, having consulted Budget Paper No. 2 on the levy, that the revenue raised from the levy over the forward estimates is \$1.2 billion, so that is reflecting the fact that in the 2017-18 year we are only getting one quarter's worth of revenue—\$90 million. After that it is an annual amount more like \$360 million or \$370 million.</p> <p>Senator LEYONHJELM: I will inquire of the Revenue Group tomorrow as to how many positions expect to be subject to the levy. Is it 300,000 positions that could be, is it, created or subsidised as a consequence in your figures? Is that up to 300,000 new positions?</p> <p>Mr M Brennan: I think it is more the latter. It is subsidised. The wording in budget paper 2 says 'The fund when matched with funding from the states will support up to 300,000 more apprentices, trainees and higher level skilled Australians over the next four years.' I would have to take on notice whether they are all people who are an addition to the stock of apprentices and trainees versus some that might otherwise be—</p> <p>Senator LEYONHJELM: If you could take it on notice. My rough, back of the envelope calculations would suggest averaging out the \$1.2 billion over four years—I appreciate that there is a ramp-up there. If that works out at \$300 million per year and there are 300,000 positions that are subsidised, that works out at about \$1,000 per position—is that right?</p> <p>Mr M Brennan: Yes. But as I mentioned before, the 300,000 is explicitly referencing not just the \$1.5 billion that the Commonwealth is putting in but the potentially matching money from the states. So the 300,000 is probably referring more to a funding commitment of \$3 billion over the four years.</p>	Treasury Group - Budget Policy Division	Pg 84 - 85; Monday 29th May	SQ17-000523

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175	1	Gallagher	Underlying Cash Balance Estimates	<p>Senator GALLAGHER: Thank you for that. If we go to table 6 on 3-27, the difference in payments from 2018-19 to 2019-20 is split into \$3.9 billion on decisions and a saving of \$4.4 billion on parameter variations. Then, if you turn to 3-30, 3-31 and 3-32 there are the major decisions causing movements in payments due to policy decisions and parameter variations. Can you outline the impact of these major movements specifically for 2019-20?</p> <p>Senator Cormann: We might have to take that on notice.</p> <p>Senator GALLAGHER: Okay.</p> <p>Mr M Brennan: On that, Senator, are you referring specifically to the fact that on, say, 3-27 in table 6 the effective parameter variation jumps in 2019-20 from \$979 million?</p> <p>Senator GALLAGHER: Yes.</p> <p>Senator Cormann: We will provide that on notice.</p>	Treasury Group - Budget Policy Division	Pg 76 - 77; Monday 29th May	SQ17-000524
176	1	Ketter	Unlegislated revenue measure	<p>1. Can you confirm that, from a revenue perspective, the measure ‘Streamlining and Improving the Sustainability of Courts’, which was in the 2015-16 Budget, in particular the proposal to increase certain Family Court, Federal Circuit Court of Australia and Federal Court of Australia fees, remains unlegislated, and remains Government policy?</p>	Treasury Group - Budget Policy Division	Written	SQ17-000525
177	1	Ketter	West Sydney Airport	<p>Senator KETTER: I turn to the Western Sydney Airport. Can you advise what is the rate of return for this project?</p> <p>Senator Cormann: That is actually not a question for Fiscal Group in Treasury, but I am happy to take it on notice. I can say that the government is treating this as an equity injection, which means that the rate of return is expected to be more than CPL.</p> <p>Senator KETTER: At what stage of the project does the budget assume that it generates a return?</p> <p>Senator Cormann: You are asking questions here that are more appropriately addressed to a combination of Finance and the Department of Infrastructure and Regional Development, because those two portfolios are responsible for the setting-up of the relevant government business enterprise and all of the financing arrangements that are associated with it.</p>	Treasury Group - Budget Policy Division	Pg 83; Monday 29th May	SQ17-000526
178	1	Whish-Wilson	Budget Measure 17/18 - Analysis on Infrastructure Spending	<p>Senator WHISH-WILSON: In terms of some of the key things that we spend infrastructure on, has there been any analysis done within Fiscal Group on the opportunity costs of spending tens of billions of dollars on defence—the military industrial complex—versus other forms of infrastructure?</p> <p>Mr M Brennan: Not specifically, no.</p> <p>Senator WHISH-WILSON: Would you classify it—</p> <p>Mr M Brennan: Let me take it on notice. I am aware that various work has been done, not necessarily in Fiscal Group but in the Treasury, around what might be the productivity benefits associated with infrastructure, and whether it is drilled down into different types of spend I could not be definitive about. I will take that bit on notice, but I am not aware of any in recent times where we have really delved into that question.</p>	Treasury Group - Commonwealth-State Relations	Pg 68; Monday 29th May	SQ17-000534
179	3	Cameron	Budget Measure 17/18 - Housing Package for Western Sydney	<p>1. Has Treasury had any input into the Housing Package for Western Sydney which was announced in the Budget as part of the Western Sydney City Deal? If so, what has been the scope of Treasury’s input?</p> <p>2. The Fact sheet for this measure states: “The amount of funding provided will depend on the reform ambitions of the NSW and local governments.” Has Treasury developed any metrics around “reform ambitions” against which the level of incentive payments can be determined?</p> <p>3. Will this measure reduce the cost of new housing and if so, how will the measure ensure that the reduced cost of new housing is passed on to homebuyers?</p>	Treasury Group - Commonwealth-State Relations	Written	SQ17-000535

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180	3	Cameron	Budget Measure 17/18 - National Housing Infrastructure Facility: Concessional Loans	<p>1. Please explain the opportunities and conditions under which local governments can presently borrow funds for infrastructure?</p> <p>2. Isn't it the case that local governments already have access to cost-effective debt finance for infrastructure investments?</p> <p>3. If so, why would local governments need concessional loans from the Commonwealth and what advantages would accrue to local governments from taking up concessional loans from the Commonwealth as opposed to borrowing?</p>	Treasury Group - Commonwealth-State Relations	Written	SQ17-000536
181	5	Cameron	Budget Measure 17/18 - New National Housing and Homelessness Agreement: Planning and Zoning Reforms	<p>1. What State and Territory government planning and zoning reforms does the government believe are necessary to accelerate increases in housing supply?</p> <p>2. Will funding under the National Housing and Homelessness Agreement be used to incentivise the States and Territories to undertake zoning and planning reform?</p> <p>3. If yes, how much of the housing assistance payments to the States will be put to this purpose.</p> <p>4. Will safeguards be put in place to ensure that incentive payments to the States don't divert Commonwealth funding away from investment in public housing stock and homelessness services?</p> <p>5. What safeguards will be put in place to ensure that Commonwealth payments aren't made to States and Territories for reforms that they would have made in any event?</p>	Treasury Group - Commonwealth-State Relations	Written	SQ17-000537
182	1	Dastyari	Council on Federal Financial Relations	<p>Senator DASTYARI: And what is the relevant body we are talking about here?</p> <p>Senator Cormann: It is the Council on Federal Financial Relations.</p> <p>Senator DASTYARI: Apologies for my ignorance here, Minister. How regularly does that meet? Is that a body that meets quarterly, twice yearly, annually?</p> <p>Senator Cormann: It meets twice a year.</p> <p>Senator DASTYARI: Are they set meetings?</p> <p>Senator Cormann: These are meetings that are scheduled twice a year.</p> <p>Ms Mrakovcic: I believe it is twice a year.</p> <p>Senator DASTYARI: This may be already available on their website.</p> <p>Senator Cormann: These are publically—people are aware when they make statements.</p> <p>Senator DASTYARI: If you want to take it on notice and point me to the right direction for where I can find the information—but I assume there is one in the first half of the year and one in the second half of the year, obviously?</p> <p>Senator Cormann: Broadly speaking, yes.</p> <p>Senator DASTYARI: The next meeting of this, obviously, considering the diaries of the people involved, would already be set?</p> <p>Ms Mrakovcic: I honestly do not know. It falls under Fiscal Group with Commonwealth-state relations, but I am happy to take that on notice.</p>	Treasury Group - Commonwealth-State Relations	Pg 58 - 59; Tuesday 30th May	SQ17-000538
183	2	Whish-Wilson	Financial Assistance Grants	<p>1. What is the status of the indexation of Financial Assistance Grants to local government?</p> <p>2. Irrespective: what is the cumulative shortfall in Financial Assistance Grants to local government: from since indexation was frozen (2014-15) to the end of the forward estimates (2020-21); compared with if the indexation was not frozen at any point over that same period.</p>	Treasury Group - Commonwealth-State Relations	Written	SQ17-000539

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184	1	Whish-Wilson	Infrastructure Spending	<p>Senator WHISH-WILSON: Inland rail being one of the big ones.</p> <p>Mr M Brennan: Yes. That one is a financial asset investment. So, inland rail, the NBN, where a substantial amount of money went into a commercial loan to the NBN to complete the build—it was \$19.5 billion over two years—that is bolstering the amounts, probably in 2017-18 and 2018-19, and then it is falling away a bit. So I think it is a function of some large things that are going on at the moment.</p> <p>Senator WHISH-WILSON: The second chart I have done on infrastructure spending is a graph on defence and non-defence capital spending for the forward estimates. I have taken the data from table 48 on page 99 of BP 1.4—1.4A. My office worked back on old budget papers to try to find what the cash outlays were there for defence. Perhaps you can take that on notice. I would be interested to know if those numbers are correct. As we see, there was quite a significant rise the defence spending as part of total capital spending, and, of course, a drop-off in non-defence spending.</p> <p>Mr M Brennan: We will take that on notice. I think it is quite plausible, because, as I said, a substantial amount of that direct capital investment line is defence. The fact that it is increasing suggests that defence may be a significant contributor to that, which probably means that your analysis is quite plausible. We will go away and have a look at it.</p>	Treasury Group - Commonwealth-State Relations	Pg 67; Monday 29th May	SQ17-000540
185	4	Urquhart	Launceston Sewerage Infrastructure Upgrades	<p>I note that the city of Launceston has a combined sewerage and stormwater system, without separation of sewerage and stormwater outflows.</p> <p>I also note that the answer to question on notice 147 from February 2017 Estimates in the RRAT Committee stated that TasWater has proposed a funding model to the Commonwealth to address Launceston's water and sewerage infrastructure challenges. The answer to this question on notice was provided by the Treasury. The answer also noted that a further meeting of the Joint Commonwealth and Tasmanian Economic Council would be held on 20 April 2017.</p> <p>1. Has any material been supplied to Federal government as to the likely cost of separating sewerage and stormwater within the city of Launceston? What was the nature of this request? How much did TasWater/Tasmanian Government request?</p> <p>2. Is there any material to suggest that separating sewerage and stormwater within the city of Launceston will have any effect upon the incidence of discharge of raw sewerage in breach of environmental obligations?</p> <p>3. Has the Federal government received any submissions as to the likely increase in sewerage volume to the system, and the capacity for the Launceston sewerage system to cope with anticipated increases in volume?</p> <p>4. Were any decisions made by the Joint Commonwealth and Tasmanian Economic Council in relation to Launceston sewerage infrastructure at the 20 April 2017 meeting?</p>	Treasury Group - Commonwealth-State Relations	Written	SQ17-000541

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186	1	Ian MacDonald	Roads to Recovery Program Funding	<p>Facility. If they go through their rigorous criteria then they, or anyone else, including the Queensland government, could get the money. That was a red herring. I should have ignored it.</p> <p>Mr J Fraser: Mr Brennan will be well placed, I trust.</p> <p>Mr M Brennan: For the purposes of the accounting treatment, so whether it results in a hit to the underlying cash balance or indeed the net operating balance, the issue is really who owns the asset at the end of the day. For anything that is a piece of physical infrastructure, in the vast majority of cases the state will be the owner of the asset. Because of that, the asset will sit on the state's balance sheet. Any contribution the Commonwealth is making to that will necessarily be a grant, and that will be the appropriate accounting treatment. The departure from that will be instances where the Commonwealth is doing something directly, which it will own—and often it can own assets via a financial asset if it is a commercial proposition, like the Western Sydney Airport or the NBN.</p> <p>Senator IAN MACDONALD: The Roads to Recovery funding goes straight to local authorities, but the Commonwealth and the local authority do not own the road, as such.</p> <p>Mr M Brennan: No, that is correct, but it will be treated as a grant in terms of the Commonwealth's budget. Roads to Recovery is a program—</p> <p>Senator IAN MACDONALD: My time is finished, but I am really not talking about how you calculate it. I am saying that, as an economic driver of Australia, infrastructure spending is very important. But the importance and the benefit given from the Commonwealth investment in infrastructure is being lessened by, very often, state inefficiencies in dealing with it. Is there any way you can more readily ensure that the money is used and spent for what it is given, which is to stimulate the economy and provide infrastructure?</p> <p>Mr M Brennan: I think there are instances. There are instances of money that flows through the state books, but there is no state discretion or control or autonomy over those moneys. Roads to Recovery is an example of that. The local government financial assistance grants and the identified road grants fall into that category as well.</p> <p>Senator IAN MACDONALD: They still go through the states.</p>	Treasury Group - Commonwealth-State Relations	Pg 30 - 31; Monday 29th May	SQ17-000542
187	6	Urquhart	Tasmanian Sewerage Infrastructure Upgrades	<p>I note Infrastructure Australia's list of priority projects published January 2017 identifies as a proposed initiative "Tasmanian Sewerage Infrastructure Upgrades".</p> <p>I also note that the answer to question on notice 146 from February 2017 Estimates in the RRAT Committee stated that TasWater has proposed a funding model that includes a \$300 million Commonwealth contribution. The answer to this question on notice was provided by the Treasury. The answer also noted that a further meeting of the Joint Commonwealth and Tasmanian Economic Council would be held on 20 April 2017.</p> <ol style="list-style-type: none"> 1. Can Treasury confirm that the Tasmanian Government and TasWater are still requesting a Commonwealth contribution of \$300 million for water and sewerage infrastructure in Tasmania? Have there been any variations to the request? 2. Has the funding requested by TasWater/Tasmanian Government been in relation to an investigation/business case? The design of infrastructure? Or actual construction of new infrastructure? How far has this funding request progressed? 3. Were any decisions made by the Joint Commonwealth and Tasmanian Economic Council in relation to Tasmanian water and sewerage infrastructure at the 20 April 2017 meeting? 4. Are you aware of the Treasury or Treasury Department being contacted by the Tasmanian State Treasurer for Commonwealth funding for water and sewerage infrastructure in Tasmania since February 2017? <p>a) IF NO: Has anyone in the Tasmanian Government contacted the Treasury or Treasury Department about the Commonwealth funding water and sewerage infrastructure in Tasmania?</p> <p>b) IF YES: What was the nature of the representation?</p>	Treasury Group - Commonwealth-State Relations	Written	SQ17-000543

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188	1	Gallacher	Internal Treasury Budget Leak Investigation	<p>Senator GALLACHER: In terms of the investigations you have done within Treasury around any potential for the leak to come from within Treasury, that is not related to the lockup. You have sought assurances or a process around that yourself and you are satisfied as far as you can work out that Treasury were not behind the leak.</p> <p>Mr J Fraser: To the best of my knowledge—I cannot give a cast-iron guarantee, but, as I said, I would be devastated if it came from one of my Treasury colleagues or, indeed, one of the people in the agencies who were aware of the levy.</p> <p>Senator GALLACHER: Do you have a figure? Usually, when you do investigations into leaks you would have how many people were in scope who are potential.</p> <p>Mr J Fraser: I will ask Mr Robinson.</p> <p>Mr P Robinson: As the secretary said, on the Wednesday, we collated a list of people who had had involvement or access to information. As is typical in the budget process, the number of people who had access through the development phase, particularly on this measure, was relatively small, but our scope included right through to the point of publication of the documents and so on.</p> <p>Senator GALLACHER: Can you give me an idea of how many that was?</p> <p>Mr P Robinson: I would have to come back to you with a definitive number.</p> <p>Senator GALLACHER: Okay. Was it more than 100?</p> <p>Mr P Robinson: No.</p> <p>Senator GALLACHER: That includes going off to the printing shop and all the rest of it.</p> <p>Mr P Robinson: Correct...</p>	Treasury Group - Communications Division	Pg 34 - 35; Monday 29th May	SQ17-000544
189	9	Ketter	JWS Research contracts	<p>In relation to two contracts: CN3398603 published on 12 January 2017, and CN3417168 published on 20 April 2017:</p> <ol style="list-style-type: none"> 1. CN3398603, that was originally a \$220,000 contract to JWS Research for market research? What was the original purpose of this contract? What market research did JWS Research undertake? What is it still undertaking? 2. CN3398603 was amended on 20 March 2017, increasing the cost to \$403,150. What was the reason for the \$183,150 increase? What additional tasks occurred as a result of this increased cost? 3. CN3417168 – another contract, this time \$213,400 to JWS Research for market research. What research was undertaken under this contract? What was different in this contract versus the contract in CN3398603? 4. Who made the decision to engage JWS Research for CN3398603? 5. For CN 3398603, the entry on Austender says it was a prequalified tender process. Was it a prequalified tender from expressions of interest or a multi-use list? 6. (If expressions of interest) Are you able to say how many other first applied as part of the expressions of interest process? Can you say why the decision was made to engage JWS Research? 7. Who made the decision to engage JWS Research for CN3417168? 8. For CN3417168, the entry on Austender says it was a prequalified tender process. Was it a prequalified tender from expressions of interest or a multi-use list? 9. (If expressions of interest) Are you able to say how many other first applied as part of the expressions of interest process? Can you say why the decision was made to engage JWS Research? 	Treasury Group - Communications Division	Written	SQ17-000563

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190	22	Ketter	Market Research	<ol style="list-style-type: none"> 1. The subject of the market research; 2. The supplier; 3. Whether the supplier has been engaged previously and if so, for which contracts; 4. The total value of the contract; 5. The term of the contract (time); 6. The date that the decision was taken to seek market research on the topic; 7. The date the contract was opened to tender or selection process; 8. The date the supplier was engaged; 9. Whether the contract was subject to a tender process, including whether there was a full, partial or closed tender process; 10. Does the supplier exist on a pre-approved supplier list, if so, when were they added to that list; 11. Whether the Minister, or the Minister's Office, requested that the research be conducted; 12. Whether the Minister approved the decision to conduct market research; 13. Whether the Minister approved the contract with the supplier; 14. Whether the Minister or the Minister's office was consulted on questions asked; 15. Whether the Minister or the Minister's office received a copy of the market research; 16. If the decision to conduct research was initiated by the department or agency, was the Minister or their office consulted before the decision was taken to conduct research, if so – in what form did that consultation take (written, verbal other); 17. If the decision to conduct research was initiated by the department or agency, did Minister or their office make any amendments or changes to the Department's proposal for market research to be conducted, if so, what changes and to what aspects were they made; 18. At any stage in the life of the proposal to conduct market research were other departments or agencies consulted? 19. At any stage in the life of the proposal to conduct market research were other Ministers, or the Prime Minister consulted? 	Treasury Group - Communications Division	Written	SQ17-000564
191	2	Ketter	Publishing tables in word documents	<ol style="list-style-type: none"> 1. Why does Treasury publish tables as pictures in its Microsoft Word documents? 2. Will Treasury commit to publishing future Budgets in Word in such a manner that the tables are easily copied or extracted from the document? 	Treasury Group - Communications Division	Written	SQ17-000545

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192	3	Ketter	Average Corporate Tax Rate	<p>Australia is?</p> <p>Ms Mrakovcic: Are you asking whether I have an understanding of what an average corporate tax rate is?</p> <p>Senator KETTER: Is it correct that the average corporate tax rate is about 17 per cent in Australia? I am looking at the March 2017 Congressional Budget Office report, International Comparisons of Income Tax Rates. Are you familiar with that?</p> <p>Ms Mrakovcic: This is by the Congressional Budget Office in the US?</p> <p>Senator KETTER: Yes.</p> <p>Ms Mrakovcic: I am not aware of that specific document, no.</p> <p>Senator KETTER: This document reports that Australia's average corporate tax rate is 17 per cent and the effective corporate tax rate is 10.4 per cent. Page 3 of the report says: Companies consider the average corporate tax rate when deciding whether to undertake a large or long-term investment in a particular country.</p> <p>Are you familiar with that view? Do you agree with it?</p> <p>Ms Mrakovcic: When a company makes a decision to invest in a country, it takes into account a very broad range of circumstances. Every company would look at what the corporate tax rate is, but they would also need to come to a view about a broader range of issues, including what deductions might be available to them. They might look at broader issues like the reliability of supply. There are a whole gamut of tax and non-tax issues that go to decisions being made. But I take the point that, in the context of the CBO paper you are quoting, they would have been looking at the tax rates and making an observation on the tax rate issue.</p> <p>Senator KETTER: Could you take that on notice?</p> <p>Ms Mrakovcic: I am happy to.</p> <p>Senator KETTER: There is another view expressed in this document: The effective corporate tax rate, which is a measure of the tax on a marginal investment, is more informative for decisions about whether to expand ongoing projects in those countries in which a</p>	Treasury Group - Corporate & International Tax Division	Pg 51; Tuesday 30th May	SQ17-000546
193	1	Ketter	Company tax cuts – banks	<p>1. Can you explain how much of the Turnbull Government's \$65 billion big business tax cut will go to the four big banks?</p>	Treasury Group - Corporate & International Tax Division	Written	SQ17-000562

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194	12	Hanson	Foreign owned multinationals	<p>decades)</p> <p>1. Is it the case that foreign owned multinational petroleum are compliant with a poorly designed tax system or is it the case that these petroleum companies are non-compliant with a well-designed tax system?</p> <p>2. Foreign owned multinational petroleum companies own most of the natural gas off the coast of Western Australia. Has consideration been given to production based taxes for the petroleum companies? If not why not?</p> <p>3. Prelude FLNG is the first floating LNG production and storage facility in Australian waters. The WA Domestic Gas Reserve Policy was factored into the Final Investment Decision made by these companies but it will not apply as the LNG does not come on shore. Prelude FLNG required NOPSEMA approval to be based in the Browse Basin. One of the conditions for approval by NOPSEMA could have been the provision of 15% of the gas for domestic Australian supply. Was consideration given to that proposal?</p> <p>4. What is the likely effect on revenue of ring fencing PRRT credits as proposed in the recent PRRT Report published in April 2017?</p> <p>5. There are about 750 foreign owned multinational companies operating in Australia. Given the poor compliance patterns of these companies over a long period of time, have other ways of taxing these companies been considered and if so what are they?</p> <p>6. Profits based taxes simply encourage foreign owned multinational companies to make paper losses. What harm would there be in taking foreign owned multinational companies out of the current taxing regime and putting them in a new regime based on observation transactions?</p> <p>7. The Petroleum Resource Rent Tax (PRRT) legislation was introduced to attract exploration in areas which otherwise might not have been explored and at a time when the worldwide oil price was low and so little incentive to explore. The legislation was intended as a secondary tax. The real problem is the PRRT is creating tax credits in an explosive way and cancelling any possible payments of tax in the future. Given the purpose of the PRRT legislation when enacted what was</p>	Treasury Group - Corporate & International Tax Division	Written	SQ17-000547
195	12	Ketter	Funds Management Reforms	<p>1. At what stage is the development of the Collective Investment Vehicle reforms announced in the 2016 budget?</p> <p>a. Have drafting instructions been issued to the office of parliamentary council?</p> <p>b. Has drafting of legislation commenced?</p> <p>c. Does Treasury expect to release exposure draft legislation for public consultation?</p> <p>d. When does Treasury expect to finalise exposure draft legislation?</p> <p>2. At what stage is the review of withholding tax arrangements applying to foreign investors into Australian based investment schemes? When will the government announce a position?</p> <p>3. When is the ASIA Region Funds Passport expected to go live?</p> <p>4. By when must domestic arrangements be in place under the Memorandum of Cooperation as signed by Australia, Japan, Korea and New Zealand?</p> <p>5. What domestic arrangements are required to be put in place by Australia for the Asia Region Funds Passport?</p> <p>6. Does Treasury agree that completion of the reforms to the Corporate Collective Investment Vehicles are required to make the Asia Region Funds Passport a success?</p> <p>7. What do other countries offer in terms of vehicle structures? What do other countries offer in terms of the variety of vehicle structures? Why do they do this?</p> <p>8. Does Treasury agree that non-resident withholding changes are required to make the Asia Region Funds Passport initiative a success? Are they required to be in place by the commencement date for the Asia Region Funds Passport?</p>	Treasury Group - Corporate & International Tax Division	Written	SQ17-000548

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196	10	Ketter	Tax integrity – public information campaign	<ol style="list-style-type: none"> 1. It states that \$8.1 million over two years from 2016-17 was provided. What is the breakdown of that \$8.1 million? Is it even? If not, what are the dollar amounts for each year? 2. When did the campaign commence? When will it finish? 3. Over what forms of media is this campaign being run? 4. Was this campaign provided to the Department of Finance for approval? If not, why not? 5. What are the specific tax integrity measures being advertised as part of this campaign? 6. Do you think there is low awareness of these tax integrity measures in the public? Why do you think that is the case? 7. Are multinational companies aware of the key changes in the tax law? 8. Aren't they in constant communication with the ATO? 9. Don't they hire expensive accountants and tax lawyers to provide advice on their structures? 10. Why are we doing a campaign to communicate with them? 	Treasury Group - Corporate & International Tax Division	Written	SQ17-000549
197	2	Xenophon	Commonwealth Procurement Rules	<ol style="list-style-type: none"> 1. Has Treasury carried out any analysis of the likely effects on the economy of the change of the revised Commonwealth Procurement Rules? 2. If so, please provide the Committee with the inputs and output of that analysis? 	Treasury Group - Financial and Procurement Division	Written	SQ17-000594
198	17	Ketter	Labour Hire Companies	<ol style="list-style-type: none"> 1. Does the Department use any labour hire companies to source Departmental staff? 2. Does the Department use Labour Hire Agreements? 3. How long has the Department used labour hire companies? 4. How many staff are employed under via these arrangements? 5. How many staff are employed by the Department as contractors? 6. Who authorised the use of labour hire companies? 7. Is the Minister aware of the reliance on these labour hire arrangements? 8. Do staff under these labour hire arrangements receive as much training and security clearance as permanent staff? 9. Do staff under these arrangements receive the same pay and conditions as permanent staff? 10. Do these temporary staff have access to the same systems and databases? 11. Is this a concern from a security perspective? 12. Does this impact productivity of the Department if staff employed via labour hire arrangements are unable to access the required resources to do their job? 13. Do any of these labour hire companies use Plutus? If yes, has the Department undertaken its own investigation into the use of Plutus by labour hire companies? 14. When did the Department become aware that there was a problem with Plutus in connection with the Department? 15. When was the Minister advised? 16. What steps have been taken to avoid a repeat and are there other payroll companies operating as agents of IT and other contractors? 17. How much Commonwealth money is being directed through payroll companies? 	Treasury Group - Financial and Procurement Division	Written	SQ17-000595

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199	4	Xenophon	Limited Tender Contracts	<p>1. What percentage of contracts entered into by the Department in FY 2015/16 were limited tenders?</p> <p>2. What was the total value of these limited tenders?</p> <p>3. Across the department, please provide a list of all contracts in FY 2015/16 that involved a limited tender contract to an entity for services below \$80,000 followed by a subsequent limited tender contract (either in FY 15/16 or 16/17) to the same entity for services below \$80,000 or above \$80,000 (please list the two contracts by AUSTENDER number). Please provide the justification (and any documents relating thereto) for the limited tender of any subsequent contract that was above the \$80,000 threshold.</p> <p>4. Across the department, please provide a list of all contracts in FY 2016/17 that involved a limited tender contract to an entity for services below \$80,000 followed by a subsequent limited tender contract to the same entity for services below \$80,000 or above \$80,000 (please list the two contracts by AUSTENDER number). Please provide the justification (and any documents relating thereto) for the limited tender of any subsequent contract that was above the \$80,000 threshold.</p>	Treasury Group - Financial and Procurement Division	Written	SQ17-000533
200	2	Ketter	Treasury Capabilities to support government	<p>funding to Treasury—enhancing Treasury capabilities for government and legislative drafting, additional resources. With enhancing Treasury capabilities for government, can you describe precisely what the \$9.3 million in the 2017-18 year and \$13.9 million in the 2018-19 year in expenses will be used for?</p> <p>Mr P Robinson: Could I ask you to repeat the question please?</p> <p>Senator KETTER: This is in relation to the enhancing Treasury capabilities to support government measure, page 167, Budget Paper No. 2.</p> <p>Mr P Robinson: The budget provided, as you said, \$29.5 million over two years to improve our capability in four areas—tax policy, forecasting, revenue modelling and foreign investment. We have just arrived back and so I do not know if you ask the macro people about the modelling side. These four areas we have identified—</p> <p>Senator KETTER: Yes, I can read those in the budget papers. I am looking at precisely what that money will be used on. Will there be additional staff recruited in relation to that?</p> <p>Mr P Robinson: Yes.</p> <p>Senator KETTER: What groups in Treasury will benefit from these additional expenses? What tasks are envisaged with this additional resource?</p> <p>Mr P Robinson: We will determine the final allocations of the resourcing as part of our 2017-18 internal budget process, which we are going through now—working with each of our groups and divisions. But these are the four key areas. On the tax side, you mentioned there is a measure regarding increasing our legislative capability—</p> <p>Senator KETTER: I am going to come to that in the second but firstly I am dealing with—</p> <p>Mr P Robinson: The measure here on tax policy is to build our capability across the board in providing tax policy advice to the government.</p> <p>Senator KETTER: I understand that, Mr Robinson. I understand that you are trying to be helpful but I am looking at some specifics as to how that money—</p> <p>Senator Cormann: We may have to take the specifics on notice. You are looking for specific</p>	Treasury Group - Financial and Procurement Division	Pg 46 - 47; Monday 29th May	SQ17-000550
201	1	Ketter	Treasury ICT Upgrades	<p>Senator KETTER: There is \$6.2 million in additional capital funding. Can you tell is what that will be used for? You might want to take that on notice.</p> <p>Mr P Robinson: I can take it on notice but it is to build accompanying systems and models and the necessary hardware for that.</p> <p>Senator KETTER: ICT upgrades?</p> <p>Mr P Robinson: ICT upgrades and so on, yes.</p>	Treasury Group - Financial and Procurement Division	Pg 47; Monday 29th May	SQ17-000551

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202	3	Ketter	Approved Product Lists	<p>1. On 6 November 2015, the Minister for Financial Services released the Government’s retail life insurance industry reforms, which included vesting the Financial Services Council (FSC) with responsibility for developing an Industry Standard to widen Approved Product Lists (APLs). Is Treasury aware of the status of this important initiative that, if properly implemented, will significantly enhance consumer choice and best interest?</p> <p>2. Is Treasury aware that the draft APL Industry Standard circulated to the FSC’s members for comment on 12 April 2017 – almost 18 months after the Minister’s request – will in no way provide for the widening of APLs, but only commits FSC members to having an ‘off-APL’ process and providing for a ‘reasonable’ construction of their APL?</p> <p>3. Does Treasury agree that the FSC’s draft APL Industry Standard is another example of failed industry self-regulation and that is time for this issue to be handed over to ASIC to establish a regulatory framework to ensure vertically integrated life insurance entities offer an open APL?</p>	Treasury Group - Financial System Division	Written	SQ17-000552
203	6	Ketter	Australian Financial Complaints Authority	<p>1. Who first suggested the name, ‘Australian Financial Complaints Authority’?</p> <p>2. Who decided on the name ‘Australian Financial Complaints Authority’?</p> <p>3. Was there any market testing on the effectiveness of the proposed name, “Australian Financial Complaints Authority”?</p> <p>4. Is there any evidence to show that people would be more or less likely to complain to a dispute resolution scheme called an “authority” compared to an “ombudsman” or a “service”?</p> <p>5. How will the new framework ensure that people with genuine consumer experience are involved in the governance of AFCA?</p> <p>6. Where does Treasury expect the offices of the new AFCA be located?</p> <p>7. What is proposed to ensure that the transition to the new Australian Financial Complaints Authority (AFCA) does not reduce the speed or quality of dispute resolution at the Financial Ombudsman Service, Credit & Investments Ombudsman and Superannuation Complaints Tribunal in the interim (for example, through loss of staff and expertise)?</p>	Treasury Group - Financial System Division	Written	SQ17-000553
204	2	Gallagher	Bank Levy	<p>Senator GALLAGHER: Okay, I will follow that up. I want to go back to the bank tax numbers—I promise for one last time. Mr Lonsdale, you took me to statement 10-24, which I think gives us a total impact of \$7 billion for the major bank levy. Is that right?</p> <p>Mr Lonsdale: In fiscal terms for the revenue head, correct.</p> <p>Senator GALLAGHER: You said that the figures at 10-24 do not take into account things like deductions and other interactions. Could you provide us—I meant to ask this earlier—with a list of what the other interactions would be?</p> <p>Mr Lonsdale: I am happy to take that on notice.</p> <p>Senator GALLAGHER: You cannot—</p> <p>Senator Cormann: We have taken it on notice.</p> <p>Senator GALLAGHER: How much of the difference between the fiscal balance numbers at 10-22 and the numbers in BP 2 are deductions and how many are other interactions?</p> <p>Senator Cormann: We will take that on notice.</p> <p>Senator GALLAGHER: Again, you cannot answer that now?</p> <p>Senator Cormann: We will take that on notice. No, I cannot answer that now.</p> <p>Senator GALLAGHER: Could officials answer it?</p> <p>Senator Cormann: I have taken it on notice, and we will make sure that you get an accurate response.</p>	Treasury Group - Financial System Division	Pg 87; Tuesday 30th May	SQ17-000554

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205	4	Ketter	Bank Levy	<p>on which APRA was consulted?</p> <p>Mr Lonsdale: I am happy to take that on notice. Going back to my previous answer, I can tell you that we talked to APRA in March, certainly on data, and there were a number of interactions through the course of April as the government considered and made decisions on the measure.</p> <p>Senator KETTER: I am interested in the dates of those consultations in April, in particular. You are prepared to take those on notice.</p> <p>Mr Lonsdale: I will take them on notice.</p> <p>Senator KETTER: You mentioned earlier that Mr Byers was involved in those discussions, so the date that he was involved in those discussion as well. In terms of the ACCC, the same information, if you do not mind.</p> <p>Senator Cormann: Sorry, I can hardly hear you.</p> <p>Senator KETTER: The ACCC: you mentioned that there were discussions, particularly in relation to the review mechanisms. Are you able to provide us with further information about that, Mr Lonsdale?</p> <p>Mr Lonsdale: Yes. Specifically the dates?</p> <p>Senator KETTER: The dates of consultation. You have indicated that ASIC was not involved in any discussions in the lead up to the budget. Is that correct?</p> <p>Mr Lonsdale: I have indicated I would need to check that. I also indicated that with a measure of this type we would disclose information and do consultations on a need-to-know basis.</p> <p>Senator KETTER: In relation to the RBA?</p> <p>Mr Lonsdale: Yes, there were discussions with the Reserve Bank.</p> <p>Senator KETTER: The dates for those, as well, please.</p> <p>Mr Lonsdale: Yes.</p> <p>Senator KETTER: Do you have an idea roughly when those discussions happened with the RBA?</p> <p>Mr Lonsdale: As I mentioned, we would have certainly had discussions with APRA in March.</p> <p>There were certainly discussions in April with the Reserve Bank. If you want a more granular list of</p>	Treasury Group - Financial System Division	Pg 24 - 25; Monday 29th May	SQ17-000555
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206	2	Gallagher	Bank Levy	<p>accept—if that had been raised by the RBA as part of consultations, would that not normally have been dealt with in the original measure rather than cropping up in the post-budget period and you then having to respond to it?</p> <p>Mr Lonsdale: As is usual, we find that when we go out and talk to stakeholders, we get a richer set of information. As we outlined yesterday, we were not able to talk to the banks, the taxpayers involved, until after the measure was announced. At that stage, they came back with very detailed and helpful information on a whole range of design elements. They raised issues that we then tested with regulators, and tested within as well, to form a position to put to government. That is pretty much how it worked out.</p> <p>Senator GALLAGHER: Can I assume from that that the RBA raised it during the pre-budget consultations, but it was then subsequently backed up by the banks in the post-budget consultations, and that is why you are addressing it now as part of the final draft legislation?</p> <p>Mr Lonsdale: I think that is reading a little bit too much into the first part in terms of the interaction with the Reserve Bank. There are a number of what I would call fine-detail design issues that were raised after the levy was announced, things like the netting of derivatives, the ESA account and the averaging of the liability base over the quarterly period. These sorts of issues benefited from discussion with industry and also with the regulators.</p> <p>Senator GALLAGHER: The explanatory memorandum also confirms that the bank levy will be a BAS provision at, I think, 1.51.</p> <p>Mr Lonsdale: Is this paragraph 1.51?</p> <p>Senator GALLAGHER: Yes.</p> <p>Mr Lonsdale: In the EM or in the RIS?</p> <p>Senator GALLAGHER: Have I got them connected as two documents? They all appear in one for me. My question is: does that imply that tax deductions will be available the month after the first payment is made?</p> <p>Mr Lonsdale: I will just check so that I can give you a precise answer. Sorry, it is technical, so I</p>	Treasury Group - Financial System Division	Pg 69 - 70; Tuesday 30th May	SQ17-000556
207	8	Ketter	Bank tax	<ol style="list-style-type: none"> 1. Does the Government’s reference to the PC review into competition in the banking sector include within its scope government policy levers like prudential regulation and tax? 2. Has the PC been directed to specifically exclude the major bank levy from its review? <ol style="list-style-type: none"> a. If no, so the PC will be able to examine the competition impacts of the bank levy? b. If yes, so the PC won’t be able to examine the competition impacts of the bank levy? 3. Why wasn’t the decision to introduce a bank tax made after the PC review had been completed? 4. In what ways will the bank levy improve competition? Can you explain in detail how the levy effects competition and consumer choice? 5. Do you agree that the only way the competition can be improved is if the levy is passed on to consumers either in part or all of it? 6. Do you agree that you can either have more competition or banks not passing on costs to customers but it's impossible to have both? 7. Does this levy “level the playing field”? If yes, how can you level the playing field without the cost of the levy being passed on to consumers? 8. Is the levy "a charge for the implicit guarantee of the major banks"? If so does that mean the mid-tier and smaller banks are not guaranteed? 	Treasury Group - Financial System Division	Written	SQ17-000557

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208	3	Ketter	Banking Executive Accountability Regime	<p>In relation to the following passage: Senator KETTER: Will the new Banking Executive Accountability Regime apply to executives in life insurance companies? Mr Lonsdale : It will apply to ADIs. To the extent that you have an ADI with a life insurer as part of it, the answer is yes. Senator KETTER: Could it have applied to the managing director of CommInsure? Ms Brown : If that executive is part of the ADI, it would apply. 1. Please clarify whether the Banking Executive Accountability Regime could apply to all executive employees of a life insurer that is owned by an ADI, notwithstanding that their employment is with the life insurer itself? 2. If the Banking Executive Accountability Regime would apply, what would be the test for determining whether a life insurer is part of an ADI? 3. How would the new banking executive accountability regime apply to an executive of a life insurer that is not part of an ADI?</p>	Treasury Group - Financial System Division	Written	SQ17-000558
209	4	Ketter	Banking Executive Accountability Regime	<p>requirements of the new regime is that bank executive bonuses are to be withheld. My question is: has Treasury conducted an analysis of whether the banks would just increase the base rate of pay and reduce the amount of bonuses? Mr Lonsdale: Certainly, that was an issue that was thought through as one of the issues when it was put the government. The measure is to really have a hard vesting period of a minimum of four years, but the prudential regulator—that is, APRA—will be conducting a review around some of the issues here. I think the short answer to your question is: yes, it was something that was thought about. We will certainly be thinking more about it as we go through the consultation period. Senator KETTER: Are you aware of how many executives have been suspended under the equivalent UK regime? Mr Lonsdale: I do not have that with me. Senator KETTER: Can you take that on notice? Mr Lonsdale: I am happy to take that on notice. [...] Senator KETTER: What will happen once APRA removes a non-executive director's name from the regime registry? Does that have the effect of automatically disqualifying a non-executive director from his or her directorship? Mr Lonsdale: There is a range of things that could happen. Ms Brown: APRA would have the power to remove or disqualify people and that would mean they could either no longer be in the position or be disqualified from the industry and no longer be in the industry. Mr Lonsdale: And it would depend on the type of issue. Senator KETTER: Will the ADI be required to take steps to remove the non-executive director? Does it automatically occur or do steps have to be taken? Ms Brown: The proposal here is that APRA would be able to remove someone directly. Senator KETTER: What happens when APRA removes a senior executive's name from APRA's</p>	Treasury Group - Financial System Division	Pg 78 - 79; Tuesday 30th May	SQ17-000559

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210	1	Gallagher	Banking Executive Accountability Regime	<p>Senator GALLAGHER: People reading the media today could have taken the view that it was actually about dealing with poor customer outcomes—holding bank executives to account for their misconduct and poor advice that customers have put up with—but it seems this is different. We will wait and see how that comes out through the consultations. We will certainly have questions for APRA and ASIC about it.</p> <p>The Department of Treasury gets \$1.1 million to oversee the timely implementation of a more accountable and competitive banking system. Is that your area?</p> <p>Mr Lonsdale: That is correct.</p> <p>Senator GALLAGHER: What would that be used for?</p> <p>Mr Lonsdale: The press release that you raise, Senator, has a range of measures in it—the bank levy, the BEAR. There is a range of work that needs to happen with the data measure, so the OBR—</p> <p>Senator GALLAGHER: I thought that was separate. Wasn't the data funded separately?</p> <p>Ms Brown: There is a separate measure for open data—you are correct, Senator. There are a range of measures in the government's—</p> <p>Senator GALLAGHER: You are getting a \$12 million increase somewhere, aren't you? Specifically on that 1.1, is it just for short-term resources?</p> <p>Ms Brown: That is right. It is for short-term resources to make sure that—</p> <p>Senator GALLAGHER: So it is for 12-month contracts for people to come in and assist with the work?</p> <p>Ms Brown: That is right.</p> <p>Senator GALLAGHER: How many would you get for \$1.1 million?</p> <p>Ms Brown: I cannot recall off the top of my head. I would have to take that on notice, sorry.</p>	Treasury Group - Financial System Division	Pg 80; Tuesday 30th May	SQ17-000560
211	1	McAllister	CAMAC Annual Report 2015- 16	<p>Senator McALLISTER: Thank you. Can I quickly ask about the status of CAMAC. Is the committee still meeting?</p> <p>[...]</p> <p>Senator McALLISTER: Has it discharged its legal obligation to provide an annual report for the 2015-16 financial year?</p> <p>Mr Medcraft: I will take that on notice, but I think that the 2015-16—we rely on Treasury to provide those reports. But we will take that on notice.</p> <p>Senator McALLISTER: If you could make a copy available, if one has been provided, I would appreciate it.</p>	Treasury Group - Financial System Division	Pg 25; Wednesday 31st May	SQ17-000417

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212	3	Ketter	Company Tax	<p>Senator KETTER: I will move on to the company tax, and I think I would like to explore this issue. I take it you can confirm that the cost of the company tax cut is now expected to be \$65 billion over the medium term?</p> <p>Mr J Fraser: I understand that is the case, but that is something that should be taken up with Ms Mrakovcic in the revenue group.</p> <p>Senator KETTER: What do you think is the net impact of the government's full company tax cut in combination with the bank levy on the profitability of the banks?</p> <p>Senator Cormann: I suspect that we will have to take that on notice.</p> <p>Senator WHISH-WILSON: It would be interesting to know, considering they are crying poor over the bank levy.</p> <p>Senator Cormann: The first point to make is that if you look at Budget Paper No. 2, in the relevant measure description, it will tell you that the \$6.2 billion revenue forecast is net of interaction with any other taxes, principally corporate income taxes. That is the first point to make, but I am not sure if the officer wants to add something to that.</p> <p>Dr Swieringa: In terms of macroeconomic impact of company tax versus the bank levy, I think, as the secretary, said the impact of a bank levy would be negligible.</p> <p>...</p> <p>Senator KETTER: In the UK, is it correct that the effective corporate rate for the big banks will be more than 25 per cent after the surcharge is taken into account?</p> <p>Mr Lonsdale: We are happy to check that, Senator.</p>	Treasury Group - Corporate & International Tax Division	Pg 27 - 28; Monday 29th May	SQ17-000561
213	1	Gallagher	Northern Australia Insurance report	<p>Senator GALLAGHER: Are you the group that does the northern Australia insurance report?</p> <p>Mr Lonsdale: Yes.</p> <p>Senator GALLAGHER: I think the minister gave a commitment to release the government response to the task force report some time ago now. Can you give me an update on where that is?</p> <p>Mr Lonsdale: My understanding is that the report is with government.</p> <p>Ms Brown: The report was released in March 2016.</p> <p>Senator GALLAGHER: The report was released, but:</p> <p>The government will consider the options contained in the report and intends to provide a detailed response by 30 June 2016.</p> <p>That is a quote from the minister on 4 March 2016. Is there any further information you can provide as to a detailed response?</p> <p>Mr Lonsdale: All I can say is the government is yet to announce its response to the report. I cannot give you a date on when that is coming.</p> <p>Senator GALLAGHER: Has the response been finalised or is it in the process of being finalised?</p> <p>Mr Lonsdale: We would have provided advice to government and, as at this moment, there is no public response.</p> <p>Senator GALLAGHER: Can you explain why there has been a delay from what the minister promised?</p> <p>Mr Lonsdale: It is an issue for government as to when they would like to release a response. If it is helpful, I am happy to take that question on notice and provide you with a response.</p> <p>Senator GALLAGHER: I would certainly like to know when it is coming. I know quite a lot of people, particularly in the insurance industry, who would be interested in the government's response and have been waiting for it.</p>	Treasury Group - Financial System Division	Pg 88 - 89; Tuesday 30th May	SQ17-000565

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214	1	Gallagher	Bank Levy	<p>Mr Lonsdale: That is correct. So these figures—the \$1.2 billion, \$1.6 billion, \$1.7 billion, and \$1.8 billion—are the cash revenue head. So the other interactions—for example, the deduction—will apply, to the extent a bank claims a deduction. You will find that in another revenue head. I will just check that I have gotten that right. I am getting nods from behind me, so that is right.</p> <p>Senator GALLAGHER: In total, over four years of the revenue head—I think that is what you are calling it—the fiscal balance is \$6.2 billion. The cash receipts balance across the forward estimates is \$6.3 billion, as I have added it up. Can you explain what the difference there might be?</p> <p>Mr Lonsdale: You are adding the four years across?</p> <p>Senator GALLAGHER: Yes, I am.</p> <p>Mr Lonsdale: Timing of collections is the key difference between the two.</p> <p>Senator GALLAGHER: How do those numbers—the \$6.2 billion and \$6.3 billion—then relate to budget paper No. 1 on 3-29, which talks about \$5.5 billion over the forward estimates?</p> <p>Mr Lonsdale: Could I explain two things to you, Senator? It might be easiest. On 3-29 the \$5.5 billion—could I take that? It might be clearer if I explain it with the measure description in budget paper No. 2 on page 24. Do you have that, Senator?</p> <p>Senator GALLAGHER: Yes.</p> <p>Mr Lonsdale: I will explain this one first, and then I will explain the one on page 329, because they are related. Is that okay, Senator?</p> <p>Senator GALLAGHER: Yes, sure.</p> <p>Mr Lonsdale: Budget Paper No. 2 contains the actual revenue gain of the measure itself. So, if you think about the revenue head and interactions that apply—deductions, timing, growth from the base—there are a whole bunch of things that are tied up in determining the revenue impact of the measure. And that is done, in a fiscal sense, on page 24. Again, this is the same way it has been done for a very long time.</p> <p>Senator GALLAGHER: So that is the \$6.2 billion.</p> <p>Mr Lonsdale: That is the \$6.2 billion, and that equivalent measure, the revenue impact of the</p>	Treasury Group - Financial System Division	Pg 75 - 76; Tuesday 30th May	SQ17-000566
215	4	Ketter	2015-16 Annual Report - FIRB	<ol style="list-style-type: none"> 1. Is there a reason why the annual report for 2015-16 was released on budget day in 2017? Aren't the reports usually released earlier? What was the reason for the delay? 2. On page 16 of the report it states that from 1 December 2015 to 30 June 2016 there was \$78 million in fees collected – how much was budgeted for in this first partial year of operation? 3. Would this amount result in a trend, or is it too difficult to tell given the variable nature of transactions (particularly large one-off ones)? 4. The total number of applications approved in 2015-16 grew by about 3,500 from the 2014- 15 number. Do you expect this kind of growth to continue? Can you provide the reasons for that? 	Treasury Group - Foreign Investment Division	Written	SQ17-000567
216	4	Ketter	Annual charge on foreign owners of underutilised residential property	<ol style="list-style-type: none"> 1. In relation to the measure that introduces a charge on foreign owners of residential property where the property is not occupied or genuinely available on the rental market for at least six months per year. 2. Was FIRB consulted in relation to this measure? 3. Will FIRB play a role in the administration or implementation of this measure? 4. Will FIRB provide any information to the ATO in relation to this measure? 	Treasury Group - Foreign Investment Division	Written	SQ17-000568

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217	2	Rhiannon	Foreign Investors	<p>the charge or levy of \$5,000 is applicable to foreign investors who need approval from the Foreign Investment Review Board to purchase a property?</p> <p>Mr Brake: There are existing fees which are required to be paid for foreign investors wishing to purchase residential real estate. I am not sure, but I think you may be talking about the budget measure relating to the vacancy charge where properties are left vacant. There are the two issues there.</p> <p>Senator RHIANNON: Yes. You have one that has a \$5,000 levy.</p> <p>Mr Brake: Correct. As I said, there are existing fees which are payable for foreign investors wishing to purchase residential real estate. It is a scale of fees. If the price of the acquisition is \$1 million or less, the fee payable is \$5,000. If it is more than \$1 million and less than \$2 million, the fee payable is \$10,100. It increases with the price of dwelling.</p> <p>Senator RHIANNON: How many properties are currently owned by investors who meet this definition? Could we have the number that are under \$1 million, \$1 million to \$2 million et cetera?</p> <p>Mr Brake: I do not think we could probably give you an estimate of the overall stock of dwellings owned by foreigners.</p> <p>Senator RHIANNON: Not even an estimate?</p> <p>Mr Brake: We can take it on notice and see what we can do. We have figures on how many applications are received each year, so we can provide that information, but for stock we would obviously need to go back for a long period of time.</p> <p>Senator Cormann: We have taken it on notice and will see what we can do.</p> <p>Senator RHIANNON: Thank you. Do you have any figures about vacancy at all—like how many of the properties are vacant?</p> <p>Mr Brake: As part of our own Foreign Investment Review Board, as there is not currently a conditional requirement for an additional levy, where the property is vacant we do not currently collect that data ourselves.</p> <p>Senator RHIANNON: I have been interested in this and picked up some information from the New</p>	Treasury Group - Foreign Investment Division	Pg 71 - 72; Tuesday 30th May	SQ17-000569
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218	3	McAllister	Foreign Investors	<p>of the measure.</p> <p>Mr Brake: Senator, you may have been out of the room when Mr Konza from the tax office talked through this. The ATO is responsible for the administration and compliance of this measure. He answered questions about how the ATO was expecting to undertake the administration and compliance.</p> <p>Senator McALLISTER: Can I ask about some of the assumptions. There is an assumption of revenue of \$20 million over the forward estimates. I am wondering what the assumption is there about the average charge.</p> <p>Senator Cormann: We have actually taken these questions on notice. We had the same line of questioning from Senator Rhiannon earlier today.</p> <p>Senator McALLISTER: Apologies. I will place mine on notice—because they are all assumptions.</p> <p>Senator Cormann: We will be as helpful as we possibly can.</p> <p>Senator McALLISTER: I am interested in understanding what the assumptions are over the forward estimates for the number of vacant properties attributable to foreign owners and I would like those broken-down on a state-by-state basis. Do you think you have it available on a state-by-state basis?</p> <p>Senator Cormann: We will see what we can provide.</p> <p>Senator McALLISTER: Do the assumptions include behavioural assumptions about an increased number of dwellings as a result of the financial incentives?</p> <p>Senator Cormann: It does include behavioural assumptions. What they show and what they are we will provide you on notice.</p> <p>Senator McALLISTER: What I would be interested to know is what assumptions have been made about the number of increased dwellings that will result each year as a result of implementation of the measure. Can I ask whether the states and territories were consulted in developing the measure.</p> <p>Mr Brake: The specific measure, no.</p> <p>Mr Lonsdale: No.</p> <p>Senator McALLISTER: Was the FIRB consulted in relation to the measure?</p>	Treasury Group - Foreign Investment Division	Pg 81; Tuesday 30th May	SQ17-000570
219	6	Hanson	Foreign Investors	<p>How many foreign non-residents bought multiple properties in 2014/15, and 2015/16? How many bought 2 properties, how many bought 3 properties, and how many bought 4 to 10 properties? How many bought more than 10?</p>	Treasury Group - Foreign Investment Division	Written	SQ17-000571

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220	12	Rhiannon	Foreign Investors - Housing Affordability	<p>amount of foreign investment in a single development, charging a fee for properties left vacant for 6 months, and restricting some capital gains tax concessions. What modelling has been undertaken to determine these measures' effect on house prices and/or the number of properties available to rent?</p> <p>1. What information is Treasury/ATO planning to release publically in relation to the National Register of Foreign Ownership of Land Titles? For example:</p> <p>a. Will there be information on the number of properties purchased (not just approved as is currently the case)?</p> <p>b. Citizenship/visa status details?</p> <p>c. Locations of properties purchased?</p> <p>d. Cost of properties?</p> <p>2. How regularly will the data be released?</p> <p>3. When is the first set of data being released?</p> <p>4. I understand that there is not going to be a stocktake of foreign investment in Australian residential property. However, will the Government monitor the status of these properties purchased by foreign investors so we have a stocktake going forward? (ie when they are sold etc)</p> <p>5. I understand that from September 2016 the ATO is consolidating and matching quarterly data provided by the States and ACT. What is the status of the information gathering from the States/Territories? Have there been any problems in obtaining information from the States/Territories thus far? Have all States provided a test dataset to the ATO (due in May 2016 under Clause 19(a) of the Project Agreement)?</p> <p>6. I understand that, since 1 July 2016, the ATO has been requiring, as a condition of approval, that foreign persons notify the ATO when they purchase a residential property. It is a foreign person's obligation to notify the ATO. Has this been occurring? How are you checking that it is occurring?</p> <p>7. Have the number of applications for residential property foreign investment approval from the ATO fallen since the introduction of fees for approval in December 2015?</p> <p>8. How does the Foreign Investment approval process (from the FIRB) interact with the</p>	Treasury Group - Foreign Investment Division	Written	SQ17-000572
221	3	Hanson	Foreign Investors: Annual Vacancy Charge	<p>In respect of the Annual Vacancy Charge it is unclear how it works administratively. How will the FIRB identify those owners who attract the Charge? If a charge applies then how will the FIRB keep track of overseas addresses? If they can keep the address up to date then how will the charge be recovered in foreign jurisdictions?</p>	Treasury Group - Foreign Investment Division	Written	SQ17-000573
222	2	Xenophon	Whyalla	<p>1. Has Treasury conducted any analysis on the impact of either bid for Arrium on the local Whyalla economy?</p> <p>2. If so, please provide the Committee with the output of that analysis?</p>	Treasury Group - Structural Reform Group	Written	SQ17-000574

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223	10	Cameron	Budget Measure 17/18 - Increasing capital gains tax discount for investors in affordable housing	<p>1. Does this measure indicate recognition by the government that capital gains tax discounts are a major driver behind decisions to invest in housing?</p> <p>2. The cost of this measure is estimated at \$15 million over the forward estimates. How has that cost been calculated?</p> <p>3. How many new affordable rental dwellings will be created by this measure?</p> <p>4. Has any assessment been made or modelling done of the likely tax incentive per new dwelling that will be generated by the increase in the capital gains tax discount under this measure? If so, what is the likely tax incentive per dwelling?</p> <p>5. If the tax incentive is based on likely or possible capital gain on the investment property, is the value of the tax incentive entirely dependent on market conditions over the period the property is held by the investor?</p> <p>6. The National Rental Affordability Scheme requires that a property for which a tax incentive is received must be held for a minimum of ten years. Why is the minimum holding period under this measure just three years?</p> <p>7. How is this measure, which is premised on investor expectations of short-term capital gain consistent with a policy objective of long-term growth in the stock of affordable rental housing?</p> <p>8. According to the fact sheet on this measure, “The additional discount will be pro-rated for periods where the property is where the property is not used for affordable housing purposes.” Does that mean that the property can fall out of use for affordable housing purposes and then at some later time be used again for affordable housing purposes?</p> <p>9. Presumably there will be rules or guidelines applying to this measure. What work has been done on them? Who will be consulted on them? When will they be available?</p> <p>10. What consultation has taken place with community housing providers in relation to their role in managing the affordable rental dwellings under this measure?</p>	Treasury Group - Individuals and Indirect Tax Division	Written	SQ17-000502
224	2	Hanson	Deductions for NFP	Has consideration been given to limiting the size of deductions available to charities and non-profit groups registered with the Australian Charities & Not-for-Profits Commission? How does the Treasury ensure the availability of deductions is not used to fund terrorism and religious extremism?	Treasury Group - Individuals and Indirect Tax Division	Written	SQ17-000575
225	1	Ketter	Disallowing deduction of travel expenses for residential rental property	1. Given the budget measure and Treasury have both stated this measure is an ‘integrity measure’, why does this measure have the prefix of “Reducing Pressure on Housing Affordability”, when it does not have the objective of reducing pressure on housing affordability?	Treasury Group - Individuals and Indirect Tax Division	Written	SQ17-000512
226	1	Roberts	Dramatic Tax Cuts	Will Australia follow the lead of the USA and UK with dramatic tax cuts to business and household rates?	Treasury Group - Individuals and Indirect Tax Division	Written	SQ17-000576

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227	2	Leyonhjelm	Excise Tax on Loose Leaf Tobacco	<p>grams of tobacco in a stick of cigarettes. Now there is an appropriate—what was the term?—judgment for which neither you nor the officer provided data or a basis for reaching it other than that it was the judgement and that a more appropriate figure is 0.7 grams. What I would like to understand is how you arrived at that figure of 0.7 grams. What did you do? Who weighed cigarettes and what is the average weight of tobacco in a stick of cigarettes?</p> <p>Ms Mrakovcic: Ms Purvis-Smith has indicated that that was information we received the context of attending an interdepartmental committee that was looking at this broad range of issues. We obviously rely on industry consultation and information provided by experts in these fields. It is not a matter of coming to a judgement. It is coming to an awareness that this is information that has been provided to us and there may be a need to re-examine the way that the existing policy works. So, in a sense we received the information, there was a process it went through and a policy judgement was made, and that is a matter for government.</p> <p>Senator LEYONHJELM: Do you actually have an average figure that you are working on for the amount of tobacco per stick of cigarettes?</p> <p>Mrs Purvis-Smith: It is very difficult to get an average per stick, but we know that the 0.8 is not an average; it is a maximum—the maximum number of grams of tobacco in a stick of cigarettes. The equalisation assumption used the maximum amount of tobacco allowable in a per stick cigarette.</p> <p>Senator LEYONHJELM: I understand your point about that. What I am getting at is could it be 0.74 or 0.75 or 0.76 grams?</p> <p>Mrs Purvis-Smith: An awareness and a judgement were made as to coming to 0.7 grams. We used as much information as we could to arrive at 0.7 grams.</p> <p>Senator LEYONHJELM: The other aspect about this, though, is that if 0.8 were too high how do we know that 0.7 is not too low? The difference is 14.3 per cent. It amounts to an increase in tax of 14.3 per cent. I would like to know whether it really was a decision based on data or was it just an arbitrary figure or near enough.</p> <p>Ms Mrakovcic: We would have received information from others that 0.7 would be more</p>	Treasury Group - Individuals and Indirect Tax Division	Pg 49 - 50; Tuesday 30th May	SQ17-000577
228	1	Ketter	Limit plant and equipment depreciation deductions to outlays actually incurred by investors	<p>1. Given the budget measure and Treasury have both stated this measure is an 'integrity measure', why does this measure have the prefix of "Reducing Pressure on Housing Affordability", when it does not have the objective of reducing pressure on housing affordability?</p>	Treasury Group - Individuals and Indirect Tax Division	Written	SQ17-000519
229	1	Ketter	Marginal tax rates	<p>Given the effect of marginal tax rates and the tax-free threshold, under current Government policy for the top tax earners (that is a marginal tax rate of 49 per cent – 45 per cent top marginal tax rate plus 2 per cent Medicare levy plus 2 per cent budget repair levy) at what income level would someone be working 'one day for the Government' and 'one day for yourself'?</p>	Treasury Group - Individuals and Indirect Tax Division	Written	SQ17-000578
230	6	Ketter	Medicare Levy Surcharge Thresholds	<p>1. The Government recently introduced the Treasury Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Bill 2017 to Parliament. Can you confirm that this is effectively an annual measure?</p> <p>2. Can you confirm the intent of the measure is to ensure the Medicare levy thresholds are kept in line with inflation?</p> <p>3. How many people would have been affected had the thresholds not been raised?</p> <p>4. An article on Thursday May 25 in The Australian reported "More than nine million Australian adults will be exempt from the expanded Medicare Levy as the Turnbull government widens protections for those on low incomes". This appears to imply the thresholds measure itself meant 9 million people were protected from the levy. Is that an accurate reflection of the measure?</p> <p>5. Would the majority of the nine million people have been protected from the expanded levy if the thresholds remained at the status quo?</p> <p>6. Who are the nine million taxpayers? Retirees? Can you give an indication of the demographics</p>	Treasury Group - Individuals and Indirect Tax Division	Written	SQ17-000467

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231	5	Ketter	Referral of tax debt to credit reporting bureaus	<p>1. I refer to the 2016-17 MYEFO measure that would see the ATO provide tax debt information to credit reporting bureaus. "The measure is slated to begin operation on 1 July 2017. However, we're yet to see any legislation in the Parliament, or an exposure draft on this measure." a. Is legislation still required for this measure to begin operation?</p> <p>2. Has the Treasury allocated drafting resources, or has drafting commenced for the legislation to progress this measure?</p> <p>3. Minister, perhaps this is a question best directed to you, is this measure still going to begin operation on 1 July 2017? Will we see legislation in the Parliament before the end of the Autumn sittings?</p> <p>a. If yes, will this provide adequate time for the measure to be publicised?</p>	Treasury Group - Individuals and Indirect Tax Division	Written	SQ17-000522
232	10	Ketter	Serious and organized crime in tax system measures and funding	<p>1. The Government has extended the ATO's funding by four years to target serious and organised crime in the tax system. What are the types of crime being targeted in particular?</p> <p>2. How successful has the ATO been in this area?</p> <p>3. What will this additional funding be used for? Will it be targeted to any specific area?</p> <p>4. Why was the taxable payments reporting system extended to contractors in the courier and cleaning industries? What are the specific challenges in these industries?</p> <p>5. Is illegal phoenix activity one of the challenges in this area?</p> <p>6. Is tracking directors who repeatedly liquidate companies only to start them up again a difficult task? What are the main impediments to tracking such directors?</p> <p>7. The Government will provide one year of additional funding (\$32 million) for ATO audit and compliance programs to better target black economy risks. Why is the funding only extended for one year? Who was consulted on this?</p> <p>8. What is the multiplier of resourcing to revenue or liabilities raised in this area?</p> <p>9. How successful has the ATO's audit and compliance programs been at targeting black economy risks?</p> <p>10. Can you provide a breakdown of staffing levels in this unit for the past five years to present?</p>	Treasury Group - Individuals and Indirect Tax Division	Written	SQ17-000579
233	5	Lambie	Treasury Laws Amendment (GST Low Value Goods) Bill 2017	<p>1. Could Treasury please advise whether it has undertaken any work to develop a Regulation Impact Statement (RIS) to support the Treasury Laws Amendment (GST Low Value Goods) Bill 2017 (the Bill)?</p> <p>2. If work on a RIS remains to be done, what, if any, efforts has Treasury made to ensure all relevant information for businesses and consumers affected by the Bill is available and summarised in a readily accessible format?</p> <p>3. Can Treasury please confirm that it has provided details to the State and Territory Governments of the expected collection rate and GST revenue associated with the Bill?</p> <p>4. Has Treasury undertaken consultation on the Bill subsequent to the Committee's Report released on 9 May?</p> <p>5. Has Treasury (or any other government agency, to Treasury's knowledge) been directed to do any work to explore alternative collection models, subsequent to the Committee's Report released on 9 May?</p>	Treasury Group - Individuals and Indirect Tax Division	Written	SQ17-000580

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234	1	Ketter	Legislative Drafting - additional resources	<p>Senator KETTER: Regarding the second measure—'Legislative drafting - additional resources', on page 168—can you tell us what that additional funding will be used for?</p> <p>Mr P Robinson: That measure is designed to allow us to improve and enhance our input into the legislative process. So we prepare for the raft of both taxation, in particular, and financial system legislation—the drafting instructions and the legislative policy side, if you like. In order to help meet the legislative load at the moment, and the measures that are yet to be enacted, this money will enhance our ability to increase the throughput of tax legislation to ensure that we meet the time lines necessary.</p> <p>Senator KETTER: How many pieces of legislation are anticipated over that time period that would require this—</p> <p>Mr P Robinson: Sorry, we came back in a bit of a rush, so I do not have that number with me, but we can certainly get it fairly quickly.</p>	Treasury Group - Law Design Practice	Pg 47; Monday 29th May	SQ17-000581
235	4	Roberts	Economic Growth Forecasts	<p>forecasts for each of the last 10 years going back and then what the actual economic growth was. Is it possible to get those figures?</p> <p>Mr M Brennan: It is possible to get it but we would have to take it on notice.</p> <p>Senator ROBERTS: Certainly.</p> <p>Mr M Brennan: It would be our Macroeconomic Group.</p> <p>Senator ROBERTS: Thanks. The same with wages growth: what was the forecast wages growth and what was the actual growth?</p> <p>Mr M Brennan: Okay.</p> <p>Senator ROBERTS: Thank you. I would also like to know for each year in the last 10 years, at the time the budget was delivered, what was the forecast date of a balanced budget, whether it was five years out, four years out or whatever.</p> <p>Senator Cormann: I think it was the 2012-13 budget when four years of surpluses were supposedly coming, but of course they did not.</p> <p>Senator ROBERTS: Yes, so I would like to know for each of the last 10 years, at the time of the delivery of the budget, how long it was expected to be before the budget was going to be in surplus. That is all I need to know, because they are not in surplus yet.</p> <p>Mr M Brennan: We can get that.</p> <p>Senator ROBERTS: Back in February, when I listened to the councillors, the mayor and the chief executive at the Balonne Shire Council—it is based in the town of St George in south-western Queensland—they said that 73 per cent of the council's revenue comes from the federal government. Is that typical?</p> <p>Mr M Brennan: I doubt that is typical, but it may be typical of a rural council with a relatively low rates base. Some metropolitan councils would have a higher proportion of their revenue coming from—</p> <p>Senator ROBERTS: State and local?</p> <p>Mr M Brennan: Well, from their own rates.</p>	Treasury Group - Macroeconomic Conditions Division	Pg 78 - 79; Monday 29th May	SQ17-000582
236	4	Whish-Wilson	Inequality	<p>The OECD's March 2017 Economic Survey of Australia stated: ...households in upper income brackets have benefited disproportionately from Australia's long period of economic growth. Real incomes for the top quintile of households grew by more than 40% between 2004 and 2014 while those for the lowest quintile only grew by about 25%."</p> <ol style="list-style-type: none"> 1. Is this part of a longer term trend? 2. What impact is growing inequality having on Australia's economic performance? 3. How is growing inequality being felt across demographics, and in particular is it impacting more upon the young or the old? 4. What measures in this budget address inequality? 	Treasury Group - Social Policy Division	Written	SQ17-000583

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237	5	Ketter	Penalty Rate Cuts	<p>1. Given the Fair Work Commission handed down its decision on the transition period for the penalty rate cuts from 1 July 2017, will Treasury now include the effect of that for the purposes of its wage forecasts and projections, and any other related economic parameter?</p> <p>2. If not, why not?</p> <p>3. What is the impact of the rate cuts, over the transition period, to the wages forecasts and projections in the 2017-18 Budget?</p> <p>4. What will the dollar figure resulting from the change to the wages forecasts and projections taking into account the transition period for the penalty rate cuts?</p> <p>5. Will they be updated for the 2017-18 MYEFO?</p>	Treasury Group - Macroeconomic Conditions Division	Written	SQ17-000584
238	2	Ketter	Penalty Rates	<p>rates cut, or the fact of that decision of the Fair Work Commission, been taken into account in, particularly, that figure of 3.75 per cent in 2021?</p> <p>Mr Ray: Adding the projections: that is not the way that they are put together. The wage price index prediction is built out of where the unemployment rate and conditions of the labour market are.</p> <p>Senator KETTER: What about the forecast years?</p> <p>Mr Ray: We do take more finer detail into account in the forecast years.</p> <p>Senator KETTER: In which case, had there not been a decision of the Fair Work Commission, that would have an impact on those forecasts. Is that correct?</p> <p>Mr Ray: The issue is—</p> <p>Senator KETTER: My question has a yes or no answer.</p> <p>Mr Ray: I do not think it is a yes or no answer. As I tried to explain earlier, and obviously I did not get it quite right, the detail of the transitional arrangements will matter and we have not got that yet.</p> <p>Senator Cormann: You are trying to get an answer in relation to something where not all of the ingredients are available yet, and it is going to be a matter for the independent Fair Work Commission, which was, of course, set up independently by the former government with a formal ACT official in charge of it. We have to wait until they provide us with the relevant information.</p> <p>Senator McALLISTER: Given that last answer, Minister Cormann, are we to understand, then, that the forecasts do not include information about the penalty rate cut because, as you explained, the transitional arrangements are yet to be finalised?</p> <p>Senator Cormann: The forecasts are based on the best available information at this point in time, which is what we have consistently said all morning. It is the best possible forecast. It is the best available forecast based on the information available to us. It takes into account an assessment of labour market conditions. We went through this, in some detail, in the estimates period in February and March; we went around that same debate then.</p> <p>Mr Ray: The way I would put it is that the forecasts are consistent with a full implementation of the</p>	Treasury Group - Macroeconomic Conditions Division	Pg 43 - 44; Monday 29th May	SQ17-000585
239	1	Roberts	Support sustainable Australian Government finances	<p>Given expenditures and tax rates are increasing and the lack of free market reforms, is it the case that the government's predictions for budget surplus by the 2020s rely on very unrealistic economic growth assumptions?</p>	Treasury Group - Macroeconomic Conditions Division	Written	SQ17-000642
240	1	Ketter	Underemployment	<p>Senator KETTER: Turning to the issue of underemployment, can you tell us what the extent and distribution is of underemployment?</p> <p>Mr Ray: Underemployment is 8.7 per cent as measured by the ABS.</p> <p>Senator KETTER: The distribution?</p> <p>Mr Ray: How do you mean 'distribution'? Do you mean across the country?</p> <p>Senator KETTER: Yes.</p> <p>Mr Ray: We would need to have a look at that for you.</p> <p>Senator KETTER: Essentially, the number of people who say they wished they worked more hours than they currently work, you are saying, is 8.7 per cent.</p> <p>Mr Ray: As at the quarter to February. The most recent data is for the quarter to February this year.</p>	Treasury Group - Macroeconomic Conditions Division	Pg 44; Monday 29th May	SQ17-000586

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241	5	Whish-Wilson	Wages growth	<p>The OECD's March 2017 Economic Survey of Australia stated: Wage growth has been at record lows partly because of ongoing slack in the labour market, including in part-time employment where many employees wish to work longer hours."</p> <p>1. Is this analysis by the OECD correct? 2. Is this part of a longer term trend? 3. What impact is underemployment having on Australia's economic performance? 4. What measures in this budget address underemployment? 5. What will be the impact on the budget if, as has been the case in prior years, wages growth is 2%?</p>	Treasury Group - Macroeconomic Conditions Division	Written	SQ17-000587
242	20	Pratt	'Repo Eligible' (Repurchase Eligible) scheme	<p>Minister please advise with regard to a recent date or dates, as follows:</p> <p>a. When was this scheme commenced? b. What statutory authority established it? c. How many lenders or similar parties have lodged claims under it? d. In aggregate how many individual mortgages were involved e. With respect to a recent date, will the Minister provide: i. A list of all corporations or trading or other entities that have been recipients of payments made under said scheme? ii. The number of claims made and number paid iii. The total value in aggregate paid out to each of the largest four banks, and all other claimants? iv. The source of the funds paid out. f. What is the average amount of money paid out in respect of each claim (relating to an assertion of Default in respect of an individual Borrowing entity) under the scheme to recent date. g. What is the total amount of money paid out in respect of the scheme to date ? h. What audits or other safeguards are in place to ensure that each claim is for the correct amount ? i. What processes are in place to ensure that monies claimed are directly linked in the particular case to the quantum of: i. The monies remaining owing under the client loan agreement ? ii. The quantum of the sworn valuation related to the granting of the loan, or any subsequent sworn valuation ? j. Overall, in the aggregate of all claims paid pursuant to said Repo Eligible Scheme, expressed in Australian dollar values, what is the total of all money paid pursuant to said scheme, and all money allegedly owed by the borrowers whose dealings and directly related alleged default precipitated the claims at the time of the Repo Eligible claim, or at the time of the default being asserted by the lender or its assignee. k. With respect to Australian securitisation schemes generally, which government or semi</p>	Treasury Group - Macroeconomic Modelling and Policy Division	Written	SQ17-000588
243	1	Roberts	Consumer Price Index (CPI)	<p>Is it the case that such money-supply-inflation has been the key driver, at least on the demand-side of the economy, of the rising Consumer Price Index (CPI) in recent decades?</p>	Treasury Group - Macroeconomic Modelling and Policy Division	Written	SQ17-000589
244	1	Roberts	Money Supply & Inflation	<p>Is it the case that the money supply has been irresponsibly & unaccountably inflated (not unlike the irresponsible but transparent Quantitative Easing by the Federal Reserve in the USA for the past decade) for decades by the duopoly of Liberal-National & Labor-Greens governments through some combination of the government-owned-monopoly of the Reserve Bank of Australia (RBA) & government-backed-cartel of the Four Pillar Banks?</p>	Treasury Group - Macroeconomic Modelling and Policy Division	Written	SQ17-000590
245	1	Roberts	Residential Property Price Index (RPPI)	<p>Is it the case that such money-supply-inflation has been the key driver, at least on the demand-side of the economy, of the rising Residential Property Price Index (RPPI) in the past decade?</p>	Treasury Group - Macroeconomic Modelling and Policy Division	Written	SQ17-000591

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246	6	Ketter	Senate Estimates briefing	<ol style="list-style-type: none"> 1. When did drafting of Senate Estimates briefing for the Ministers representing the Treasurer, and all Senior Executive Service staff listed on the witness list from Treasury begin? 2. How many Senate Estimates briefing packs were produced? 3. How many topics were included in the Senate Estimates briefing packs? 4. Who cleared the briefing for Senate Estimates? 5. Did anyone in an office of a Treasury portfolio minister clear briefing notes? 6. When were the Senate Estimates briefing packs delivered to the offices of Treasury portfolio ministers? 	Treasury Group - Parliamentary and Legal Services Division	Written	SQ17-000592
247	2	Roberts	Secretary Annual Salary	<p>Senator ROBERTS: The cost of living is an issue that is hurting a lot of people amongst our constituents in Queensland and across Australia, especially in the underemployed that you mentioned in your comments. Could you give me your salary, including all entitlements and allowances, please?</p> <p>Senator Cormann: I think that the salary of secretaries is actually published. I do not precisely know what it is, but the Remuneration Tribunal sets the salaries and relevant allowances of secretaries. I am pretty sure that that is actually published on the website of the Remuneration Tribunal. If it assists, I am happy to get you a copy of the relevant determination.</p> <p>Senator ROBERTS: Okay, thank you—and all of the positions in Treasury that earn a salary of more than \$250,000 or more, including entitlements.</p> <p>Senator Cormann: We will have to take that on notice to see how we can assist you with that.</p>	Treasury Group - People and Organisational Strategy Division	Pg 37; Monday 29th May	SQ17-000596
248	7	Ketter	Senate Estimates training	<ol style="list-style-type: none"> 1. Did any Treasury staff participate in Senate Estimates training prior to the 2017 Budget Estimates round? 2. If so, how many? 3. When were the training sessions held? 4. Where were these training sessions held? 5. Who conducted these training sessions? 6. What was the cost of the contract to conduct these training sessions? 7. For how long have Treasury staff participated in Senate Estimates training? 	Treasury Group - People and Organisational Strategy Division	Written	SQ17-000597
249	5	Cameron	Budget Measure 17/18 - Reducing barriers to downsizing	<ol style="list-style-type: none"> 1. This measure has been costed at \$30 million over the forward estimates. How has that cost been arrived at? 2. How many households is this measure expected to encourage to downsize over the forward estimates? 3. What is the assumed increase in the effective supply of housing that this measure is expected to generate? 4. For a couple, what does this measure take their combined maximum concessional superannuation contribution cap to? 5. How does this measure assist a single person or a couple on the age pension to downsize? 	Treasury Group - Retirement Income Policy Division	Written	SQ17-000508
250	1	Roberts	Commonwealth Superannuation Corporation	Is it the case that Superannuation doesn't actually belong to the people contributing but to the government through the primary agency given responsibility for this area being the Australian Tax Office (ATO)?	Treasury Group - Retirement Income Policy Division	Written	SQ17-000641
251	1	Ketter	First Home Super Saver Scheme	1. Can you outline the reasons why an estimate of the actual number of individuals who would downsize was not necessary in order to conduct the costing?	Treasury Group - Retirement Income Policy Division	Written	SQ17-000598

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252	1	Ketter	First Home Super Saver Scheme	<p>Senator KETTER: Mr Jordan, I want to go firstly to the issue of First Home Super Saver Scheme. This is a measure that you are responsible for?</p> <p>Mr Jordan: I will hand over. I think we will administer it, yes.</p> <p>Senator KETTER: In terms of your capacity to administer it, there seem to be only two mentions in the measures affecting the ATO in the portfolio budget statement. Can you tell us why that is the case?</p> <p>Mr O'Halloran: I am not sure I understand your question in terms of—</p> <p>Senator KETTER: In the portfolio budget statement for the ATO, under the budget there is no specific mention of this measure—apart from a couple of line items in the table.</p> <p>Mr Jordan: Are you asking me whether we have resources to do it?</p> <p>Senator KETTER: Why are there no specific performance measures in relation to this measure?</p> <p>Mr Jordan: I am not sure I can comment on budget papers. I may be incorrect, but it is a new measure. We are working on the administration elements subject to policy arrangements. I cannot answer your question. I might have to take it on notice.</p> <p>Senator KETTER: There are no performance measures for this particular measure—perhaps that is a question for the Revenue Group?</p> <p>Ms Mrakovcic: Superannuation actually falls under the Fiscal Group. I believe that superannuation was dealt with at yesterday's hearings. I am happy to take the question on notice and pass it to my colleague Mr Brennan.</p> <p>Senator KETTER: You do not, at the present time, have any specific performance measures in relation to this matter you are going to be administering?</p> <p>Mr O'Halloran: From my point of view, since the announcement in the budget, we have certainly been working on it, with Treasury obviously leading the consultation and the design—subject to the final policy and legislative settings. That has been our focus in the weeks since the budget.</p>	Treasury Group - Retirement Income Policy Division	Pg 22; Tuesday 30th May	SQ17-000614
253	6	Ketter	Budget Lockup	<ol style="list-style-type: none"> 1. Was this statement by the Secretary of the Treasury a statement of policy that had been agreed by any other senior executive in the Treasury ,the Treasurer, or staff in the Treasurer's office: 'So we will look into the lockups going forward, and it will come at a cost, of having iPads issued for everybody. They will not be able to take in an iPad or a laptop. That will be a Treasury iPad, and people would be able to prepare their story and reports onto the USB that they can then take out and plug into their own ones when they come out.' 2. If it was, when was this decided? 3. If not, can you explain why the Treasury said this? 4. What prompted the Treasury to release a media release later that day which essentially said the Treasury Secretary was not right and that 'Budget lock-up security measures are currently being reviewed' with 'the final form and arrangements will be decided in conjunction with the Treasurer's office.' 5. Who did Treasury consult with prior to that media release going out? 6. Was Treasury, or the Treasurer, or the Treasurer's office contacted by any media organization in relation to the Treasury Secretary's statement about lock-up arrangements? 	Treasury Group - Secretary's Office	Written	SQ17-000599

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254	25	Ketter	Advertising Campaign – Giving Small Business a Big Future	<p>Big Future'. The 2017-18 Budget indicated the Government has set aside \$15 million for the campaign.</p> <p>1. What is the total funding allocated for the Government's 'Giving Small Business a Big Future' campaign?</p> <p>a. Do you anticipate the entire funding allocation will be expensed before the end of the 2017-18 financial year?</p> <p>b. If not, when do expect the full quantum of funding to be exhausted by?</p> <p>2. What online presences are being maintained as a part of this campaign?</p> <p>a. Dedicated website? Including on Treasury.gov.au.</p> <p>b. Facebook page?</p> <p>c. Twitter presence?</p> <p>d. Youtube page?</p> <p>e. Any other platform? Please list.</p> <p>3. Is the department tasked with updating those web presences? If not, is it updated by an external group? Who?</p> <p>4. Can you provide a breakdown of the advertising expenditure used to promote this campaign by medium:</p> <p>a. Free to Air television?</p> <p>b. Subscription television?</p> <p>c. Radio ads?</p> <p>d. Facebook ads (Sponsored ads and boosted posts)?</p> <p>e. Google AdWords?</p> <p>f. Print media?</p> <p>g. YouTube ads?</p> <p>h. Posted mail?</p> <p>i. Any other platform? Please list.</p>	Treasury Group - Small Business and Consumer Division	Written	SQ17-000600
255	1	Rhiannon	CSIRO voluntary code	<p>Senator RHIANNON: I have a question on the CSIRO voluntary code, so I will just ask that. The CSIRO voluntary code of practice for free range egg-stocking densities has been at 1,500 per hectare for quite a while. Do you know for how long that has been in place and does it still exist, or has the government done away with it? I know that it is not your area of work, but, considering Treasury has been giving advice on this, I would have assumed that you would have gained advice from within government. What I am trying to determine is what advice you have gained from other departments that you have then based your recommendations on.</p> <p>Ms Martin: As you said, we are not responsible for the model code for poultry. I understand that that is being reviewed at the moment. In terms of how long it has been in place for, I would need to refer that question probably to the department of agriculture.</p>	Treasury Group - Small Business and Consumer Division	Pg 84; Tuesday 30th May	SQ17-000601
256	3	Rhiannon	Free-range Egg information standards	<p>Senator RHIANNON: How much contact did Treasury have with representatives of Egg Farmers of Australia and the Australian Egg Corporation regarding the development of the standard?</p> <p>Ms Martin: They were consulted in the development of the standard.</p> <p>Senator RHIANNON: When were you meeting with them?</p> <p>Ms Martin: I would have to take that on notice.</p> <p>Senator RHIANNON: Was it between the end of 2015 and leading up to March 2016?</p> <p>Ms Martin: There would have been several meetings. I am not sure of the dates. I would have to take it on notice.</p> <p>Senator RHIANNON: Did the Minister for Agriculture and Water Resources, or representatives of the minister, discuss the proposed information standard with small-business minister, Michael McCormack; Minister Kelly O'Dwyer; or any of your staff during this period?</p> <p>Ms Martin: I am not aware of any discussions of that nature. I would have to take that on notice as well.</p>	Treasury Group - Small Business and Consumer Division	Pg 82; Tuesday 30th May	SQ17-000602

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257	3	Rhiannon	Free-range Egg information standards	<p>Senator RHIANNON: Just to finish up: when you are undertaking this work, I imagine you are looking at other jurisdictions. Have you come across any other jurisdictions which determine that 'free range' can be a stocking level up to 10,000?</p> <p>Ms Martin: Other jurisdictions?</p> <p>Senator RHIANNON: Other countries.</p> <p>Ms Martin: I am not aware of any other countries that have a maximum stocking density of 10,000 hens per hectare.</p> <p>Senator RHIANNON: Did you look at other countries?</p> <p>Ms Martin: I am aware that there are different stocking density levels in our countries, yes.</p> <p>Senator RHIANNON: What are they—the ones that you looked at?</p> <p>Ms Martin: I would have to take that on notice.</p> <p>Senator RHIANNON: Do you know of any free range egg accreditation scheme in other countries and what their maximum is?</p> <p>Ms Martin: We would have looked at those things in informing consumer affairs ministers, but I would have to take on notice what they actually are.</p> <p>Senator RHIANNON: I imagine you would agree that it would be very significant, considering that the most controversial aspect of this whole decision was the maximum level. You would have information on it. Is that correct?</p> <p>Mr Lonsdale: What Ms Martin is saying is that we would have information. You are right, Senator. These are the sorts of issues that would be brought to ministers attention in making decisions, but we do not have a comprehensive list of acreage for free range hens across countries here. If you would like that, we are happy to take that on notice.</p>	Treasury Group - Small Business and Consumer Division	Pg 84; Tuesday 30th May	SQ17-000603
258	6	Ketter	Increased penalties for breaching the Australian Consumer Law	<ol style="list-style-type: none"> 1. The Government has announced it will increase the penalties for breaching the Australian Consumer Law from \$1.1 million to \$10 million. The Budget is silent on the likely revenue gains from this measure. How long had Treasury been working on this measure? 2. Did anyone in The Treasury or the Department of Finance prepare a costing on how the likely revenue gains from this measure? 3. If not, why was no costing prepared given the PBO prepared a costing for Labor on this measure for the forward estimates from 2015-16 that delivered a quantified amount of revenue? 4. Does the Consumer Law-related fine revenue go into consolidated revenue? 5. Does the Australian Competition and Consumer Commission receive a share of the increased fine revenue? 6. If so, what is the process of determining what extra revenue the ACCC gets? 	Treasury Group - Small Business and Consumer Division	Written	SQ17-000518

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259	3	Ketter	Keep Me Posted Campaign	<p>Senator KETTER: I would like to go to the campaign which is called Keep Me Posted, which is in relation to a campaign initiated by the shadow minister for consumer affairs. It is about vulnerable consumers who are required to pay extra for statements, bills and accounts being sent by mail rather than electronically. In a speech in the other place, the member for Mackellar indicated that the Minister for Small Business has advised that he has tasked Treasury with reviewing regulatory arrangements around fees for paper bills, with the view to identifying scope for regulatory reform. When did Treasury receive the request from the minister to explore this issue?</p> <p>[...]</p> <p>Ms Martin: In the last few weeks, we have had discussions with the minister's office and they have indicated that the minister would like us to review the current laws such as the Australian Consumer Law and how that applies to this area.</p> <p>Senator KETTER: Are you able to give me a specific date for the initiation of that?</p> <p>Ms Martin: I would have to take that on notice.</p> <p>[...]</p> <p>Senator KETTER: What consultation has Treasury or the minister or the minister's office conducted in relation to this issue?</p> <p>Ms Martin: I met with Keep Me Posted yesterday and I understand the minister has met with Keep Me Posted a number of times.</p> <p>Senator KETTER: Can you provide the dates for those on notice?</p> <p>Ms Martin: Yes.</p>	Treasury Group - Small Business and Consumer Division	Pg 88; Tuesday 30th May	SQ17-000604
260	7	Ketter	Paper Bills	<p>1. In a speech to the House responding to a private member's motion by the Shadow Minister for Consumer Affairs Tim Hammond, Jason Falinski (Member for Mackellar) indicated that the Minister for Small Business had informed him that the Minister had tasked Treasury with reviewing regulatory arrangements around fees for paper bills with the view to identifying scope for regulatory reform.</p> <p>a. When did the Treasury receive the request from the Minister to explore this issue?</p> <p>b. What is the nature of Treasury's work on this issue?</p> <p>c. What resources – human and financial – is Treasury devoting to this work?</p> <p>d. What is the due date nominated by the Minister or his office by which Treasury must report on their work?</p> <p>e. What consultation has Treasury or the Minister or the Minister's office conducted or plans to conduct in relation to this issue?</p> <p>f. Has Treasury briefed the Minister or the Minister's office on this issue? If so, when, and what was the nature of the briefing? Can a copy be provided?</p> <p>g. Does Treasury intend to take this issue to state and territory ministers through the COAG or CAANZ processes?</p>	Treasury Group - Small Business and Consumer Division	Written	SQ17-000605

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261	14	Ketter	Small Business Information Campaign	<p>1. What is the breakdown of that \$15 million over the two years, is it even? If not, what are the dollar amounts for each year?</p> <p>2. When is the campaign set to finish?</p> <p>3. Over what forms of media is this campaign being run?</p> <p>4. Was this campaign provided to the Department of Finance for approval? If not, why not?</p> <p>5. Do you think there is low awareness of all of these programs in the small business community? Why do you think that is the case?</p> <p>6. The measure includes a number of programs featured in the campaign.</p> <p>a. How many of these programs have been implemented?</p> <p>b. How many of these programs are yet to be implemented?</p> <p>c. How many of these programs require legislation to be implemented, and have these pieces of legislation been introduced into the Parliament?</p> <p>d. Out of the \$5.8 billion claimed as part of red tape reduction, has all of that \$5.8 billion been implemented?</p> <p>7. What is the difference between this measure, and the 2015-16 Budget measure titled “Free Trade Agreement Promotion”, which provided \$24.6 million to “promote business understanding of the recently concluded Free Trade Agreements in North Asia and to assist businesses to access and maximise their benefits under these agreements”?</p>	Treasury Group - Small Business and Consumer Division	Written	SQ17-000606
262	2	Gallagher	Small Business Roadshow	<p>the Minister for Small Business. This might be a question for one of your colleagues. Have you been doing that by invitation from the minister or have you had involvement in organising the roadshows?</p> <p>Ms Lendon: We have been doing a range of roadshows, of which one is by invitation of the Minister for Small Business to participate in and come along with information, support and guidance about the sorts of products that we have that support small business. So we have those, but we have also had other community forums that we have participated in, which we have organised ourselves, where we link with local chambers of commerce and so on to provide information and show people the support and guidance that we have.</p> <p>Senator GALLAGHER: I am specifically interested in the Small Business Roadshows that Minister McCormack has been holding. You have just participated in those. Is it Treasury who would organise those meetings? Would it be the Markets Group? Who supports the Minister for Small Business?</p> <p>Mrs Purvis-Smith: I would say that it would be either Markets Group or Corporate Group.</p> <p>Senator GALLAGHER: What resources do you provide to these Small Business Roadshows? How many people attend?</p> <p>Ms Lendon: I would have to take that on notice, but we normally have at least one or two people go along. It will cover issues like our debt area, and it will cover areas around small business topics—so experts who work on advice products and things like that. It also covers supporting products so that we can demonstrate those to people as well. I cannot say exactly how many attend, but it would be a handful of people. We normally draw from the area that is closest to where the event is being held. So we draw our staff from the local area so that we minimise any costs of travel and things like that.</p> <p>Senator GALLAGHER: Could take on notice the resources given to that and also how many of them you have attended. I think there have been over 30. Can you tell me whether you have attended all of them. That would be useful...</p>	ATO	Pg 38; Tuesday 30th May	SQ17-000476

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263	5	Gallagher	Small Business Roadshow	<p>Senator GALLAGHER: Do you attend the roadshows? Mr Boneham: No. Senator GALLAGHER: Interesting. Who pays for them? Mr Boneham: I think you will need to confirm that with the minister's office. We are going to take that on notice. My understanding is that the ACCC, the ATO and the ombudsman will pay for their airfares. I think that was confirmed today by the ATO— Senator GALLAGHER: I think they took it on notice. Mr Boneham: when they said that they try to send their staff members around the general area to cut down costs. I imagine that the issue for the small business minister's office is coming out of his budget. Senator Cormann: The Small Business Roadshow is, of course, a policy forum designed to provide assistance and support to small business. It is a very valuable platform for the minister and agencies to gain feedback and ideas to inform the policymaking process. Senator GALLAGHER: Yes. What do you mean when you say, 'His budget'? Is there a separate ministerial budget for hire venue costs? Mr Boneham: I will take that on notice, but we are not involved in funding any of that expenditure. Senator GALLAGHER: So you do not print any of the materials? Mr Boneham: No, I do not think we have been asked to print any of those either. Senator GALLAGHER: It is an unusual arrangement, isn't it? They are promoted as official government forums with government public servants there. Senator Cormann: Well, they are. Senator GALLAGHER: I am just interested in the administrative unit that supports the work. Senator Cormann: If you want to get further details on the administrative arrangements, we have already indicated that we will provide that information on notice. It is an official government event. It is a policy development forum.</p>	Treasury Group - Small Business and Consumer Division	Pg 84 - 85; Tuesday 30th May	SQ17-000607
264	10	Gallagher	Small Business Roadshow	<p>Michael McCormack MP, the Small Business Minister has been holding a series of forums and roundtables that his portfolio media releases and social media refer to as a 'Small Business Roadshow'.</p> <p>In response to a Question on Notice placed by Senator Ketter (#300) in the 2017 Additional Estimates hearings, Treasury indicated that 17 towns and cities had hosted a 'Small Business Roadshow' event.</p> <p>1. Can Treasury or the Minister's office please provide an updated list of towns and cities that have now hosted a 'roadshow' event? Please also indicate at which Roadshow events the ACCC, ATO or ASBFEO has been present.</p> <p>2. Additionally, can Treasury or the Minister's office list Members and Senators who have co-hosted or attended these events?</p> <p>3. What is the process for inviting members and Senators to attend or co-host these events?</p> <p>4. On 26 April 2017 Minister McCormack held a roadshow event in Parramatta, NSW in the federal electorate of Parramatta.</p> <p>a) Was the local sitting federal member invited to this invite? b) If so, when and by what means?</p> <p>5. On 27 April 2017 Minister McCormack held a roadshow event at Seven Hills, NSW in the federal electorate of Greenway.</p> <p>a) Was the local sitting federal member invited to this invite? b) If so, when and by what means?</p>	Treasury Group - Small Business and Consumer Division	Written	SQ17-000608
265	1	Roberts	Affordable Housing	<p>Noting that money supply inflation (on the demand side) and land restriction regulation (on the supply side) mainly drive up housing prices, is there a plan to tackle these two key drivers of unaffordable housing?</p>	Treasury Group - Social Policy Division	Written	SQ17-000640

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266	1	McAllister	Balancing the Future Strategy	<p>Senator McALLISTER: I am going to give it a fourth go. I am hopeful that I will be able to ask about whether Treasury is conducting an examination of the tax-transfer system, and its impact on women and their families.</p> <p>Senator Cormann: I thought you already answered that?</p> <p>Senator McALLISTER: I think he said no.</p> <p>Mr M Brennan: No.</p> <p>Senator McALLISTER: The APSC released a gender equality strategy called 'Balancing the future', and it contains a section about the G20 commitment we have made about increasing women's workforce participation and what action is being undertaken by government to achieve the target. One of the actions is, 'The government is taking action to boost women's workforce participation by examining the tax-transfer system, and its impact on women and their families.' So is that work not yet being commenced?</p> <p>Mr M Brennan: It is not underway that I am aware of, within the Treasury.</p> <p>Senator Cormann: Within the Treasury. I seem to—</p> <p>Senator McALLISTER: Well, I asked the Minister for Women and she said it was being done by Treasury.</p> <p>Senator Cormann: No, I seem to recollect that you were asking some questions about this in PM&C.</p> <p>Senator McALLISTER: I was. They referred me to you.</p> <p>Senator Cormann: Indeed. So Mr Brennan has given you the answer for Treasury.</p> <p>Senator McALLISTER: That is great, because the Minister for Women said ask Treasury, and Treasury says they are not doing it.</p> <p>Senator Cormann: We might take on notice, because as outstanding as Mr Brennan is, he might not be aware of every last bit that is happening within the Treasury. So we might just take on notice to see whether we can further add to that answer, having gone through it.</p>	Treasury Group - Social Policy Division	Pg 51; Monday 29th May	SQ17-000609
267	5	Cameron	Budget Measure 17/18 - Encouraging managed investment trusts to invest in affordable housing	<ol style="list-style-type: none"> 1. Are there any existing Managed Investment Trusts that would derive 80% or more of their assessable income from affordable housing? 2. If not, is this measure intended to stimulate the creation of new MITs that will derive 80% or more of their assessable income from affordable housing? 3. What consultation has occurred in relation to this measure? By whom? Who with? 4. Is this measure designed to stimulate the establishment of a "build to rent" affordable housing model similar to that which exists in the UK? 5. How many new affordable rental dwellings is this measure likely to create over the forward estimates and over the next ten years? 	Treasury Group - Social Policy Division	Written	SQ17-000610
268	6	Cameron	Budget Measure 17/18 - National Housing Infrastructure Facility	<ol style="list-style-type: none"> 1. Please provide examples of the types of local government infrastructure for which financial assistance will be available under the NHIF? 2. In which areas or regions do local governments provide power infrastructure? Do local governments in metropolitan areas provide power infrastructure? 3. Is it envisaged that the fund will provide finance for renewable energy generation? 4. How has the composition of the fund between concessional loans, grants and equity investments in the fund been arrived at? 5. Is the Fund intended to generate reductions in the cost of new housing? 6. If so, how will the Fund ensure that cost reductions are passed on to homebuyers? 	Treasury Group - Social Policy Division	Written	SQ17-000611

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269	7	Cameron	Budget Measure 17/18 - National Housing Infrastructure Facility: Consultations on eligibility criteria	<ol style="list-style-type: none"> 1. The fact sheet states that the eligibility criteria for assistance and other requirements will be informed through consultations. <ol style="list-style-type: none"> a. Will the consultations be conducted by Treasury? b. Is there a timeframe? When will consultations commence? When will they conclude? c. Who will be consulted? 2. The board of the National Housing Finance and Investment Corporation will be assessing applications for finance from 1 July 2018, which is also the date on which NHFIC will commence operations. Will program guidelines be ready by 1 July 2018 so that the NHFIC board can assess applications against them? 3. Who will develop the Fund guidelines? 4. Will the Fund be subject to ANAO oversight? 	Treasury Group - Social Policy Division	Written	SQ17-000503
270	5	Cameron	Budget Measure 17/18 - National Housing Infrastructure Facility: Equity Investments	<ol style="list-style-type: none"> 1. An equity investment usually involves a return on funds invested. Will NHIF equity investments in local government infrastructure be required to make a return on the investment? 2. What would be an acceptable rate of return on equity investments in local government infrastructure? 3. What investment rules will apply to equity investments by the NHIF? 4. If equity investments by NHIF in local government infrastructure aren't required to make a return on equity, aren't they more accurately described as grants? 5. Please provide examples of the type of local government infrastructure which would be suited to equity investments by NHIF. 	Treasury Group - Social Policy Division	Written	SQ17-000504
271	5	Cameron	Budget Measure 17/18 - National Housing Infrastructure Facility: Fund Governance	<ol style="list-style-type: none"> 1. Why is the NHIF going to be administered by the National Housing Finance and Investment Corporation rather than the Department of Infrastructure and Regional Development? 2. The fact sheet included among the Budget papers for this measure states that applications for assistance "will be assessed by the independent board of the National Housing Finance and Investment Corporation". Is that correct? 3. The fact sheet also states that, "The government will be able to direct the NHIF to invest in particular projects where this addresses a significant housing supply issue." Doesn't that mean the NHFIC board won't be independent? 4. What effect could a perception of a lack of NHFIC board independence have on investor confidence in the affordable housing bond issues which will be the core business of the NHFIC? 5. In what circumstances would the government direct the NHIF to invest in a particular project? 	Treasury Group - Social Policy Division	Written	SQ17-000505
272	4	Cameron	Budget Measure 17/18 - National Housing Infrastructure Facility: Grants	<ol style="list-style-type: none"> 1. The fact sheet accompanying the Budget announcement says the NHIF will be available to finance site remediation works. Would site remediation works be funded by grants, equity investments or loans? 2. Would the remediation of the former ADI Maribyrnong site be eligible for funding assistance by the NHIF? 3. If so, why wouldn't the cost of remediation of the Maribyrnong site be booked as a cost to the Department of Defence, since it's their land? 4. Have any estimates been made of the costs of remediating the former ADI site at Maribyrnong? If so, what are the estimated costs? 	Treasury Group - Social Policy Division	Written	SQ17-000506
273	3	Cameron	Budget Measure 17/18 - New National Housing and Homelessness Agreement: Aggregate housing supply targets	<ol style="list-style-type: none"> 1. Aggregate supply targets for new housing under the National Housing and Homelessness Agreement to commence in 2018-19 is identified in the budget papers as a priority issue. Will these targets include targets for owner occupied housing, public housing and affordable rental housing? 2. How will targets be arrived at? 3. What research and evidence will be utilised to establish the level of shortages and the targets required to meet housing shortfalls? 	Treasury Group - Social Policy Division	Written	SQ17-000612

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274	4	Cameron	Budget Measure 17/18 - New National Housing and Homelessness Agreement: Renewal of public housing stock and transfers to the community housing sector	<p>1. What is meant in the Fact Sheet accompanying this measure by ‘renewal’ of public housing stock? Does it mean the creation of new stock, replacement of public housing stock transferred to community housing or maintenance of existing stock?</p> <p>2. The focus of the government in relation to the affordable housing measures in the Budget seems to be entirely on affordable housing and key worker housing for low to moderate income earners. Where does the budget focus on people with high needs; the working poor and people on income support who are on public housing waiting lists?</p> <p>3. Is it the government’s position that the NHHA will make up for long-term shortfalls in investment by the States in their public housing stock?</p> <p>4. By what mechanism would the NHHA facilitate transfers of public housing stock to the community housing sector?</p>	Treasury Group - Social Policy Division	Written	SQ17-000507
275	9	Ketter	Charge on foreign owners of underutilized residential property	<p>1. Who will be responsible for monitoring this measure?</p> <p>2. Does Treasury have any involvement in the implementation and operation of this measure?</p> <p>3. Can you outline specifically how you will be able to determine whether the property is not occupied?</p> <p>4. Can you outline specifically how you will be able to determine whether the property is not genuinely available on the rental market?</p> <p>5. You have assumed revenue of \$20 million over the forward estimates – in this costing what is the assumption for the average charge that would be paid, and the numbers of foreign owners that would have to pay this charge?</p> <p>6. What is the assumption in the costing, over the forward estimates for the numbers of vacant properties attributable to foreign owners? Do you have a state-by-state background?</p> <p>7. Do you have figures for the total number of vacant properties in Australia? Do you have a state-by-state background?</p> <p>8. What is the behavioural assumption that has been made in this measure for foreign owners of residential property that would make their properties available for rent – that is, from this measure, what is the number of increased dwellings assumed as a result of this measure?</p> <p>9. Did you consult with the States and Territories in relation to this measure?</p>	Treasury Group - Social Policy Division	Written	SQ17-000613
276	1	Gallagher	GAP Taskforce meeting dates	<p>Senator GALLAGHER: It was, from my reading of it, though, looking at pretty significant changes to the way a large area of Commonwealth expenditure was being spent. No alarm bells went off to alert your masters to what was being discussed?</p> <p>Mr M Brennan: It was only discussed in the most general terms.</p> <p>Senator GALLAGHER: You then tell me that you have attended four meetings?</p> <p>Ms V Wilkinson: Actually I think I said three, but I recall—</p> <p>Senator GALLAGHER: But then Mr Brennan went to one, so you went to one together?</p> <p>Ms V Wilkinson: I went to one with Mr Brennan. Sorry; I think it was actually two. I think we were invited to a third, but we did not attend.</p> <p>Senator GALLAGHER: When was the first one?</p> <p>Ms V Wilkinson: I do not know when the GAP task force started, but the first time that Treasury attended was, I think, early spring. We can come back to you. It was late winter, early spring last year.</p> <p>Senator GALLAGHER: So 12 months ago or so?</p> <p>Ms V Wilkinson: Yes.</p> <p>Mr M Brennan: We will check the date.</p> <p>Senator GALLAGHER: If you could take that on notice, that would be good.</p> <p>Ms V Wilkinson: Yes.</p>	Treasury Group - Social Policy Division	Pg 54; Monday 29th May	SQ17-000615

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277	1	Bushby	Homelessness Funding Agreement	<p>Senator BUSHBY: So those two allocations of funds are being combined into one. Is there any cut, in effect, between the two, or is the full amount of both of those allocations now in that one fund?</p> <p>Mr M Robinson: As Mr Brennan indicated, it comes from the rolling in of the existing \$1.3 to \$1.4 billion under the national affordable housing specific-purpose payment and then the additional \$375 million of homelessness funding. Currently, the homelessness agreement expires on 30 June 2018, so that \$375 million is basically an extension of that homelessness funding which will be ongoing. That is new funding. In addition, the government has taken the decision to index the homelessness funding, so that will also be indexed ongoing.</p> <p>Senator BUSHBY: So it would be fair to say then that not only is there not a cut but Commonwealth housing and homeless funding has actually had an increase.</p> <p>Mr M Robinson: That is correct.</p> <p>CHAIR: Can I clarify? Is that indexed by CPI or indexed by wages?</p> <p>Mr M Robinson: That is a good question. It is not CPI; it is a composite index. There is a specific—</p> <p>CHAIR: That is all right. If you could take it on notice, that would be fine.</p> <p>Mr M Robinson: I can take that on notice. It is a composite index that takes account of CPI and some portion of wages growth.</p> <p>CHAIR: Yes. Thank you.</p>	Treasury Group - Social Policy Division	Pg 61; Monday 29th May	SQ17-000616
278	2	Hume	Hospital Funding	<p>a couple of your questions with the panel and with the minister. Is it fair to say that the Medicare Guarantee Fund means that the MBS and the PBS will effectively have first call on the resources of the government?</p> <p>Senator Cormann: Yes, that is right.</p> <p>CHAIR: That is what the guarantee fund is. How much will be credited to the fund in the forward estimates period?</p> <p>Mr M Brennan: It is in the order of \$34 billion a year.</p> <p>CHAIR: \$34 billion.</p> <p>Mr M Brennan: That is per year, so multiply it roughly by four.</p> <p>Ms Evans: It rises to \$38 billion in the last year of the forwards.</p> <p>CHAIR: So it increases every year?</p> <p>Ms Evans: Correct.</p> <p>CHAIR: Just on that issue of hospital funding, what is the average annual growth for public hospital funding for the Commonwealth over the forward estimates?</p> <p>Mr M Brennan: There are two things. Under the hospital agreement with the states, there is an allowance to grow hospital funding by up to 6.5 per cent. That was the nature of the deal struck at COAG in April 2016. The forecasts that we have in Budget Paper No. 3 may reflect some actual activity at actual estimates of price, which mean that the current forecasts are a bit less than 6½ per cent.</p> <p>Senator Cormann: Again, to be clear here, this is the reforms pursued by the Gillard government playing out around introducing a national efficient price. The 6.5 per cent is like the upper cap, but the intention, of course, was always to get maximum bang for your buck, if you like, by putting downward pressure on the growth in hospital expenditure without comprising access to high-quality care.</p> <p>Mr M Brennan: So I may have to take that on notice.</p> <p>Senator Cormann: Yes, we may have to take that on notice.</p>	Treasury Group - Social Policy Division	Pg 74; Monday 29th May	SQ17-000617

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279	7	Rhiannon	Housing Affordability	<p>1. What is your definition of affordable housing?</p> <p>2. How much of a discount on market rent qualifies as ‘affordable’ and who decides what the market rent for an area is?</p> <p>3. Will all housing delivered through CGT discount increases or Managed Investment Trusts be managed by Community Housing Providers?</p> <p>4. Have you investigated comparable examples from other jurisdictions? If so please supply details and to what extent have they informed your decision?</p> <p>5. When will definitions be in place, e.g. how big of a discount on market rent qualifies as ‘affordable’ and who decides what the market rent for an area is?</p> <p>6. Will ALL housing delivered through CGT discount increases or MITs be managed by CHPs?</p> <p>7. Are there comparable examples from other jurisdictions?</p>	Treasury Group - Social Policy Division	Written	SQ17-000618
280	2	Rhiannon	Housing Supply	<p>Supply Council report in 2013 estimated the shortfall of affordable housing available to the bottom 40 per cent at 539,000 properties. Is the government planning to meet that shortfall with their new housing policies, including the National Housing Finance and Investment Corporation?</p> <p>Senator Cormann: The government is providing additional tax incentives for investment in affordable housing and social housing. We are also, of course, proposing the establishment of the National Housing Finance and Investment Corporation as an affordable housing bond aggregate of which we also leverage additional investment in affordable housing. These measures, combined with a series of other measures in the budget, will help ensure that the supply for that segment of the market will increase in the future.</p> <p>Senator RHIANNON: Do we take that as a yes?</p> <p>Senator Cormann: We take it as a: that is what we are working on.</p> <p>Senator RHIANNON: Will the NHFIC have any target with regard to additional supply?</p> <p>Mr M Brennan: I think that has yet to be determined. If there were a target around supply, it would be broader than just the NHFIC. The government’s approach to try and encourage more affordable housing comes through in a range of initiatives of which the NHFIC is one, and the bond aggregate is one, but the bilateral agreements with states would be another under the new National Housing and Homelessness Agreement. Any target—I do not think the government has put forward a target or adopted a target or anything like that—would not be specific to the NHFIC. It would be broader than that, but, as I said, the government has not, to date, put a target on the amount of additional affordable housing it is seeking to generate.</p> <p>Senator RHIANNON: What I trust is a factual question, and should be able to be answered, is: what is the latest available data on the shortage of affordable housing?</p> <p>Senator Cormann: We might have to take that on notice. That is, to be fair to the officers in the Fiscal Group of Treasury, probably more a social services portfolio question, but we will seek to assist you on notice.</p> <p>Senator RHIANNON: With all due respect, Minister, you have come here for estimates. You have</p>	Treasury Group - Social Policy Division	Pg 87 - 88; Monday 29th May	SQ17-000619
281	1	Ketter	MBS Indexation Freeze	<p>1. Can you confirm when indexation of Medicare Benefits Schedule fees was to recommence as per the 2013-14 Budget measure “Medicare Benefits Schedule – realigning indexation with the financial year”?</p>	Treasury Group - Social Policy Division	Written	SQ17-000620

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282	5	Rhiannon	National Housing Infrastructure Facility	<p>Does Treasury have any involvement with the National Housing Infrastructure Facility? If yes:</p> <p>a. What are the application criteria for grants under the National Housing Infrastructure Facility?</p> <p>b. What are the conditions governing use of grants and concessional loans under the National Housing Infrastructure Facility?</p> <p>c. Are remote Indigenous Local Governments eligible to apply to the grant funding or loans under the National Housing Infrastructure Facility?</p> <p>d. What proportion of the National Housing Infrastructure Facility grant fund is budgeted for remote Indigenous local governments?</p> <p>e. Are remote Indigenous local governments eligible to apply for equity investment under the National Housing Infrastructure Facility?</p>	Treasury Group - Social Policy Division	Written	SQ17-000621
283	7	Rhiannon	National Housing Infrastructure Facility - Eligibility	<p>1. Are remote Indigenous Local Governments eligible to apply to the grant, equity investments or loans under the National Housing Infrastructure Facility?</p> <p>2. What proportion of the National Housing Infrastructure Facility grant fund is budgeted for remote Indigenous local governments?</p> <p>3. What conditions or eligibility criteria will be in place for National Housing Infrastructure Facility assistance?</p> <p>4. If the government is able to direct the NHIF to invest in particular projects, what safeguards will be in place to prevent politicisation of investment decisions?</p> <p>5. Are remote Indigenous Local Governments eligible to apply for the grant, equity investments or loans under the National Housing Infrastructure Facility?</p> <p>6. What proportion of the National Housing Infrastructure Facility grant fund is budgeted for remote Indigenous local governments?</p> <p>7. How do you justify that finance mobilised through a bond aggregator will be adequate to build new supply? Do you agree that capital grants and free or subsidised land will be needed?</p>	Treasury Group - Social Policy Division	Written	SQ17-000622
284	12	Ketter	Workforce Participation – Child Care	<p>government policy?</p> <p>2. Does Treasury have the capacity to analyse the workforce participation impact of changes to government spending on child care?</p> <p>3. What method does Treasury use to conduct this analysis?</p> <p>4. Has Treasury conducted analysis of the workforce participation impact of the government’s child care package at any point during the policy development process or since the announcement of the jobs for families package?</p> <p>a. If yes – what was the impact?</p> <p>b. If no – why was it considered unnecessary to analyse the workforce participation impact of a measure described in Budget Paper 2 as ‘Families Package – child care – Workforce Participation Stream’?</p> <p>5. A media release from the former Minister for Social Services, Scott Morrison, from 10 May 2015 stated: Quantitative Research undertaken for the Department of Social Services to investigate potential impacts on workforce participation found that 24% of families with children under twelve, both in work and out of work, indicated they would be encouraged to work more as a result of these measures. Based on 2011 Census data, this would translate to around 240,000 families being encouraged to increase their involvement in paid employment. The total number of families encouraged to work would also include almost 38,000 jobless families, where no-one is in work.</p> <p>a. Was this “workforce participation impact” figure endorsed by the Treasury?</p> <p>b. Would a figure produced in this way be endorsed by the Treasury as a statement of the workforce participation impact of a policy?</p> <p>c. Given that the Productivity Commission’s proposed model – which was similar to the Government’s model but had a stricter activity test – had an estimated workforce participation impact of only 16,400 additional FTE, is the Government’s 240,000 figure a plausible estimate of</p>	Treasury Group - Social Policy Division	Written	SQ17-000623

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285	2	Roberts	Benchmarks	Is it the case that the two main benchmarks for judging markets, and whether & how to regulate them, only exist in text books rather than the real world – ie perfect competition & natural monopoly?	Treasury Group - Structural Reform Group	Written	SQ17-000624
286	1	Cameron	Budget Measure 17/18 - New National Housing and Homelessness Agreement: Role of National Competition Council	1. What expertise does the National Competition Council have to assist with implementation and assessment of performance against targets and benchmarks in the NHHA?	Treasury Group - Structural Reform Group	Written	SQ17-000625
287	1	McAllister	Energy Market Reform	Senator McALLISTER: All right. Can I ask you another question, then: have you discussed any mechanisms for energy market reform—specifically an EIS or a low-emissions target? Ms Quinn: With? Senator McALLISTER: With Dr Finkel. Ms Quinn: I am happy to take that on notice.	Treasury Group - Structural Reform Group	Pg 96; Monday 29th May	SQ17-000626
288	1	Roberts	Government Regulated Infrastructure	Is it the case that government regulated infrastructure monopolies/cartels have consistently over decades and even centuries led to high prices, low quality and almost no innovation as opposed to infrastructure regulated by private competition, shareholders & consumers?	Treasury Group - Structural Reform Group	Written	SQ17-000627
289	1	Roberts	Infrastructure Industries	Is it the case that most infrastructure industries were originally started privately and successfully competed with each other for significant periods of time until governments intervened in collusion with certain industry players to create government regulated franchise monopolies or cartels?	Treasury Group - Structural Reform Group	Written	SQ17-000628
290	2	Bushby	Productivity Enhancing/ Harper Review	reforms between the Commonwealth and the states and the \$300 million the Commonwealth has put on the table for the first stage of those reforms, I note that some states of a particular political persuasion have yet to sign up, with the South Australian Treasurer reportedly saying that the reason for his state not signing up is the conditions set by the Commonwealth around things such as 'unregulated shopping hours' and 'reduced control of access to liquor.' My question is: do any such conditions exist in the agreement, as suggested by the South Australian Treasurer, that would force them to do anything in these areas? Ms Quinn: As you mentioned, the Commonwealth signed an intergovernmental agreement on competition and productivity-enhancing reforms with a set of states. South Australia is not yet a signatory to that agreement. The intergovernmental agreement does not require states to undertake particular reforms. States retain the flexibility to prioritise reforms at their discretion. The intention is that states look at what is needed in their particular states and in their particular circumstances and then negotiate the process by which those reforms form part of the agreement. States are not limited to only considering reforms identified by the Harper review. They have the flexibility to be able to put other reforms on the table. The importance of the agreement is that there is a framework for being able to assess the reforms and be able to divide the allocation of funding across the different states based on a framework that is clear and transparent and agreed. Removing unnecessary restrictions on competition is also subject to a public interest test. Senator BUSHBY: Presumably all states were provided that information and would understand that that is the case? Ms Quinn: That is correct; yes. Senator BUSHBY: If the South Australian Treasurer did actually say that then he is either mistaken, or he is not properly reading the information that has been provided. Ms Quinn: Or potentially the article is not correct. Senator BUSHBY: I did say 'if' he did say those things. Other than section 46, what other reforms are being implemented as part of the government's response to the Harper review?	Treasury Group - Structural Reform Group	Pg 98 - 99; Monday 29th May	SQ17-000629

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291	2	Ian MacDonald	Regional Telecommunication	<p>almost a silly question, in that you cannot, of course, have a hospital in the next suburb everywhere in Australia or a four-lane bitumen road taking you from home to work or school every day, as people in Canberra, Sydney and Melbourne do, but do you have a solution for what is genuinely a two-speed economy? There are two different sorts of Australians, some of whom have everything and some of whom do not have much but they do not complain; if they get a doctor once a month that is pretty good. Everyone cannot have everything, particularly people living in remote areas, but is there something that you as a group can look at which may help in that way? I would suggest an updated zone tax system, but that is an argument I have been promoting for 27 years and have not got past first base yet. Is there anything that you could look at? Not have you looked at it or are you looking at it but is there anything you might look at to be able to address that issue? If you have an answer now I will take it, but perhaps I could put that as a question on notice and you could come back with a more considered—I am sure if you answered now it would be considered—view on whether there is anything that your group could possibly look at that might address an issue which I ever so briefly mention, almost as a throwaway line, but an issue that is very important.</p> <p>Ms Quinn: I am happy to take it on notice. In terms of stepping back and thinking about the issue from an analytical perspective, it depends on the sources of the issues that you raised. In terms of provision of services, one of the areas where we are seeing rapid changes in the delivery of services is around the internet, data and the ability to interact through video. I grew up in a place that did not have a television, a radio or a telephone, yet now all of those things are available, and that significantly changes the structure of opportunities in those regions. Technology is one of the solutions, but clearly you cannot have open-heart surgery over the internet. That comes down to transport links, transport infrastructure and the relative price of transport, but it also goes to using different ways of providing government services. They are all issues that are being looked at in various parts of the system. We are happy to give a more considered answer on notice.</p> <p>Senator IAN MACDONALD: You identified one of the areas where there are good things happening, and that was telecommunications. I recently opened a \$5 million fibre-optic cable</p>	Treasury Group - Structural Reform Group	Pg 104; Monday 29th May	SQ17-000630
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292	4	Gallagher	SRG Functions and Projects	<p>team?</p> <p>Ms Quinn: We have a group of people working on energy now but we do not necessarily have a fixed number that will stay in perpetuity no matter what is happening with government policy. We move them around.</p> <p>Senator GALLAGHER: Yes, but do you develop expertise and stability in that policy area?</p> <p>Ms Quinn: Yes. We put together project teams based on the expertise and the necessary capabilities.</p> <p>Senator GALLAGHER: Could we get a list of the projects that you are working on.</p> <p>Ms Quinn: I can take that on notice and provide additional information.</p> <p>Senator GALLAGHER: You have covered them in bits and pieces but if we could get a comprehensive list, we could get an understanding of your new group. That would be excellent. That would cover all of those areas that you outlined like infrastructure, communications, workplace relations, regulatory reform, all of it.</p> <p>Ms Quinn: That is right. Some are shared. Infrastructure is a classic one which is shared with our budget policy colleagues.</p> <p>Senator GALLAGHER: In terms of communications, were you involved in any way in developing the regional broadband levy or did you have input into that measure?</p> <p>Ms Quinn: As a central policy agency, we are involved in cabinet processes regarding a large number of agencies.</p> <p>Senator GALLAGHER: But I mean your group in particular.</p> <p>Ms Quinn: Our group in particular does look after the communications portfolio so matters that appear before cabinet we would be involved in providing advice on to the ministers that we support. In some projects, we work cooperatively on developing policy but that is not the case in this situation.</p> <p>Senator GALLAGHER: On the NBN tax or the regional broadband levy, what was the structural reform group's role? Perhaps that is a better way of asking the question.</p>	Treasury Group - Structural Reform Group	Pg 99 - 101; Monday 29th May	SQ17-000631
293	1	Roberts	Support individuals, families and communities to achieve greater self-sufficiency	<p>Noting the doubling of electricity, gas and water/sewerage prices the past decade, is it the case that supporting greater self-sufficiency for individuals, families and communities will require a National Competition Policy (NCP) 2.0 and leaving the Paris Agreement like the USA is likely to do by this week or next?</p>	Treasury Group - Structural Reform Group	Written	SQ17-000644
294	1	Roberts	Theory of Natural Monopoly	<p>Is it the case that the theory of natural monopoly was created many years after the creation of government regulated franchise monopolies/cartels as a text-book justification not backed by real-world evidence?</p>	Treasury Group - Structural Reform Group	Written	SQ17-000632
295	2	Rhiannon	Capital Gains Tax Discount	<p>1. The government has decided to invite more proper speculators into the market by increasing the discount from 50% to 60%, as long as property owners rent to low-medium income households:</p> <p>a. Given that the Treasurer has stated that property investors in Australia are more driven by capital gains that rental yield, has Treasury taken into account that this measure will attract more property speculators and increase house prices?</p> <p>b. Please explain any such consideration and the reasoning behind the decision to increase the CGT discount with regard to how it will affect house prices.</p>	Treasury Group - Tax Analysis Division	Written	SQ17-000633

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296	1	Gallagher	Downsizing Superannuation	<p>Senator GALLAGHER: I note that there is a \$30 million cost to this. What are the assumptions that underpin that? How many people do you believe will make a contribution of this order or access this measure?</p> <p>Ms J Wilkinson: As I said in response to an earlier question, the way in which we have done this costing is that we have drawn on information about the value of housing which may be sold in order to access the downsizing measure but that do not have particular estimates of the number. I will just hand over to Mr Ewing, who can walk you through—</p> <p>Senator GALLAGHER: Can you provide me with what, basically, the assumptions are and what—</p> <p>Ms J Wilkinson: We can walk you through the methodology.</p> <p>Mr Ewing: Broadly speaking, what we have done for this costing is that we have started from the available information. The available information is quite scant. The main source we have is the HILDA survey, as that is the only survey which really allows us to look at housing assets at this level of detail. We have used that to calculate the proportion of people who might be downsizing in different groups, and we have used that to calculate the overall value of housing that is downsized and that is eligible for that measure. We then calculate the effects that that movement of the value of that downsizing from a taxed to an untaxed environment will have on tax receipts, and that gives us the \$30 million cost over the forward estimates.</p> <p>Senator GALLAGHER: So do you have the value of the housing?</p> <p>Mr Ewing: I do not have that figure on me, I am afraid. I will have to take that on notice.</p>	Treasury Group - Tax Analysis Division	Pg 75; Monday 29th May	SQ17-000634
297	1	Whish-Wilson	Medicare Levy Modelling on Revenue Raised	<p>Senator WHISH-WILSON: I am not going to. I am going to ask a question on the same subject. Has the department done any modelling or any work on how much more you would raise if the Medicare levy were taken from pre-tax-deductible income—that is, from gross income?</p> <p>Ms Mrakovcic: In my view, those questions go to policy delivery and process and I do not think it—</p> <p>Senator WHISH-WILSON: It is a revenue question.</p> <p>Senator Cormann: You are asking a question that goes straight to the heart of the cabinet deliberative processes—the budget process. You are asking what—</p> <p>Senator WHISH-WILSON: Chair, I have a point of order. That is not what I asked.</p> <p>Senator Cormann: Your question is: what options has the government considered in the context of the budget process. That is really what you are asking.</p> <p>Senator WHISH-WILSON: That is not what I asked, Senator Cormann. I asked the department if they had done any work, modelling or simulation or otherwise on how much the Medicare levy would raise if it were on—</p> <p>Senator Cormann: We will take a question on notice.</p>	Treasury Group - Tax Analysis Division	Pg 37; Tuesday 30th May	SQ17-000635
298	1	Ketter	Budget Information Leak	<p>Senator KETTER: I understand the Treasurer did not call the executives. Is that correct?</p> <p>Mr J Fraser: In the hour before the budget?</p> <p>Senator KETTER: In relation to the fall of stocks.</p> <p>Senator Cormann: In relation to which? I might have misheard. The Treasurer did not call in relation to which?</p> <p>CHAIR: The fall in the stock price, I think, is what Senator Ketter referred to.</p> <p>Senator KETTER: The Treasurer has talked about the fact that he does not need intermediaries in that he can pick up the phone to bank executives.</p> <p>Mr J Fraser: I am not aware that he called them but I do not run his phone lock.</p> <p>Senator KETTER: So you are not aware of what happened?</p> <p>Senator Cormann: I am not personally aware either but I will take that on notice on behalf of the government, and we will check that for you.</p>	Treasury Group - Secretary's Office	Pg 26-27; Monday 29th May	SQ17-000645

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299	1	Gallagher	Bank Levy	<p>Senator GALLAGHER: Will amendments have been made to it based on the consultations with the banks? I do not want to go to what the confidential consultations are, but have you had to redesign any element of the legislature?</p> <p>Senator Cormann: I cannot pre-empt that. I am happy to take the question on notice, but obviously that is a process that is still underway, on a confidential basis, as the secretary has indicated, through the Treasury portfolio. Obviously, when the legislation is released, you will see what form it is in, but the way to look at the consultation process is very much about making sure that the practical implementation arrangements are as sensible as possible.</p>	Treasury Group - Financial System Division	Pg 27; Monday 29th May	SQ17-000646
300	1	Ketter/ Gallagher	Bank Levy - Changes to existing applicable small business customers	<p>Senator KETTER: The media release of 16 May that you issued says: In many cases, banks have agreed to implement the changes so that they apply to all existing applicable small business customers. Are you of the understanding that this will mean that banks have agreed to amend the loans for existing small business customers? Ms Carnell: That is our understanding, yes. Ms Scott: We have had different responses from different banks. We are still waiting for their final responses. Some banks have said that they will amend the clauses—these are clauses that they say they would never use anyway, so there should not be an issue with removing them. Some banks have said that they will apply it to all new contracts entered into since November 2016, and other banks have said they will apply it to all their small business contracts. Senator KETTER: Can you tell us which institutions are in which of the categories you have just mentioned? Ms Scott: We are still waiting for some of the banks to come forward with their responses on this. We have not heard back from all of them at this stage. Senator GALLAGHER: Do you have a deadline for that? Ms Scott: There are some meetings happening in June where we are having other discussions on the finer details of some of the clauses in some of the different products that they may offer. We are trying to nail down the miscellaneous aspects of it. But we are hoping that by early June we will have an agreed understanding— Ms Carnell: So we are talking about the next couple of weeks. Senator GALLAGHER: Perhaps you could provide those details on notice? I understand, whilst you are in the middle of something—but there are only four of them.</p>	ASBFEO	Pg 107; Monday 29th May	SQ17-000647
301	1	Gallagher	Trustee's management of the funds under their operation	<p>Senator GALLAGHER: There were two years in which a dividend was paid. In one year it was \$121.5 million. That was 2015. Then in the 2016 financial accounts it is \$268 million. Mr Byres: Were you saying that dividend was coming from the fund or from the RSE? Senator GALLAGHER: I think it is from the fund. That is my reading, but again— Mr Byres: It is safest if we take it on notice and make sure we understand what the facts are. Then we will explain the way we would view that and how we would assess it.</p>	APRA	Pg 107; Tuesday 30th May	SQ17-000648

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302	1	Ian MacDonald	Requesting Census Data - Cost	<p>Senator JACINTA COLLINS: Yes, but Senator Macdonald raises the correct point. I have the Parliamentary Library saying to me, 'You can only get access to this if you purchase it'. And I am saying: That sounds a bit odd. I think I will visit that question at estimates.' So now I am trying to understand what we need to do to overcome that issue, because I would have thought—as an independent public agency—there is a significant public interest that information that arises from the census is available for our consideration of legislation with or without fee arrangements. If there has to be a fee between the ABS and the Department of the Senate at the end of the day, so be it, but how do we overcome that conundrum?</p> <p>Mr Kalisch: Well, I do not think we have actually got to the first step yet of establishing that there needs to be a fee. So we will look at that aspect. We do have the opportunity to waive fees in exceptional circumstances.</p> <p>Senator IAN MACDONALD: Perhaps on notice you could tell us just what your rules are around the areas that Senator Collins raises.</p> <p>Mr Kalisch: Yes. We can certainly provide that to you on notice. The other dimension I would note as well is that some of that income is important for us to continue our business. We do get a certain amount of an appropriation from government that enables us to do a certain amount of work. If there is anything beyond that—and some of these customised requests, if it is in that nature, can be quite detailed. This one—</p>	ABS	Pg 75; Wednesday 31st May	SQ17-000649
303	1	Kim Carr	Census - Margin of Error	<p>Senator KIM CARR: There has been some other commentary about the reliability of the statistics and around the survey itself. There has been commentary about the adequacy of the survey. Are you familiar with criticisms of the adequacy of the survey?</p> <p>Mr Kalisch: Your colleague Senator Ketter covered off that aspect earlier.</p> <p>Senator KIM CARR: What was your response?</p> <p>Mr Kalisch: The response I gave to Senator Ketter is the same response that I will give to you, Senator Carr. The analysis that we have undertaken on the labour force survey suggests that there is less month-to-month volatility in the labour force survey now than there was in the 1980s and 1990s. The other part of the response was also that the ABS has been publishing trend estimates of the labour force estimates since 1987, really to deal with some of these aspects about the month-to-month volatility in the series. We would recommend that people use that as the broad indicator of the labour force.</p> <p>Senator KIM CARR: But you are satisfied that the survey is valid. What is the margin of error?</p> <p>Mr Kalisch: The standard errors are comparable internationally. In fact, in Australia, I would suggest that we have one of the highest-quality labour force estimate surveys in the world.</p> <p>Senator KIM CARR: So what is that margin of error?</p> <p>Mr Kalisch: It depends on the nature of the estimate itself. We publish it; it is in our labour force estimates bulletin. It depends on whether it is a national estimate, whether it is a state and territory estimate, whether it is on employment, unemployment or labour force participation. If you like, I can take something on notice and provide that to you.</p> <p>Senator KIM CARR: Thank you.</p>	ABS	Pg 84; Wednesday 31st May	SQ17-000650
304	3	Dastyari	GST Distribution - Tampon Tax	<p>In relation to any modelling done by Treasury on the cost to Government of removing the GST status of tampons, has there been any other work done on this matter in the past two years?</p> <p>Senator DASTYARI: Finally, Minister, the question you took on notice was whether any calculation had been done—</p> <p>Senator Cormann: Since 2015.</p> <p>Senator DASTYARI: since 2015. The media reports of 2015 were that it was \$120 million over four years. If you come back and the answer is that none has been done, I guess the question that I would put, which you can take on notice, is whether the government was prepared to have another look at the recalculation of that.</p> <p>Senator Cormann: I will take on notice to see how we can assist you with that."</p>	Treasury Group - Individuals and Indirect Tax Division	Pg 56; Tuesday 30th May	SQ17-000651

