

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Supplementary Budget Estimates

2015 - 2016

**Department/Agency: Treasury**

**Question: SBT 26**

**Topic: Budget implications of measures**

**Reference: written - 21 October 2015**

**Senator: Dastyari, Sam**

**Question:**

SBT 26 - Senator DASTYARI: I just want to be sure that we are saying this right. So the Treasurer was part of an announcement this morning and was taking questions regarding the budget implications of the announcement, but no advice was either sought or provided by Treasury as to the budget implications of what he was announcing?

Senator Ryan: Hang on, Senator—

Senator DASTYARI: That is my question.

CHAIR: Are you framing it that way?

Senator DASTYARI: I am asking the question.

Senator Ryan: Advice goes to ministers for decision making that is not necessarily made public.

Senator DASTYARI: I am not asking what the advice was. You know the rules. I am allowed to ask whether advice was given.

Senator Ryan: I will let the officials answer that, but the point I am making is that there is advice to ministers and to cabinet and cabinet committees that is not necessarily published and that is not subject to FOI and estimates.

Senator DASTYARI: Of course.

Senator Ryan: So, with that proviso—

Senator DASTYARI: But, Senator Ryan, as I understand it, the tradition with this committee, especially with Treasury, has been that it is entirely appropriate for us to ask if advice has been sought and provided. The nature of what that advice is, is deemed advice to government, and we do not ask questions about what the advice is. My question is: was advice sought or provided?

Ms Croke: I am happy to be corrected but I thought what I said was: yes, we did provide advice through the regular ERC process.

Senator DASTYARI: So when was advice provided?

Ms Croke: It was in the last couple of weeks, from recollection.

Senator DASTYARI: Is that—

Mr Flavel: I do not want to put words in my colleague's mouth, but she is simply making the point that advice was provided, but, in terms of the specific details, we just do not have them here, in terms of the individual measures and the costing.

Senator DASTYARI: So: advice specifically as to the budget implications of the measures?

Ms Croke: It was through the ERC process; that is the nature of that advice that would be provided to ministers.

CHAIR: I hope so; otherwise, they would be asking you.

Senator DASTYARI: Could you say that again, Ms Croke?

Ms Croke: In the nature of providing advice to ministers through the estimates Expenditure Review Committee, that would be the type of advice that would be provided, yes.

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Senator DASTYARI: Sorry—it is unfathomable to me that you had the Treasurer doing an announcement today about the budget implications of measures; you are budget group, you come to Senate estimates, and you do not bring with you information about that.

Senator Ryan: What the official just said was that advice was provided through—

CHAIR: You asked the question—

Senator DASTYARI: Yes, but, Senator Ryan, the second we start asking any questions as to the budget implications, we are told, 'No, we don't have this information.' I just find it unfathomable that we have a department here—

CHAIR: Whoa, whoa, whoa! Senator Dastyari!

Senator Ryan: The officials made clear they provided advice—

CHAIR: Which was your question.

Senator Ryan: which is exactly as you would expect through a MYEFO, budget, ERC, cabinet process.

Senator DASTYARI: Sure, but, Senator Ryan, my issue is this. I am saying: we are here for another day; I think we have to find an opportunity to get this information, but when asking questions like, 'What is the financial impact, in both the underlying cash and fiscal balance terms, of each of the measures that were announced this morning?' we are being told that you do not have that information with you.

Ms Croke: I do not have it with me.

Senator DASTYARI: When can we get it?

Senator Ryan: The officials have said they will take the question—

CHAIR: On notice, which is—

Senator DASTYARI: But this is unbelievable! I am sorry. No. I am not copping it. No, this is ridiculous. It is ridiculous.

Senator Ryan: You have another department with policy responsibility appearing before estimates tomorrow in another committee. The officials have said here today that they will take any questions they do not have the information for on notice, which is standard practice.

Senator DASTYARI: We have a Treasurer who stood up this morning—this is not like—

CHAIR: We also had an ASIC that just put out a press release about a bank that we did not know about. Come on; it is not unusual.

Senator DASTYARI: This is what the Treasurer was asked this morning—

CHAIR: If it had happened two weeks ago, you might have a point.

Senator DASTYARI: The Treasurer was asked this morning: 'Can I clarify: so the revamp of all these measures remain budget neutral insofar as it is going to achieve the same saving? Is that correct? Could you tell us what the saving is? What is the new forward estimate?'

We want to be able to ask the department questions on that. We are being told that, yes, work was done; yes, advice was provided to government. We want to understand what was announced this morning and what the budget implications are. We have the head of the budget policy group and we have the senior policy division head here, and we are being told that the budget group is not in a position to answer questions on the budget implications of an announcement made today. It is ridiculous.

Senator Ryan: What you are being told, Senator Dastyari, is that, if you have questions for the Treasurer, there is a forum in which to ask questions of the Treasurer.

Senator DASTYARI: I am saying I have questions for the budget implications of what the Treasurer said. Wasn't the Treasurer saying that this morning?

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Senator Ryan: Can I finish? I did not see all the press conference this morning, Senator Dastyari, but you have not just been told that. You have also been informed that the department with policy responsibility are appearing before estimates tomorrow, and they may have an answer to your question. They will have details around that answer as well.

Senator DASTYARI: My question is: when can we get that information? This is information that must exist somewhere. Surely someone can bring it. We are here all night. We are here tomorrow. Surely someone can bring it.

Mr Flavel: I actually think it is a matter for the Treasurer. You read his statement this morning. He simply referred to the fact that the package of measures was budget neutral. In terms of the release of details of individual measures, there is nothing unusual about the fact that he would—

Senator DASTYARI: Hang on. No, no, no, Mr Flavel! You do not get to do that!

CHAIR: Senator Dastyari, keep the theatre down.

Senator DASTYARI: No, this is ridiculous. This is ridiculous! This is Treasury!

CHAIR: Just relax, take a pill and address the officials appropriately.

Senator DASTYARI: Mr Flavel, how is it inappropriate—not wrong—for us to be able to ask you questions?

Senator Ryan: Senator Dastyari, a lot of work is done in the department, as you would appreciate. There is an update coming. MYEFO is set to a legislative timetable, and that is when revised numbers on the budget and on changes to policies and parameters are all published. That is the time when they become available: in that regular publication.

Senator DASTYARI: Senator Ryan, we have Treasury officials three times a year where we have the opportunity to ask them questions within the scope. There are many things that go on in this committee that perhaps can be argued and questions that get asked that, because of the very liberal interpretation of the words 'Senate estimates', perhaps sometimes sit outside the scope. We will put them on notice, but I believe—

CHAIR: In the interests of goodwill—

Senator Ryan: I will take the questions on notice, as I can, as the minister at the table.

Senator DASTYARI: Senator Ryan, my question is—

CHAIR: Is this another question? They have already taken the one about how much it costs.

Senator DASTYARI: We will do this with every single one of these. That is fine. I have all night. It is not going to bother me.

CHAIR: Well, I have until Sunday. It is fine; my tent is bigger than your tent.

Senator DASTYARI: I have two young kids that are two and four, so I have to go home.

Senator Ryan: We can shortcut this, but I am happy to answer them on a regular basis, if you want to go through one by one. I will take them on notice. I have made clear that the MYEFO is coming out within the next few months according to the timetable. That is the place where details of this nature are usually published, and they will be published as they always are, and that is when this information becomes available.

Senator DASTYARI: Ms Croke, was advice provided to government? I just want to check this. Was advice provided to government looking at the financial impact in both underlying cash and fiscal balance terms of each of the measures individually? Was that part of the advice?

Ms Croke: That would have been part of the advice, yes.

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**Answer:**

SBT 26 - The financial implications of the revised Family Tax Benefit measures were detailed later in the hearing (Senate Economics Legislation Committee, Estimates, 21 October 2015, pages 93-98 refer).