

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2014-15

Finance Portfolio

Department/Agency: Finance

Outcome/Program: General

Topic: Reimbursement arrangements for the sale of Medibank

Senator: Ludwig

Question reference number: F41

Type of question: Hansard, F&PA Committee, Page 9, 29 May 2014

Date set by the committee for the return of answer: Friday, 11 July 2014

Number of pages: 1

Question:

Senator LUDWIG: Where we have got to at this point is that Mr Savvides will take on notice the detail and the cost of any internal contracts that have been extended in support of the sale of Medibank. Now, Ms Mason, we will come to whether there is a reimbursement process in place. Again, I don't want to stretch into commercial in confidence. I just want to know if there are any parameters put around what you will reimburse. Will you reimburse the 20 staff, or will you only reimburse any additional contract work that has to be taken into account for the sale?

Ms Mason: There are reimbursement arrangements in place and there are parameters around the items and the amounts that will be reimbursed.

Senator LUDWIG: Are those parameters available to the committee?

Ms Mason: We would prefer that those matters remain commercial in confidence or confidential.

Senator LUDWIG: I won't press it.

Senator Cormann: You can press it and I can take it on notice ...

Answer:

The Commonwealth has agreed to reimburse certain expenses incurred by Medibank Private Limited relating to the sale. These expenses are primarily in the nature of third party legal, advisory, listing, and insurance costs. The reimbursements are not intended to occur until the sale process has concluded.