

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates 20-21 February 2008

**Question: aet 32**

**Topic: Gross Domestic Product**

**Hansard Page: E84**

**Senator COONAN asked:**

**Senator Sherry**—This was referred to earlier. The officers are answering the question well. In a general sense our fiscal approach is to increase the surplus from one per cent of GDP to 1.5 per cent of GDP.

**Senator COONAN**—Where did the 1.5 per cent come from?

**Senator Sherry**—I am happy to take that on notice and ask the Treasurer for a calculation of how that figure was arrived at.

**Senator COONAN**—Is anyone at the table able to assist the minister with where the target came from?

**CHAIR**—I think the minister has said he will take it on notice.

**Answer:**

The Government's budget target reflects the need to tighten fiscal policy consistent with economic conditions to alleviate inflationary pressures.