

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates 3-5 June 2008

**Question: bet 79**

**Topic: Workplace Relations – Modelling #2**

**Hansard Page: E51**

**Senator Coonan asked:**

**Senator COONAN**—I just have a couple of questions before Senator Bushby resumes. I may have misheard the earlier evidence, but is it correct to say that Treasury made no forecasts or undertook no modelling of the impact of changes to workplace relations policy changes, or that you made forecasts without first modelling the impact of changes?

**Mr Ray**—You probably should be talking to our macro colleagues who are responsible for these forecasts. These forecasts are for 2008-09 and I think it is right that the government has announced a package of policy changes in this area that will not take full effect until some time after that, but the forecasts will take account of all of the relevant institutional arrangements that apply during the forecast period and the effect of previous things that are working their way through the economy, but we do not break those forecasts down and say that a particular thing is going to have a particular impact. The forecasts are done at an aggregate level, but they take account of all of these things, including in this case the relevant policies.

**Senator COONAN**—I did understand your colleague, Mr Tune, at estimates in February saying that no modelling had been done, so he would not have been referring to the specific breakdown. Is that right? Would he be referring in the aggregate?

**Mr Ray**—I would have to take that on notice and check what particular question he was answering.

**Senator COONAN**—All right.

**Answer:**

Treasury has not modelled, or commissioned modelling, that identifies economic effects specifically attributable to the Government's workplace relations changes.