

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Estimates 22-23 October 2008

Question: sbt 53

Topic: Bank Deposit Guarantee – Second Reading Speech

Hansard Page: E50 – E51

Senator ABETZ asked:

Senator ABETZ —We have agreed that that is the case, that it was canvassed in the second reading speech, for the purposes of this discussion. What I am asking about is why was it not canvassed in the Prime Minister's speech on Sunday 12 October? Reference to the second reading speech is irrelevant.

Senator Conroy —This is Senate Estimates for Treasury and right now there is a forum that the Prime Minister is available to be asked questions. If you can convince the House tactics committee on your side that this merits asking the Prime Minister a question, then that is the perfect opportunity to ask what is in the Prime Minister's mind. I am not in a position to comment on what is in the Prime Minister's mind. I am happy to take it on notice and seek some further information, but it is not actually within the purview of this Senate Estimates on Treasury for me to be able to speculate on what is in the Prime Minister's mind. But there is a perfect opportunity—

Senator ABETZ —Did the Prime Minister—Sorry. Continue.

Senator Conroy —No, I am finished.

Senator ABETZ —Did the Prime Minister talk on behalf of the government and on behalf of the Treasury when he made his statement on 12 October—a statement that was in fact seen by the Secretary of Treasury before it was made, if I understood this morning's discussion?

Senator Conroy —I think it has been agreed that Dr Henry said that he saw a copy, did he not?

Dr Henry —Yes.

Senator Conroy —But now you are asking us to comment on what was in the Prime Minister's mind. I think that is an imperfect way of describing questions.

Senator ABETZ —Was it a deliberate omission on Sunday 12 October not to refer to a threshold and other matters which are now being relied upon in the second-reading speech, or was it thought about after the Prime Minister's announcement on Sunday 12 October and the introduction of the legislation on 15 October? Did it arise as a new issue?

Senator Conroy —Again you are asking me to speculate on the Prime Minister's thinking in devising a speech. I am happy to take it on notice but, I repeat, there is an

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opportunity to ask that Prime Minister that very question to his face. It is taking place at the moment.

Senator ABETZ —And we have an opportunity at Senate Estimates and that is what I am doing as a senator.

Senator Conroy —Perhaps if you had asked that question in the estimates for PM&C you might have been able to get a more direct response, but I am not responsible for the Prime Minister's speeches and, more importantly, the intents that you are seeking to get to. I am happy to take that on notice and seek whatever information I can get for you.

Senator ABETZ —Did the speech that the Prime Minister—

Senator Conroy —There is only a mercy rule in baseball, not in cricket.

Senator ABETZ —Did the Prime Minister's speech on Sunday 12 October outline the government's full position at that time in relation to the unlimited guarantee for bank deposits?

Senator Conroy —Dr Henry has discussed the second reading speech at length. We have discussed the Prime Minister's speech at length and I am happy to take on notice a question and seek further information so that I can give you a satisfactory answer.

Answer:

The Prime Minister's announcement on 12 October 2008 outlined the Government's policy regarding the banking guarantee arrangements; it did not seek to provide every detail of how the guarantee arrangements would be implemented.