

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Estimates 22-23 October 2008

Question: sbt 63

Topic: MYEFO 2007-08

Hansard Page: E82-E83

Senator BUSHBY asked:

Senator BUSHBY —Can you confirm that the 2007-08 MYEFO was publicly released on 15 October 2007?

Mr Ray —This was a matter that was discussed in Finance estimates yesterday. I probably should have checked the date to be able to answer you. I think our Finance colleagues said yesterday that it was around that time. It is a matter of public record when it was published.

Senator BUSHBY —Can you confirm that the 2007-08 MYEFO was tabled on 2 September 2008?

Mr Ray —I do not know that I can.

Dr Gruen —Did you say 2008?

Senator BUSHBY —Yes.

Mr Ray —MYEFO would not have been tabled in September of 2008.

Senator BUSHBY —Because it is in breach of the Charter of Budget Honesty Act?

Mr Ray —I cannot confirm that. I can check it. Again, it is a matter of public record.

Senator BUSHBY —It is a matter of public record and I would like to suggest today that in fact it was tabled on 2 September 2008. Are you aware of section 14 of the Charter of Budget Honesty Act?

Mr Ray —Yes.

Senator BUSHBY —I will read the relevant section. Subsection (1) states:

The Treasurer is to publicly release and table a mid-year economic and fiscal outlook report by the end of January in each year, or within six months after the last budget, whichever is later.

Is that in accordance with your recollection?

Mr Ray —That is my understanding of the section.

Senator BUSHBY —Assuming that my assurance that it was tabled on 2 September 2008 is correct, does the fact that the government did not bother to table the 2007-08 MYEFO until nearly a year after the previous government released it constitute a breach of the act?

Mr Ray —You are asking me for a legal opinion.

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Senator BUSHBY —The act states that it needs to be tabled by the end of January in each year or within six months after the last budget, the last budget in this case being the budget from 2007. Does it appear to you that it has complied with the terms of that act?

Senator Sherry —We will get some advice about that. I will take it on notice. The issue was raised with Finance.

Senator BUSHBY —Given that this government has a record of dithering or possibly even breaching of the act—

Senator Sherry —Dithering? We have been quizzed up hill and down dale about the decisive actions we have been taking over the last month or two.

Senator BUSHBY —Let me preface this question: given when it comes to MYEFO this government has a record of dithering or possibly even breaching the relevant act and the Charter of Budget Honesty, what comfort should Australians take in the government's claims that this year's MYEFO will be released within the next month?

Senator Sherry —I am familiar with the question, because Senator Brandis couched it in the same politically colourful wrapping. I did not get a chance to respond, but we will take it on notice and take some advice about the interpretation you have placed on the particular clause in the act. As for the political commentary, I will resist the temptation because I know time is pressing.

Answer:

The Charter of Budget Honesty Act (1998) outlines the timeframe to which the Mid Year Economic and Fiscal Outlook (MYEFO) should be published. The relevant section outlines this timeframe as follows;

Clause 14: Public release and tabling of mid-year-economic and fiscal outlook reports

(1) The Treasurer is to publicly release and table a mid-year economic and fiscal outlook report by the end of January in each year, or within 6 months after the last budget, whichever is the later.

(2) If:

(a) a mid-year economic and fiscal outlook report is publicly released by the end of the period specified in subclause (1);

But

(b) a House of the Parliament is not sitting when the report is released;

The report does not have to be tabled in that House until it next sits (or as soon as practicable after then), even if that is after the end of the specified period.

The 2007-08 MYEFO was publicly released by the then Treasurer, the Hon Peter Costello MP, on 15 October 2007. The 2007-08 MYEFO was tabled in Parliament on 2 September 2008.