

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Additional Estimates
2015 - 2016

Department/Agency: Productivity Commission

Question: AET 89

Topic: Terms of reference

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Senator: Ketter, Chris

Question:

Senator KETTER: Good afternoon, Ms Davidson and Mr Scammell. Firstly, I take you to the Financial System Inquiry and the fact that the government's response to that has referred a number of inquiries to you. We are not picking up yet on your website as to whether any of these have made it onto your list of active inquiries. I was just going to ask you, firstly, in relation to the inquiry into the criteria to assess the efficiency and competitiveness of the superannuation system. What is happening with that one?

Ms Davidson: As you point out, that inquiry is not showing on our active list of inquiries. We have not yet formally received the terms of reference for that inquiry. We are anticipating receipt of that shortly, based on the government's response to the Financial System Inquiry that you referred to.

Senator KETTER: What about the inquiry into alternative models for a formal competitive process for allocating default fund members to products?

Ms Davidson: The same applies there.

Senator KETTER: What about the inquiry to broaden access to and the use of data in the financial system, as suggested in the FSI?

Ms Davidson: Again, we have not yet received those terms of reference, so it is not something we are actively working on.

Senator KETTER: There is also one in relation to the state of competition in the financial sector, as foreshadowed in the FSI.

Ms Davidson: Again, we are expecting terms of reference shortly. In these sorts of situations, we may do some preparatory work but we do not commence the inquiry until receipt of terms of reference.

Senator KETTER: Is there any indication as to when you might be receiving the terms of reference?

Ms Davidson: It is really a matter for government, as you know. We stay in touch with Treasury to get a sense of timing. As I said, we are expecting terms of reference shortly but we cannot anticipate the decisions of government.

Senator KETTER: I might direct that to the cabinet secretary. Are you able to advise us as to when the terms of references for these inquiries I have mentioned will be issued?

Senator Sinodinos: I will take it on notice. I do not have a briefing on that.

Answer:

The Productivity Commission received the first terms of reference, on superannuation, on 17 February 2016. The second terms of reference, on data availability and use, was received on 21 March 2016. In its response to the Financial System Inquiry the Government committed to tasking the Commission with a review the state of competition in the financial system by the end of 2017.