

12 April 2019

The Hon Chris Bowen MP Shadow Treasurer and Member for McMahon Parliament House Canberra ACT 2600

Dear Mr Bowen

I write to you in response to your letter and phone call earlier this morning regarding media reports of Treasury analysis of Opposition policies. I have investigated the circumstances surrounding your concerns and am able to reassure you that no breach of conduct or impartiality has occurred.

In the specific case to which you have referred, Treasury received requests from the Treasurer's Office outlining a number of policies to be costed with details and specifications also provided. The specifications provided made no reference to the Opposition. The relevant officials costed these proposals and provided this analysis to the Treasurer's Office prior to the commencement of the caretaker period. In providing specific costings to the Government at its request, Treasury advised that they were all costed on a standalone basis but with interactions between the individual proposals not taken into account. For this reason we did not provide a total.

As a former Treasury Secretary observed in a letter made <u>public</u> on 7 November 2012 to respond to similar concerns, Treasury serves the Australian people through the Government of the day. In keeping with that responsibility, we have been regularly asked by governments over many years to undertake costings on policies and proposals. As I submitted earlier this year at the Senate Estimates Economics hearing of 20 February 2019, if a government makes a lawful request of Treasury for information, we will generally seek to do what the government has asked us. We were not asked to cost another party's policies and would not do so if the request was made specifically to 'cost Party X's policy'.

In this engagement, as in previous instances of concern highlighted by elected representatives from both sides of politics, the Treasury has conducted itself to the highest standard and in the same manner as when requests were made by previous governments.

Yours sincerely

Philip Gaetjens