



Australian Government

Department of Finance and Deregulation

The Treasury

MEDIA RELEASE

**STATEMENT ON COSTINGS BY THE DEPARTMENT OF THE TREASURY
AND THE DEPARTMENT OF FINANCE AND DEREGULATION**

There have been a series of reports today regarding costings undertaken by the Department of the Treasury and the Department of Finance and Deregulation.

The Departments of Treasury and Finance were asked to prepare costings on policy options, which were provided to the Departments by the Government prior to the election being called. These costings were completed and submitted to the Government prior to the election being called. This is consistent with long-standing practice.

These costings were not prepared under the election costings commitments' process outlined in the *Charter of Budget Honesty Act 1998*.

At no stage prior to the Caretaker period has either Department costed Opposition policies.

Different costing assumptions, such as the start date of a policy, take up assumptions, indexation and the coverage that applies, will inevitably generate different financial outcomes.

The financial implications of a policy may also differ depending on whether the costing is presented on an underlying cash balance or fiscal balance basis.

The Treasury and Finance costings presented in the advice to Government reported today were presented on an underlying cash balance basis.

Dr Martin Parkinson PSM
Secretary
The Treasury

Mr David Tune PSM
Secretary
Department of Finance and Deregulation

Department of the Treasury
Contact: Media Liaison
Telephone: (02) 6263 2300
MediaLiaison@treasury.gov.au

Department of Finance and Deregulation
Contact: Amelia Huang
Telephone: (02) 6215 2222
Mediaenquiries@finance.gov.au

29 August 2013