



## THE SENATE

### Senate Economics Legislation Committee

#### **Inquiry into Future Made in Australia Bill 2024 [Provisions] and the Future Made in Australia (Omnibus Amendments No. 1) Bill 2024 [Provisions]**

#### **Answers to questions on notice from the Australian Chamber of Commerce and Industry asked by Senator David Pocock at a public hearing in Committee Room 2S3 on 28 August 2024**

##### **Question:**

Your submission raises concerns about what is described as a “deliberately loose” definition of ‘sector’ for the purposes of sectoral plans, and loose definitions of the ‘net-zero transformation stream’ and the ‘economic resilience and security stream.’

Are there better definitions that would alleviate your concerns?

##### **Answer:**

*Under the National Interest Framework (NIF), the sectoral streams and the sectors for the sectoral assessments are high level and, according to the explanatory memorandum, intentionally loosely defined. As a result of this the NIF lacks clarity, as the sectoral streams are vague and ambiguous.*

*Without a clear definition of the sectors, it is left to the discretion of the Treasurer / Minister to determine what is the national interest and where investment should be directed. This risks funds being directed to political priorities of the day, which are not always in sectors where Australia is internationally competitive or that deliver the best value for money.*

*Sectors for consideration under the NIF need to be clearly defined, with rigorous and systematic criteria for the sector assessments, to ensure funded projects are in the national interest. This is essential to ensure that public investment by a Future Made in Australia (FMA) is spent appropriately.*

*The FMA Bill contrasts with the National Reconstruction Fund (NRF) legislation, which has seven clearly defined sectors / priority areas for investment, including renewables and low emissions technologies, transport, resources, agriculture/fisheries/forestry, medical science, defence capability, and enabling capabilities.*

*ACCI is not arguing that the NIF streams should align or match the priority areas of the NRF. In fact, we consider it imperative that a FMA doesn't duplicate or overlap the NRF. However, we do consider that the sectors where FMA investment is being directed should be clearly defined and the criteria for sector assessments must be rigorous and systematic.*