

Friday 5 August 2011, Mackay

**SELECT COMMITTEE ON THE SCRUTINY OF NEW TAXES**

**Queensland Nickel Response to a Question on Notice**

**QUESTION**

**Senator CAMERON:** Mr Flood, Clive Palmer purchased Yabulu from BHP in July 2009. In July 2009 it was clear that there would be a carbon price. Isn't that correct?

**Mr Flood:** I do not know. I do not know that I was convinced in July 2009 or was educated on the subject enough at that point to say.

**Senator CAMERON:** Did Mr Palmer factor in a carbon price when he made the decision to buy?

**Mr Flood:** I could not answer. I certainly have not had that discussion with him.

**Senator CAMERON:** Could you take that on notice?

**Mr Flood:** Yes. I can take that on notice.

**ANSWER**

In the period late 2008 and early 2009 when Mr Palmer was investigating his options with regards to purchasing the Yabulu refinery he was primarily concerned with the saving of a great Queensland industry and preserving the jobs of over 1000 Queenslanders. His priorities were on ensuring survival of this business. At the time both major political parties were still very much un-clear as to any future Carbon Tax, certainly the now Prime Minister was on record as opposing such a tax. As such it did not form part of his thinking when he saved this business from closure.