

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry Portfolio
Budget Estimates 2014-15
2-3 June 2014

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY

TOPIC: Steel Transformation Program

REFERENCE: Question on Notice (Hansard, 2 June 2014, page 65)

QUESTION No.: BI-31

Senator KIM CARR: Thank you. What is the reduction in the steel transformation program?

Ms Beauchamp: There is nothing identified in this budget.

Senator KIM CARR: Do you mean closure? Are you planning to withdraw the act?

Ms Beauchamp: I think there may have been some decisions in the MYEFO process, but I will have to take that on notice.

Senator KIM CARR: I see; so it is in MYEFO. Was there a proposal to withdraw or repeal the act?

Ms Beauchamp: It was in a previous budget decision, but I will take it on notice about the repeal.

Senator KIM CARR: I put it to you that there is a proposal by this government to seek to have that act repealed to the effect of \$61 million cut.

CHAIR: The secretary has taken that question on notice.

ANSWER

The Government announced in MYEFO 2013-14 that it would achieve savings over three years by abolishing business compensation measures associated with the carbon tax from 1 July 2014, including the Steel Transformation Plan (STP). The savings associated with STP are \$61 million in 2014-15 and \$75 million in 2015-16.

The Government made an election commitment to repeal the carbon-tax related suite of legislation, which includes discontinuing the *Steel Transformation Plan Act 2011* (STP Act). The repeal of the STP Act and associated legislative instrument (the *Steel Transformation Plan 2012*) is at Schedule 4 of the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 (the Bill).

On 26 June 2014, the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2] was passed by the House of Representatives.