

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 2014
3 June to 5 June 2014

Department/ Agency: Treasury

Question: BET 711

Topic: Fuel Tax Credits Scheme

Reference: page 29-30, 5 June 2014

Senator: Whish-Wilson

Question:

Senator WHISH-WILSON: Thank you. I have a few questions on the fuel tax credits. What is the total value of the forgone revenue if the carbon charge, which reduces the value of the fuel tax credits by, I understand, around 6c a litre, is repealed through the carbon price legislation?

Mr Heferen: Sorry, Senator. We do not have that to hand. We will take that on notice.

Senator WHISH-WILSON: Could you also perhaps take on notice, or answer now, what proportion of that rebate goes to mining companies?

Mr Heferen: We will have to take that on notice.

Senator WHISH-WILSON: On what dates did mining representatives from BHP and other mining companies meet with the Treasurer, the member for Curtin, Julie Bishop, and other senior government and departmental members to discuss abandoning any changes to the fuel tax credit?

Senator Cormann: Can you just say that a bit more slowly and so I can hear?

Senator WHISH-WILSON: Could you give us the dates that you met with BHP and the other mining companies—

Senator Cormann: Who?

Senator WHISH-WILSON: to begin discussions—with stakeholders; let us say with stakeholders.

Senator Cormann: Who met?

Senator WHISH-WILSON: The Treasurer and the member for Curtin, Julie Bishop.

Senator Cormann: I will take that on notice. I am not aware that the Treasurer and/or the member for Curtin had these sorts of meetings. I will take that on notice.

Senator WHISH-WILSON: Thank you, Senator Cormann.

Answer:

711.

- a. The *2013-14 Mid-Year Economic and Fiscal Outlook* measure *Repeal of the Carbon Tax – forgone revenue from repeal of the Carbon Tax* reported that the cost of the increased expenses from abolishing the carbon tax that applied through reductions in entitlements to fuel tax credits was estimated to be \$700 million over the period 2013-14 to 2016-17.

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- b. There are no estimates of the impact of abolishing the carbon tax that applied to liquid and gaseous fuels through reductions in entitlements to fuel tax credits on particular companies or types of company.
- c. This is a matter for the Government.