

**Senate Economics Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Industry, Tourism and Resources Portfolio  
2006-07 Additional Budget Estimates Hearing  
15 & 16 February 2007

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**AGENCY/DEPARTMENT:** INDUSTRY, TOURISM AND RESOURCES

**TOPIC:** *Research Project on Structural Change in Australian Industry - Consultants*

**REFERENCE:** Hansard 16/2/07, Page E26

**QUESTION No.** AI-31

(Hansard 16/2/07, Page E26)

**Senator CARR asked:**—In answer to question on notice BI-16, the department provided me with a list of research projects that are being undertaken. One of these was looking at the structural change in Australian industry. Are you aware of that particular research project?

**Mr Dean**—Yes.

**Senator CARR**—Can you tell me whether the project has been completed?

**Mr Dean**—It has not been completed.

**Senator CARR**—Is it being done in-house, or is there a consultant?

**Mr Dean**—There is a consultant.

**Senator CARR**—Who is that consultant?

**Mr Dean**—It is the Centre for International Economics.

**Senator CARR**—How much is involved in that consultancy?

**Mr Dean**—I am not aware of that. There are two consultancies that total \$117,000. One is the Centre for International Economics; the other is BIS Shrapnel. I do not know what the breakdown between those is.

**Senator CARR**—You take that on notice, please?

**Mr Dean**—Yes.

**ANSWER**

There were two consultancies involved in this project. The first, by BIS Shrapnel, provided a statistical analysis of the major factors and trends in economic and industry development as at the end of 2005. This was completed in October 2006 at a total cost of \$47,850. The second consultancy was done by the Centre for International Economics (CIE). This focused on the main drivers of structural change within the Australian economy over the past 5 years and continued drivers for change as we move into the second half of the decade. The contract was for \$69,300 and was finalised in January 2007. Additional material has since been requested from CIE at a cost of \$12,000. The total cost of these two consultancies will be \$129,150.