

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

AGENCY/DEPARTMENT: INDUSTRY, TOURISM AND RESOURCES

TOPIC: *Ethanol Distribution Program*

REFERENCE: Hansard 15/2/07, Page E100-E101

QUESTION No. AI-7
(Hansard 15/2/07, Page E100-101)

Senator CHRIS EVANS asked:—Given that my colleague, Senator Boswell, keeps taking us back to ethanol, I had better ask my ethanol questions now, because we will end up talking about ethanol whatever we do tonight. Senator Boswell probably knows all about the ethanol distribution program—this was a new initiative post budget, was it?

Mr Peel—It was announced in August last year by the Prime Minister after the budget.

Senator CHRIS EVANS—It will cost about \$6,300,000; is that right?

Mr Peel—A total of \$4.7 million in 2006-07; \$7 million in 2007-08; and \$2.3 million in 2008-09.

Senator CHRIS EVANS—I was throwing in the departmental outputs. How is that going?

Mr Peel—Senator Boswell raised this earlier. This program provides grants to service stations to upgrade so they can either sell ethanol or sell more ethanol than they currently do. As I mentioned, there has been one grant to date, but the intelligence that we have from industry is that about 100 applications are probably in the pipeline. As I mentioned previously, they actually have to do the work before they claim the benefit under this program.

Senator CHRIS EVANS—I must admit I got lost in that round, so forgive me if I made you go over the same ground. You have only made one grant. What was that worth?

Mr Sexton—The maximum grant is \$10,000, and I think it was a \$10,000 grant.

Senator CHRIS EVANS—Was that to a service station owner?

Mr Sexton—My understanding is that it was for one site.

Senator CHRIS EVANS—So it might be to a larger company?

Mr Sexton—The owner or operator of that site. Who that is, I do not know.

Senator CHRIS EVANS—What state was it in?

Mr Sexton—Again, I do not have that information.

Senator CHRIS EVANS—Perhaps you could take on notice providing some information about the one you have granted?

Mr Sexton—Yes.

ANSWER

Penit Pty Ltd, in Bexley NSW (\$10K): it is an independent service station.