

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: *Queensland Alumina Limited (QAL)*

REFERENCE: WRITTEN QUESTION

QUESTION No. AI-80

Senator EVANS asked:— In relation to the company Queensland Alumina Limited—
Why has \$5m been committed as a contribution to the conversion of the refinery?

ANSWER

An amount of \$10m was offered to QAL as a contribution to the cost of conversion of the QAL alumina refinery at Gladstone from coal to natural gas. This offer was subject to a number of conditions as outlined in the Media Release by the Minister for Industry, Tourism and Resources on 27 September 2004. The conditions included natural gas being sourced from the PNG Gas Project to encourage a major new source of gas for the Australian market. An amount of \$5m was appropriated in 2005-06 in expectation of making a first payment to QAL, with the remainder scheduled to be paid in 2009-10. As the PNG Gas Project is no longer proceeding, the offer to provide \$10m of assistance to QAL has been withdrawn.

QUESTION No. AI-81

Senator EVANS asked:— Has the Commonwealth committed any other funding to this company? If so how much and when?

ANSWER

The Department of Industry, Tourism and Resources has no other funding committed to QAL.

QUESTION No. AI-82

Senator EVANS asked:— In relation to Commonwealth funding provided to this company indicate the purpose of the funding?

ANSWER

Not applicable, as the funding allocation has been withdrawn

QUESTION No. AI-83

Senator EVANS asked:— Under what program has this funding been provided?

ANSWER

Not applicable, as the funding allocation has been withdrawn.

QUESTION No. AI-84

Senator EVANS asked:— Will this funding be provided through a funding agreement or contract, with payments made on agreed milestones?

ANSWER

Any payment would have required QAL to enter into a deed or contract with the Department of Industry, Tourism and Resources, with payments subject to QAL meeting all milestones specified. No deed or contract was entered into.

QUESTION No. AI-85

Senator EVANS asked:— To date how much funding has actually been provided to this company?

ANSWER

Nil.