### **Senate Economics Legislation Committee**

# ANSWERS TO QUESTIONS ON NOTICE

Industry, Tourism and Resources Portfolio

Budget Estimates 2005-2006, 30-31 May 2005

AGENCY/DEPARTMENT:

DEPARTMENT OF INDUSTRY, TOURISM AND RESOURCES

OUTCOME/OUTPUT:

Outcome 1, Output 1.2

TOPIC:

INDUSTRY CRITICISM OF GOVERNMENT POLICY ON PETROLEUM

EXPLORATION

REFERENCE:

HANSARD 31/05/05, PAGE E4

## **QUESTION No.38**

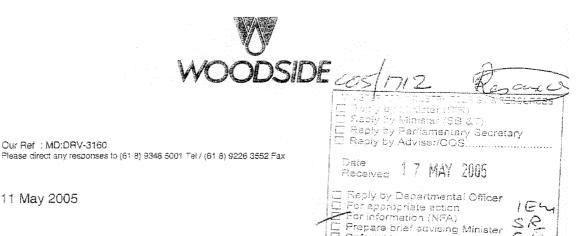
(Hansard 31/05/05, p.E4)

## Senator O'Brien asked about:

In response to a question from Senator O'Brien regarding industry criticism of government policy in the area of petroleum exploration, Mr Hartwell offered to table correspondence from the Managing Director of Woodside supporting what the Government has done in this area.

#### **ANSWER**

A copy of the letter is attached.



Referral to.....

11 May 2005

Our Ref : MD:DRV-3160

The Hon I Macfarlane MP Minister for Industry, Tourism and Resources Suite MG 51 Parliament House Canberra, ACT, 2600

Dear Minister.

I write to congratulate you on the policy changes to the Petroleum Resource Rent Tax (PRRT) and the adjustments to the proposed Gas Transfer Pricing Regulations announced as part of this year's Federal Budget.

Woodside believes that the changes announced will have a significant positive benefit for our industry and will be welcomed across Australia's energy sector.

The adjustments to the Gas Transfer Pricing Regulations will assist in providing fiscal certainty for future LNG projects in Australia and will enhance our ability to compete internationally.

The changes to the PRRT, while technical in nature, are a significant step forward in making the system easier to work with. There is no question that in doing so these changes will provide benefits to both the government and the industry.

I understand that securing these changes has been a long process and Woodside would like to record its appreciation for the patience and professionalism of officials from your department over this period. The cooperative approach between your officials, officials from the Department of Treasury and industry representatives to the discussions so far provides a solid foundation for further efforts to build Australia's energy exports.

I would also like to express our deep appreciation for your ongoing personal support for the LNG industry in Australia. Your efforts will help deliver a lasting benefit both for our industry and for the Australian economy.

Yours sincerely

Don Voelte

Managing Director & CEO

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