

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Budget Estimates Hearing 2009-10
01 June 2009

AGENCY/DEPARTMENT: INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

TOPIC: ACL Bearings

REFERENCE: Written Question – Senator Abetz

QUESTION No.: BI-23

Have the details of the latest \$4 million grant been finalised yet? When will the funding be provided?

On what date did the Minister commit to provide \$4 million to ACL Bearings?

Is this money a grant or a loan?

What are the conditions surrounding this payment?

Is ACL Bearings required to provide matching funding?

ANSWER

The details of the funding agreement have been finalised. Funding is being provided according to the terms of the agreement.

The Minister formally advised Automotive Components Ltd (ACL) of the grant of \$4 million in a letter dated 7 May 2009. In a letter dated 29 June 2009, the Minister formally advised ACL that he had agreed to increase the grant to \$7 million.

The funding is a grant.

The conditions surrounding this grant will include that the company undertakes a range of restructuring activities over the next three years, and that it is conditional on the company making new investments from its own resources and reaching agreed milestones.

ACL will contribute substantially to the overall cost of undertaking the project.