

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates, 2 June – 4 June 2009

**Question: bet 103**

**Topic: 12 Month Period for OzCar**

**Hansard Page: E38**

**Senator Abetz asked:**

**Senator ABETZ**—The 12-month period for which OzCar was set up was not, of course, from the date of the announcement but from, what, the day the legislation gets passed or the day the OzCar vehicle mechanism sends out the first dollar—what is the starting date for the 12 months?

**Mr Grech**—Clearly the legislation is very important, but in the contractual deeds that have been drafted by an army of lawyers—

**Senator ABETZ**—So something good has come out of it!

**Senator Sherry**—I was just going to say, Senator: you know about legal business, not car business.

**Mr Grech**—The end point is specified as 30 June 2010. So, frankly, for argument's sake, if it were to be activated on 1 August, we effectively do not have a 12-month facility at all. The end point is definite; the start point is not.

**Senator ABETZ**—Minister, from a policy point of view, has government given any consideration to extending it?

**Senator Sherry**—I will have to take that on notice.

**Senator ABETZ**—Thank you.

**Answer:**

The establishment of OzCar is in response to the extraordinary circumstances affecting global capital markets. In determining if there is a need for further action beyond 30 June 2010, the Government will take into account the state of the finance markets before the conclusion of the SPV.