

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

1 June – 3 June 2010

Question: BET 38

Topic: Analysis of Subsidies for Fossil Fuels

Hansard Page: E16(02/06/2010)

Senator MILNE asked:

Senator MILNE—...and can you tell me if Treasury has conducted any analysis of subsidies for fossil fuels in Australia?

Mr Gruen—Not in macro group. To the extent that this has been done, it would have been done by an area that was interested in the detail of that industry. So I guess—

Senator MILNE—So who would be doing the work?

Mr Gruen—You could ask that of fiscal group, but I am not sure—it may not be them either. But I would suggest that you ask that question of fiscal group later in the day.

Senator MILNE—On who is doing—

Mr Gruen—Whether they have done any analysis—

Senator MILNE—Done any analysis of the subsidies for fossil fuels, and which ones can be eliminated et cetera.

Mr Gruen—I think so.

Senator Sherry—We will take it on notice: if any work has been done and, if so, by whom. It is certainly not macro—I think we can safely say that. I will come back to you.

Answer:

In common with other agencies, Treasury was required to identify portfolio measures relating to the G20 commitment concerning inefficient fossil fuel subsidies. These measures are already set out in publicly available Government documents, including the Budget Papers. The conclusion was that no measures fall within the scope of the commitment.