

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Industry, Tourism and Resources Portfolio
Supplementary Budget Estimates 2006-2007, 1 November 2006

QUESTION No.SI-47

Senator Carr asked:

What is the current value of the grants approved to date, nationally and for each state and territory?

ANSWER

The current value of grants approved and paid as at COB 14 January 2007 is \$48.344m. We are unable to report on the value of grants approved and paid by State. The Management Information System is being developed to provide a greater degree of reporting functionality.

QUESTION No.SI-48

Senator Carr asked:

How many kilometres would a car have to travel every year to make the conversion financially viable based on the average cost of a LPG unit?

ANSWER

A number of variables influence the economics of a conversion, including how many years the vehicle will operate, the engine capacity of the vehicle, the cost of the unit, the difference in the cost of LPG and petrol, the way in which the vehicle is driven, how well it is maintained, its load, and the nature of the terrain over which it is travelling. As an example, the industry association, LPG Australia, provides a payback calculator on its website which indicates "if over the course of a year Autogas (LPG) averaged 55 cents per litre, while unleaded petrol averaged \$1.40 per litre, a Holden Commodore driver travelling 28,000 kilometres a year on Autogas (LPG) would save \$2,148".

QUESTION No.SI-49

Senator Carr asked:

Has the cost of installing an LPG unit increased since the scheme was announced?

ANSWER

The cost of installing an LPG unit varies according to a range of factors and hence it is not possible to provide a definitive answer. However, we understand from the industry association, LPG Australia, that in some cases the cost of installing an LPG unit could have increased by a small amount (eg a few hundred dollars) reflecting increased costs of raw materials such as steel to manufacture the gas tank. A further small increase could occur with some imported components associated with conversion kits being air freighted to Australia to meet the increased demand.