

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-54

Senator Carr asked:

When developing the scheme was any consideration given to other methods of delivering the rebate? If so, why was the decision made to provide the rebate to drivers after the LPG conversion?

ANSWER

The decision to provide the rebate to drivers after the LPG conversion was a decision of the Government. It is general practice that Australian Government grants are issued once applicants reach certain milestones. In the case of the LPG Vehicle Scheme, the milestone is the installation of an LPG conversion kit and full payment for the installation. This ensures that the applicant undertakes the conversion before receiving the subsidy.

QUESTION No.SI-55

Senator Carr asked:

Was any consideration given to having drivers lodge an application for the rebate, which would instead go to the LPG converter, who would in turn take the rebate out of the cost of conversion – therefore making the scheme more accessible to lower income earners?

ANSWER

The decision to have drivers lodge an application for the rebate was a decision of the Government.

QUESTION No.SI-56

Senator Carr asked:

Original estimates from the Department had 28,800 conversions estimated in the scheme's first year. Has that figure been revised? If so, please provide the new estimate. If not, how has the delay in getting LPG units installed been taken into account?

ANSWER

That figure has not been revised. The Department is closely monitoring demand.