

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Supplementary Budget Estimates Hearing 2011-12
19 October 2011

AGENCY/DEPARTMENT: DEPARTMENT OF INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

TOPIC: STEEL INDUSTRY

REFERENCE: Written Question - Senator Colbeck

QUESTION NO.: SI-122

What were the conditions to which the \$100 million advance to BlueScope of 22 August 2011 was tied; what does the company practically need to do in return for this money?

ANSWER:

Part 2 of the Steel Transformation Plan Bill 2011 sets out details of conditions for competitiveness assistance advances. Provision of the advance facility in the Bill was made after BlueScope Steel made a number of commitments to the Government in relation to its restructure announced on 22 August 2011, which included:

- Any de-activation of the Port Kembla blast furnace No. 6 and metal coating line No. 5 at Western Port must be in a manner which will enable them to be reactivated in the event of a sustained improvement in steel markets that enables profitable sales to resume.
- Any workers which BlueScope makes redundant must be paid all their legal entitlements in accordance with applicable workplace relations legislation, modern awards and the National Employment Standards and any applicable industrial instrument.
- BlueScope must commit to continuing as a significant employer in the Illawarra region over the term of the Steel Transformation Plan.
- BlueScope must remain committed to steel production in Australia.