

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry Portfolio
Supplementary Budget Estimates Hearing 2013-14
21 November 2013

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY

TOPIC: Simplot

REFERENCE: Written Question - Senator Kim Carr

QUESTION No.: SI-111

In relation to Simplot:

1. Has the Department briefed the Coalition Government on Simplot's business case for government co-investment to upgrade their plants?
2. When did the Department brief the Government on Simplot's situation?
3. Did the Department convey the company's urgency for a decision from government?
4. Has the Department done any further work on potential support measures for Simplot?
5. Has the Department done any analysis or modelling of the regional economic effects on growers should Simplot close its Devonport and/or Bathurst plants?
6. Has the Department done any preliminary work or provided any advice as to whether a transition package would be needed should Simplot cease operations? (If yes) What are your preliminary conclusions and recommendations?

ANSWER

1. Simplot has not submitted a request to the Government for co-investment to upgrade its facilities.
2. The Department has provided briefing including for a meeting the Minister had with Simplot.
3. The Minister was provided with advice regarding Simplot's operating conditions.
4. & 5. As Simplot has not submitted a request for potential support measures, no further work has been undertaken.
6. On 24 October 2013 Simplot announced it would downsize both its Bathurst and Devonport plants. It also announced investment of \$25 million over three years at its Devonport plant without government assistance.