

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates

4 – 6 June 2013

**Question: BET 454**

**Topic: Coal Reserves**

**Hansard Page: Thursday 6 June 2013, page 38-39**

**Senator WATERS asked:**

**Senator Wong:** ...Can I just clarify, so we make sure that we refer it to the right people—the stranded assets question is about coalmines?

**Senator WATERS:** Yes. If we have to keep 60 to 80 per cent of our coal reserves in the ground to avoid two degrees, as those reports I cited contend, how much of our current coal reserves will become wasted assets or stranded capital? I am also interested, then, in the effect of the growing coal seam gas industry and whether that will mean that even fewer coalmines can open or expand.

**Dr Gruen:** That is a question for Fiscal Group.

**Senator Wong:** We will take it on notice. I suspect, to be frank, that the answer might be that you are asking them to engage in a hypothetical, so I doubt that officials will respond. But we will see what we can find.

**Senator WATERS:** I am interested in any thoughts that they can share on that point. Thanks very much.

**Answer:**

Treasury has done no analysis of this specific issue.