

Select Committee on COVID-19
ANSWERS TO QUESTIONS ON NOTICE
Department of Industry, Science, Energy and Resources
Inquiry into the Australian Government's response to the COVID-19 pandemic

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, SCIENCE, ENERGY AND RESOURCES

TOPIC: Manufacturing that uses gas as feedstock

REFERENCE: Written Question – Senator Rex Patrick

QUESTION No.: 1

Mr Power, has advised the Committee that the Commission has focussed on the use of gas for feedstock in manufacturing.

1. How many jobs are there currently in manufacturing that uses gas as feedstock?
2. What is the projected increase in manufacturing jobs that use gas as feedstock?
 - a. In which localities/regions of which states are these jobs to be created?
3. On what information and advice have these projections/forecasts been determined?
4. What amount of current gas consumption is in feedstock?
 - a. What percentage of Australia's manufacturing base does that represent?
5. Has this information been included in the NCCC / NCCAB report that has been delivered?

ANSWER

1. There is limited information available on gas usage as a feedstock as it is generally not disaggregated from gas usage as an energy source, which is more common across manufacturing. Gas use as a feedstock is typically confined to the chemical and plastic industry.

In its report to Chemistry Australia, entitled 'Chemical Industry Economic Contribution Analysis 2017-2018', Acil Allen disaggregate the 'gas feedstock chemical sector' from the broader chemical industry. They estimate total direct employment in the 'gas feedstock chemical sector' as 9,232 (full time equivalent - FTE) in 2017-18.¹ The Department of Industry, Science, Energy and Resources' (the Department) figures (based on ABS data) show around 62,000 employees in the chemical and plastic sector. This is not broken down by feedstock and the Department is unable to verify the accuracy of Acil Allen's figures.

2. The Department is not aware of any information which projects or forecasts changes in manufacturing employment based on the use of gas as a feedstock.
 - 2a. Consistent with the previous response, the Department is not able to provide projections of employment distribution based on the use of gas as a feedstock.
3. While no forecasts or projections can be provided, any existing employment distribution would be based on ABS data.

¹ http://www.chemistryaustralia.org.au/docs_mgr/ACILAllenChemistry2017-2018%20FINAL.pdf

4. and 4a.

The Department's Australian Energy Statistics contains information on gas supply and use in Australia.² In 2017-18, the chemical sector accounted for around one-third of gas use by the manufacturing sector, and around 8 per cent of national gas consumption. This includes gas used for energy and non-energy (or feedstock) purposes. A disaggregated estimate of non-energy use is not published in these official statistics.

5. The Department has not been involved in the NCCC Manufacturing Taskforce's reporting process.

² <https://www.energy.gov.au/publications/australian-energy-update-2019>