

Economics Legislation
Answers to questions on notice
Climate Change, Energy, the Environment and Water Portfolio

Inquiry: Inquiry into Future Made in Australia Bill 2024 [Provisions] and the Future Made in Australia (Omnibus Amendments No.1) Bill 2024 [Provisions]

Question No: IQ24-000150

Hearing Date: 29 August 2024

Division/Agency: Net Zero Industries Division

Topic: National security risks with the failure to pass the legislation

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Question Date: 29 August 2024

Question Type: Spoken

Senator Smith asked:

SENATOR SMITH: Yesterday the Minister for Resources made the statement that the failure to pass this legislation would be a national security risk. Did any of the officials here this morning provide advice, either individually or collectively through their departments or agencies to the Minister for Resources or to their respective ministers that the failure to pass this legislation would be a national security risk?

...

Mr Gaddes: To get to the senator's point, we'd probably all need take that question on notice. I don't want to be in a position where the senator is misinformed or where we have not had the facts before us. None of us would directly brief the minister for resources. To get the committee the answer, I think we would be more comfortable taking that question on notice.

Senator DEAN SMITH: Could each of the individual agencies and departments take that on notice and provide the answer to the committee. I think the closing date for questions on notice is tomorrow. My second question is—and you're welcome to take this on notice as well—is the national security interest of Australia enhanced or diminished by the fact that many of the programs don't commence for three years?

...

So the timing doesn't reflect national security risk considerations?

...

Mr Gaddes: If I might add Senator, in the case of green hydrogen, the hydrogen production tax incentives and Hydrogen Headstart, the timing of the funding coming online is very much matched to when we think the industry will need it. When they've been able to develop their projects, go through and take final investment decision and then start to produce hydrogen. So for some of those, streams of activity under the Future Made in Australia, the support is very much designed to pull through the sector when it needs it.

SENATOR SMITH: but not matched to national security risk considerations or timeframes of external threats?

Mr Gaddes: In the hydrogen sector, I'm not sure that there is a strong focus on national security risk from the emergence of a new sector, which is what it's designed to pull through Senator.

SENATOR SMITH: So the failure to passage the bill wouldn't have national security risk considerations?

Mr Gaddes: I'm not going back to that one Senator, I'm just saying when the—

SENATOR SMITH: You're going to take that on notice?

Mr Gaddes: I'm taking that one on notice.

Answer:

The Australian Government has been clear about the national security issues associated with climate change, climate change policies and clean energy supply chains, including through its Annual Climate Change Statement 2023 (see pages 59 to 61). The Department of Climate Change, Energy, the Environment and Water has not provided advice on the national security implications of the timing of the FMIA Bill to the Resources Minister. The department cannot speak for any advice provided by other departments or agencies.