

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

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

Department: Department of the Treasury
Topic: Fuel tax credits
Reference: Spoken
Senator: Steph Hodgins-May

Question:

Senator HODGINS-MAY: Thanks. Okay, so 'no assurance' is what I'm taking from your response. If Future Made in Australia is a success then a lot of new remote mining and processing projects could be established under this legislation. Has Treasury made any estimates on the budget impact of more fuel tax credits being paid out to cover the cost of increased diesel generation to power remote mining projects?

Ms Zaheed: Unfortunately, that's a question for my tax colleagues, who are not at the table. It is one I would need to take on notice. It's a different area in Treasury that would have done that work, if that work had been undertaken. I'm not aware of any off the top of my head, but we can take it on notice.

Answer:

Fuel Tax Credits (FTCs) are an expenditure item in the budget. As such, the Department of Finance are responsible for agreeing these estimates with the relevant line agency (the Australian Taxation Office).

The Treasury has not modelled the impact on FTCs as a result of potential changes in diesel usage related to new mining and processing projects under the Future Made in Australia agenda.