

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry Portfolio
Budget Estimates 2014-15
2-3 June 2014

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY

TOPIC: Australian Industry Participation Plan Submissions

REFERENCE: Written Question – Senator Carr

QUESTION No.: BI-187

1. Which major project proponents suggest costs associated with Australian Industry Participation Plans are greater than indicated in the RIS for the Australian Jobs Act? Was this a position they outlined before the bill was passed in terms of submissions they made?
2. Why has only one major project proponent as required by the threshold under the Australian Jobs Act submitted an Australian Industry Participation Plan?
3. Will the review into Australian Industry Participation Plans, in all their guises (Gov procurement etc.) be transparent and will submissions be made public?

ANSWER

1. The Department received 13 submissions during the draft *Australian Jobs Bill 2013* exposure period. Four of the submissions stated that the costs identified in the Regulation Impact Statement underestimated the cost to develop and implement an effective Australian Industry Participation plan. The submissions were from the Australian Petroleum Production and Exploration Association Limited, Business Council of Australia, Chevron Australia Pty Ltd and Minerals Council of Australia. These submissions were made public prior to the passage of the Bill.
2. As at 3 June 2014 the Australian Industry Participation Authority had approved one Australian Industry Participation plan and had a further two draft plans lodged for consideration. The Australian Industry Participation Authority has had discussions with a range of major project proponents to raise awareness of the Act and written to approximately 40 project proponents, who had been identified as possibly having obligations under the Act.
3. The Department of Industry has contracted Ernst & Young to undertake a review of Australian Industry Participation policies and programmes. Ernst & Young is consulting with suppliers, major project developers, Australian Government agencies, state and territory governments, New Zealand Trade and Enterprise and the Industry Capability Network. There is no formal submission process.