

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
Supplementary Budget Estimates Hearing 2015-16
22 October 2015

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

TOPIC: Steel used in Australia

REFERENCE: Question on Notice (Hansard, 22 October 2015, pages 104–5)

QUESTION No.: SI-40

Senator KIM CARR: Yes. Mr Chesworth, are you aware of what percentage of Australian-made steel is used in Commonwealth procurement projects?

Mr Chesworth: No I am not. I am not sure if those figures are available, but we could always go and have a check.

Senator KIM CARR: If you could, please? I would be interested to know what the level is or what the volume is of Australian steel used, or the steel used, in Commonwealth funded procurement for projects and what the source of that steel is. And are you able to tell us what the level of state government procurement is involving the use of steel, and what the source of that steel is?

Mr Chesworth: Again, we will go and have a look. It will depend on the extent to which the states collect the data. Are there any particular states that you would be interested in?

Senator KIM CARR: Each state will do. The Victorian government has recently introduced a position with regard to the purchase of Australian steel for level crossings and other rail infrastructure. Are you aware of that?

Mr Chesworth: Yes, I am.

Senator KIM CARR: Are you aware of whether any other state government has followed a similar course of action with regard to the procurement and use of Australian steel?

Mr Chesworth: At the Commonwealth level, as you know, we have Australian industry participation.

Senator KIM CARR: We dealt with that little earlier, didn't we?

Mr Chesworth: I recall it very well. The Victorian government has, I guess, what you might call a 'complementary' scheme as well. My recollection is that there are two other states—Western Australia and, I think, New South Wales—that have similar schemes too, but if I have to correct the record on that I will do so.

Senator KIM CARR: What is the usage of steel like in Australia? Do you have any figures on the total amount of steel that is actually used in Australia?

Mr Chesworth: There are figures around. I do not have them with me.

Senator KIM CARR: Could you take that on notice.

Mr Chesworth: Yes. Obviously, being an issue that is front of mind for us we would—

Senator KIM CARR: So you would have those figures available?

Mr Chesworth: I am not sure. If we have them I will provide advice.

ANSWER

The Department of Industry, Innovation and Science is not aware of any published data series on Australian-made steel used in Commonwealth procurement projects.

The department does not collect information on the level or volume of Australian steel used in Commonwealth, state or territory funded procurements, nor the source of that steel.

All states and territories agreed to the Australian Industry Participation Framework in 2001. To correct the record, all states and territories have policies, guidelines or charters in place which are 'complementary' to the framework.

At the meeting of COAG Industry and Skills Council meeting on 5 November 2015, Council Members agreed to working collaboratively on a proposed discussion paper that will explore opportunities and challenges to increasing economic and industry growth through government procurement.

Australia's apparent steel use was 6.376 million tonnes for calendar year 2013.
(<http://www.worldsteel.org/publications/bookshop/product-details.~Steel-Statistical-Yearbook-2014~PRODUCT~SSY2014~.html>)