

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Additional Estimates Hearing 2009-10
10 February 2010

AGENCY/DEPARTMENT: INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

TOPIC: Space Concession

REFERENCE: Written Question – Senator Eggleston.

QUESTION No.: AI-32

In respect to **Space Concession:**

- a. What is the stated purpose of program?
- b. When did the program commence and when is it scheduled to end?
- c. How much money has been budgeted for the program for each year of the program?
- d. How much funds have been spent to-date on the program for each year of the program?
- e. Is the program on schedule and on budget?
- f. How are funds appropriated to the program allocated?
- g. Is spending under the program subject to guidelines and/or ministerial decision?
- h. If there are no guidelines governing spending how is it governed?
- i. Have all funds been allocated in accordance with the guidelines?
- j. Where ministerial approval of payments is required – have any payments or amount of payment been made, or not made, contrary to Departmental recommendations?
- k. Is the Department aware of any situation where funds have not been spent in accordance with the guidelines or any other requirement regarding the use of the funds?
- l. Has any situation arisen requiring the recovery by the Government of funds paid by the government?
- m. What amount has the Department spent in administering the program in each of the years of the programs operation?

ANSWER

- a. The objective of the Item 69 concession is to increase the competitiveness of the space industry in Australia and ensure compliance with international obligations. It is intended to facilitate the transfer to Australia of sophisticated space-related technology and technical expertise. It is expected to be of significant benefit to companies proposing to establish and develop operations in the high technology, high value-added space sector in Australia. More information is publicly available:
<http://www.ausindustry.gov.au/importandexport/spaceconcession/documents/space%20guidelines%20march%202009.pdf>
- b. The Concession commenced 1 August 2001 following changes to Schedule 4 of the Customs Tariff Act (1995) and has no end date.

- c. The *Space Concession (Item 69)* allows goods to be imported into Australia duty free for use in authorised space projects. No funds are paid out.
- d. Not applicable.
- e. Not applicable.
- f. The Concession provides for a foregoing of revenue.
- g. There is no spending.
- h. There is no spending under the Concession program. The guidelines provide the manner by which concessions are accessed.
- i. Not applicable.
- j. Not applicable.
- k. Not applicable.
- l. Not applicable.
- m. Departmental administrative cost is 0.2 ASL per year.