

Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Supplementary Budget Estimates Hearing 2011-12
19 October 2011

AGENCY/DEPARTMENT: DEPARTMENT OF INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

TOPIC: CARBON TAX

REFERENCE: Written Question – Senator Colbeck

QUESTION No.: SI-114

What contingency and risk planning has the Government specifically asked the Department to undertake in relation to risks and potential problems in the rollout of the industry programs and compensation arrangements associated with the carbon tax?

ANSWER

Risk management is an integral component of the Department's business planning and activities. The Department undertakes risk management exercises regularly in order to ensure that it is conscious of the risks it faces and is able to manage and mitigate these risks.

In relation to the *Clean Technology Program* that the Department is administering to assist the manufacturing industry transition to the carbon price, the Department's AusIndustry and Manufacturing Divisions have been undertaking risk assessments to identify risks in relation to the program design and implementation. The Department is also developing a set of risk treatment strategies.

The Department is also working closely with the Clean Energy Future Program Office within the Department of Climate Change and Energy Efficiency to ensure the risks across the industry programs and compensation arrangements are being carefully managed.