

**OFFICE OF THE DEPUTY PRIME MINISTER AND TREASURER**

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26 MAY 2011

Dear Section 47F

Thank you for your email of Section 47F

The Deputy Prime Minister has asked me to respond to you. I sincerely apologise for the delay in responding to you.

At the Pittsburgh Summit, G20 leaders committed to rationalise or eliminate inefficient fossil fuel subsidies that encourage wasteful consumption. I would like to assure you that Australia has met its obligations under the G20 commitment. The Australian Government direct budgetary support for fossil fuel production is limited to measures supporting the production of clean energy, particularly in relation to carbon pollution reduction. Australia does not have any sector-specific tax expenditures for fossil fuel consumption, although fossil fuel producers are able to access the same general measures that apply across the economy or across the mining sector as a whole.

The Government has been working closely with industry in developing policies for promoting renewable energy. For example, in August 2009, the Government implemented the Renewable Energy Target (RET) scheme, which is designed to deliver on its commitment to ensure that 20 per cent of Australia's electricity supply will come from renewable sources by 2020. This will drive \$16 billion in investment in renewable energy over the life of the scheme. In ten years time the amount of electricity coming from renewable sources like solar, wind and geothermal will be around the same as all of Australia's current household electricity use. The Government has also invested into the development of clean energy technologies through the expanded Clean Energy Initiative, which includes the Solar Flagships and Carbon Capture and Storage Flagships programs. These programs will support the development of large-scale solar and carbon capture storage generation in Australia.

I trust this information will be of assistance to you.

Yours sincerely

Departmental Liaison Officer - Economic

91415

From:

Sent:

To: Ministerial Emails
Subject: FW: Section 47F

MPH

From:

Sent: Monday, 31 January 2011 4:14 PM

To:

Subject: Section 47F

MPH

Dear Prime Minister Gillard, Mr Albanese, Mr Ferguson, Mr Burke and Mr Swan

Section 47F

Yours sincerely



