



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**THE SENATE**

**PROOF**

**QUESTIONS WITHOUT NOTICE:  
TAKE NOTE OF ANSWERS**

**Carbon Pricing**

**SPEECH**

**Tuesday, 19 June 2012**

BY AUTHORITY OF THE SENATE

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## SPEECH

**Date** Tuesday, 19 June 2012  
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**Questioner**  
**Speaker** Urquhart, Sen Anne

**Source** Senate  
**Proof** Yes  
**Responder**  
**Question No.**

**Senator URQUHART** (Tasmania) (15:19): I rise on the motion to take note of the answers given by Minister Wong on the government's clean energy future package. As much as those opposite want it to, climate change is an issue that is not going to go away. It cannot be chased away simply by the scaremongering of those opposite. Their current scare campaign is focused on power price rises and trying to do their bit to discredit the professional price estimates conducted by the independent utility regulators in each state. For example, the New South Wales pricing regulator estimates that for the typical small business customer for each of the three New South Wales networks the increase would be less than \$5 a week. The Council of Small Business Organisations of Australia has confirmed that the impact on small business consumers will be around \$5 per week.

However, the government is still committed to assisting small businesses through a range of measures, including \$27.5 million to extend the highly successful Small Business Advisory Services program for a further four years, allowing incorporated small businesses carrying up to \$1 million worth of losses to get a refund of tax paid in the previous year. Also, the small business instant asset write-off will increase from \$1,000 to \$6,500 from 2012-13. This will improve cash flow for small business operators and provide additional incentives for investment and productivity improvements.

As part of the clean energy future package, the government has tasked and resourced the ACCC to investigate and take action against businesses that make false or misleading claims about the impact of carbon pricing on their prices. Those opposite have spent a good while scaremongering that the forecasted electricity prices are wrong and that electricity prices will rise by exorbitant amounts under a carbon price. On 12 June 2012 the chairman of the Australian Competition and Consumer Commission, Mr Rod Sims, said he could not see any circumstances where an average small business would have a carbon related price increase of anything like 25 per cent.

One thing is absolutely clear: it is in Australia's long-term national interest to deal with climate change. In this chamber we have heard for many years from Minister Wong as well as many others on this side of the chamber and even some opposite about the

positives of using an emissions trading scheme in tackling climate change. At the core of our emissions trading scheme is a cap on carbon pollution. The cap will guarantee reductions in carbon pollution and allow us to achieve our long-term goal of an 80 per cent reduction from the 2000 levels by 2050. That is 17 billion tonnes of carbon pollution out of the atmosphere between now and 2050.

This Gillard Labor government is committed to a smooth transition and will use all of the revenue to support households, to invest in a clean energy future and climate change programs and to support jobs and competitiveness in energy intensive industries. For households there will be tax cuts, increases in family payments and higher pensions, benefits and other government allowances. Nine out of 10 households receive or will soon receive assistance through tax cuts and/or payment increases through the transfer system.

Treasury's price increase estimates, which formed the basis of the household assistance package, have recently been found to overestimate the price increases in five of six jurisdictions where information is available. In my home state of Tasmania, electricity prices were estimated to rise by nine per cent, but consultants for the Tasmanian electricity pricing regulator have claimed that the rise will only be 6.5 per cent. This is well below the forecast and therefore provides extra assistance to Tasmanian households.

This is a reform that requires the parliament to look at the longer term and not just the short-term politics. It is unfortunate, then, that those opposite are led by a politician who will only ever look to what he believes is a short-term political advantage. Most of those opposite publicly expressed a belief that we need to act on climate change and that supporting an emissions trading scheme is the way forward—until they thought the politics had shifted, until they sought a short-term advantage over the nation's long-term prosperity. It is not too late to put the nation's long-term interests forward and shelve your short-term political interests. It is not too late to realise that your policy and our policy are both to reduce emissions by five per cent by 2020. It is not too late to realise that climate change will not be solved in 2020 and we need a long-term plan to deal with the costs of pollution. It is not too late to do what is right for our grandchildren. (*Time expired*)