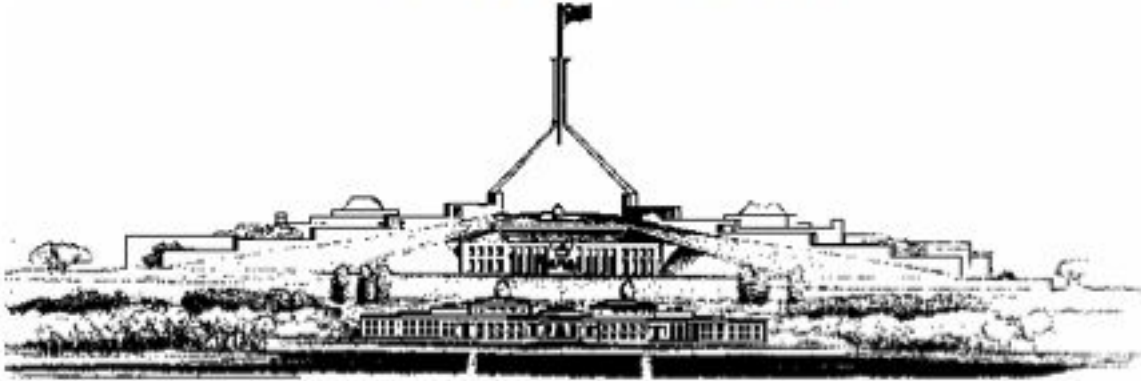




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

QUESTIONS WITHOUT NOTICE

**QUESTIONS WITHOUT NOTICE: TAKE
NOTE OF ANSWERS, Carbon Pricing**

SPEECH

Tuesday, 13 September 2011

BY AUTHORITY OF THE SENATE

SPEECH

Date Tuesday, 13 September 2011
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Questioner
Speaker Urquhart, Sen Anne

Source Senate
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Responder
Question No.

Senator URQUHART (Tasmania) (15:16): Today in the House of Representatives we heard from many government ministers highlighting our plan to tackle climate change, and we have just heard from Senator Brandis about the issue of fast-tracking. There have been 35 parliamentary inquiries into climate change since 1994. People are sick and tired of politicians talking about this. They actually want something done. Climate change is an issue that is not going to go away. It cannot be chased away simply by the scare-mongering of those opposite. One thing is absolutely clear: it is in Australia's long-term national interest to deal with climate change.

The Gillard Labor government has introduced a package of clean energy bills to parliament that will ensure Australia reduces its carbon pollution in the most economically efficient way—by putting a price on carbon, which says to 500 or so big polluters that enough is enough, that it is time to pay for every tonne of carbon pollution put into our atmosphere. The Gillard Labor government has a plan to remove 160 million tonnes of carbon pollution from the earth's atmosphere by 2020. It is about using a market based mechanism to Australia's advantage. This mechanism will involve a fixed price for three years from 1 July 2012, then move to a floating price after 1 July 2015. The fixed price will start at \$23 per tonne of carbon pollution and progressively increase each year, providing certainty to those businesses and allowing for a manageable transition. After 1 July 2015 a cap will be placed on Australia's emissions and the market will decide on the carbon price. But there will be a price floor for the first three years of the floating price system to ensure the transition is as smooth as possible.

At the core of an 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 level by 2050—that is, 17 billion tonnes of carbon pollution out of the atmosphere between now and 2050. This emissions trading scheme will also involve international linking to give Australians access to a broader range of abatement opportunities. This will help to contain costs and promote international action on climate change. I note that the Prime Minister has recently met with the President of the European Union, President Barroso, and their discussions naturally led

to what they are doing to combat climate change. I understand Mr Barroso said:

Australia's decision to put a price on carbon emissions is ... an important step, both environmentally and economically .

Because:

It is in our view and the European experience, the most cost-efficient way to reduce emissions and also create green business opportunities. We will now continue our joint work for a global climate regime and also on a bilateral basis we will see what we can do together.

To those opposite that say we are acting alone, you are only kidding yourselves. Australia is the 15th largest emitter of carbon pollution, with emissions comparable to many European nations but with a population many times smaller.

The Gillard Labor government is committed to a smooth transition. We 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 programs. For households there will be tax cuts, increases in family payments and higher pensions, benefits and other government allowances. Nine out of 10 households will receive assistance through tax cuts and/or payment increases through the transfer system. In total, in my home state of Tasmania, more than 174,400 people will receive household assistance through the transfer system. This assistance is permanent and will increase. The government will review the adequacy of assistance each year and will increase it further if necessary. We are taking this opportunity to make significant reforms to our tax system that will see over one million Australians no longer required to lodge a tax return.

The government understands there are a great many Australians who are concerned about this policy, who are concerned to understand the impact of the Clean Energy Future package on their households and on their families, which is why the government has worked very hard to ensure that information is provided to the Australian people. This is also why the government has committed to extend—(*Time expired*)