

GREENHOUSE GAS EMISSIONS

Wednesday, 6 June 2007

The Hon. A.L. EVANS: I rise today to highlight Family First's concern about the debate over a greenhouse gas emissions trading scheme which ignores the effect such a scheme would have on families. Yesterday (5 June 2007) was World Environment Day. Never before has concern about the environment been so great or debated so much around the world or in this esteemed chamber. A report commissioned by the commonwealth Department of the Prime Minister and Cabinet entitled 'The Report of the Task Group on Emissions Trading' was delivered on 31 May 2007.

In its terms of reference, the report was given three criteria for success. The terms of reference stated that any solution should be environmentally and economically effective and politically acceptable. There was no mention of families. Families are being ignored in the environment debate, despite the fact that the reason we are so passionate about protecting our environment is so that our children and future generations can enjoy it. Not surprisingly, given those terms of reference, the report, which was released last week, does not mention families once.

The Australia Institute submitted that there would be benefit, among other things, of using a tax, a levy or revenue recycling in a greenhouse gas emissions trading scheme to ensure that low income families are not negatively affected. The report contains a quote from the US National Commission on Energy Policy which explains that allowances could be used to compensate those who bear a disproportionate burden under the policy. This group should include, in Family First's view, low income families who cannot afford the rising cost of living plus the flow-on effects of an emissions trading scheme. The report makes clear that families will be disadvantaged. It states:

... consumers will be affected by the introduction of a carbon price through a rise in the cost of electricity and petrol, and through increases in the carbon cost embodied in consumer goods.

Families are already struggling to make ends meet as a result of soaring petrol and grocery prices, yet families will be punished with even higher petrol prices and even higher electricity bills—and that is just the beginning. These policies might not affect people with spare cash, but they will hurt families who are struggling in the outer suburbs and regional areas. Markets do not always serve families well. That is why Family First believes an emissions trading scheme must also include compensation for families, particularly low income families, who could face financial hardship. Will targets or pricing of household consumption of energy take into account the number of people in each house? If not, families will lose.

Family First calls on the federal and state governments to provide genuine relief to families by using revenue from the sale of emissions trading permits to offer innovative financial assistance packages to help families reduce their energy costs, such as subsidies and low interest loans to buy energy efficient products. After all, as the report states many times, changing consumer behaviour (that is, changing family energy and resource usage) will be a primary means of achieving results for the environment.