



Submission to

*Select Committee on the Taxation of Gas
Resources*

9 April 2026

About Bushfire Survivors for Climate Action

Bushfire Survivors for Climate Action (BSCA) is a growing group of people who have been directly impacted by bushfires in Australia. We are a non-partisan, community organisation made up of bushfire survivors, firefighters and their families, working together to call on our leaders to take action to reduce emissions.

BSCA formed shortly after the Tathra and District fire in March 2018, and its founding members were all impacted by bushfires, including the Black Summer bushfires in 2019-20, Blue Mountains in 2013, Black Saturday in 2009 and Canberra in 2003.

BSCA has been at the cutting edge of legal reform to reduce climate emissions and hold governments, agencies and companies to account. **In 2021 we took the NSW Environment Protection Authority to court challenging them on their lack of action on climate change and won.** [Our landmark win in the NSW Land and Environment Court](#) was the first time that an Australian Court ordered a government to take meaningful action on climate change.


As authors of this submission on behalf of Bushfire Survivors for Climate Action, we have lived experience of the impacts of climate change—through the loss of our homes and loved ones, the fracturing of our communities, and the destruction of our natural environment. Urgent and ambitious climate action by all levels of government is essential to protect the safety and future of all Australian communities and to reduce the impacts of climate change that we have already experienced first-hand.

www.bushfiresurvivors.org

Submitted to:

https://www.aph.gov.au/Parliamentary_Business/Committees/OnlineSubmission

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INTRODUCTION

We thank the Committee for undertaking this important review in such a timely manner, and we are grateful for the opportunity to contribute. Our remarks will relate to the following points of the Terms of Reference of the Select Committee on the Taxation of Gas Resources:

- f. how any additional revenue generated could be used to provide cost of living relief for households and businesses and reduce our dependence on imported fuel;
- g. any other related matters.

RECOMMENDATIONS

Responding to f. how any additional revenue generated could be used,

1. *Communities* impacted by climate damage, and *communities and workers* impacted by the transition away from fossil fuels should be specifically included as recipients of the generated revenue.

- a. We wholeheartedly agree that **Australian households and businesses need cost of living relief, particularly during the current energy crisis.** Additionally, a proposed tax on the gas industry **should contribute to a compensation fund for communities currently carrying the cost of climate damage** caused by the industry's pollution.
- b. We also strongly agree that **Australia must reduce its dependence on imported fuel.** We advocate that proceeds from a proposed gas tax earmarked for this purpose should be used to support **communities and workers, rather than corporations.**

Responding to g. any other related matters,

2. A proposed gas tax would represent the industry paying Australia for the non-renewable resource it is exploiting, which is welcome. However the industry should also pay for the costs caused by its pollution.

As well as a proposed tax, fossil fuel industries including gas should pay a **Climate Pollution Levy** that feeds directly into a **Climate Compensation Fund** earmarked for relief of the cost burden being carried by communities for climate change and by workers and communities impacted by the transition to a decarbonised economy.

3. A parliamentary inquiry into the costs of climate change to government and communities, including but not limited to disaster recovery, cost of living pressures, and the costs of adaptation and resilience work should be undertaken to understand the public cost of the gas industry.

This must include regional hearings to hear directly from climate-impacted communities. Crucially it should address the available and potential sources of revenue for meeting the investment needs identified.

DISCUSSION

We warmly welcome the proposal of a new gas tax, which would represent the gas industry paying Australians a fair return on the non-renewable resource which the industry extracts from Australia and sells on for profit.

We recommend some additional considerations for the use of the generated revenue (**f. how any additional revenue generated could be used**); as well as further, future work (**g. any other related matters**) on recovering costs from the fossil fuels industry including gas.

Recommendation 1. Front-line communities should be specifically designated as revenue recipients

a. Communities and local governments impacted by and vulnerable to increased costs from climate change

As the Committee knows, climate change is already extremely costly as well as dangerous, and the **largest cause** is the extraction and burning of **fossil fuels, including gas**.

The Insurance Council of Australia has found¹ that in 2021-2022, insurers paid **\$6.41 billion** in claims for extreme weather events, **costing every Australian household an average of \$1,532**; and that by 2050, Australian households will be paying **\$35.24 billion every year** (in 2022 dollars) for the direct costs of extreme weather. Looking ahead, last year's National

¹ <https://insurancecouncil.com.au/resource/new-research-shows-every-australian-pays-for-extreme-weather/>

Climate Risk Assessment (NCRA)² makes it very clear that this is set to worsen substantially. The 2024 Independent Review of Commonwealth Disaster Funding (Colvin Review)³ forecast the total economic cost of natural disasters to increase from \$11.8 billion in 2023-24 to \$40.3 billion in 2049-50 in real 2023-24 dollars.

The NCRA and National Adaptation Plan⁴ identified that **increased investment in resilience and adaptation is needed**. This view is supported by the Colvin Review,³ the Independent Review of National Natural Disaster Governance Arrangements (Glasser Review)⁵ and the World Resources Institute's finding that every \$1 invested in climate change adaptation can yield over \$10.50 in benefits.⁶

The discussion above focuses on the broader economy, Government, and insured assets or costs to insurers. But the **additional costs of climate change to individuals and communities**, who are much less able to bear them than are Government and the insurance industry, are also enormous. Bushfire Survivors for Climate Action is among an alliance of organisations, the Make Big Polluters Pay Alliance, calling for a Parliamentary Inquiry into, in part, these costs.

In addition to the costs of adaptation and resilience, response and recovery, **Australians are already feeling the cost of climate change in their day-to-day cost of living** through grocery prices, skyrocketing insurance premiums, energy bills with increased needs for heating and cooling, lost work time and productivity due to extreme conditions, and child care when school is canceled.

Australians are tough and used to challenging conditions, but these **communities bearing the cost of impacts and needed adaptation should receive at least partial compensation** through a stream of the revenue from the proposed new gas tax. The revenue from the proposed tax is not sufficient to fully lift the burden from communities however, therefore we recommend further work on recovering costs from the fossil fuels industry including gas (our Recommendation 2, below).

² <https://www.acs.gov.au/pages/daffc0c9d3154aab9a65ad3cb1844d6b>

³ <https://www.nema.gov.au/about-us/governance-and-reporting/reviews/independent-review-of-commonwealth-disaster-funding>

⁴ <https://www.dcceew.gov.au/climate-change/publications/national-adaptation-plan>

⁵ <https://www.nema.gov.au/about-us/governance-and-reporting/reviews/independent-review-of-national-natural-disaster-governance-arrangements>

⁶ <https://www.wri.org/research/climate-adaptation-investment-case>

b. Workers and communities impacted by the decarbonisation transition

One barrier to the needed economic transition is concern for the wellbeing of workers and communities exposed to fossil fuel industries. **These workers and communities should be supported** by a stream of the revenue from the proposed tax. This funding should be directed to support regional diversification plans, to ensure communities and workers impacted by fossil fuel facility closures can take part in and *benefit from* the transition, such as advocated by Hunter Renewal.⁷ Given the numbers of new jobs in the renewable energy industry and green manufacturing, and the need for skilled workers, workers should be offered the opportunity to reskill into these areas; but they should also be supported to retrain into any other field of work they may choose.

Recommendation 2. In addition to a proposed new tax, the industry should also pay for its climate damage

We understand that this recommendation is, strictly speaking, outside the scope of this Committee's inquiry. However we make it here to flag that, **much as we welcome a proposed new gas tax as a great step, it does not address the industry's pollution damage, which is additional, and there will still be more work to be done.**

In our view, the proposed tax would represent fair payment to Australians for the non-renewable resource that the gas industry is extracting from Australian land, but it does not pay for the damage caused by the industry's pollution. As an analogy, we pay the registration fee on our cars (analogous to the gas tax), but our registration doesn't pay for the damage if we are responsible for an accident - that is paid through another mechanism (analogous to a pollution levy).

It is important to remember that the export gas industry is a **profit-taking commercial enterprise, not a public good**, and causes substantial pollution and environmental damage in Australia. Methane is a particularly important climate pollutant because although it is shorter-lived in the atmosphere than CO₂, it has a much more potent greenhouse effect. Fugitive methane emissions occur from leaks and releases during extraction, processing, storage and distribution of natural gas and have been found to be nearly twice what was expected based on national inventory data.⁸ Moreover, the majority of Australia's gas product is exported, with 83% of gas produced in the first half of 2025 used for exports.⁹ In addition,

⁷ <https://www.hunterrenewal.org.au/>

⁸ <https://ieefa.org/articles/fugitive-methane-emissions-cast-dark-cloud-over-australias-net-zero-ambitions>

⁹ <https://ieefa.org/australian-gas-and-lng-tracker>

while burning gas releases only about half as much CO₂ as coal, this is still far from harmless - and the emissions from the overseas burning of exported gas are just as harmful to the people, environment and economy of Australia as if the gas were burned here.

As Australia grapples with the enormous and rising cost of climate impacts, we must address how to pay the escalating bill. This is a critical moment to reflect on the enormous profits taken over the past decades by the fossil fuel corporations that knew for decades that their activities were driving climate change, **and yet actively covered up this knowledge.**^{10, 11, 12}

Several potential “*polluter pays*” approaches have been proposed recently. As mentioned above, Bushfire Survivors for Climate Action is a founding member of the Make Big Polluters Pay Alliance¹³ which recommends a Climate Pollution Levy on fossil fuel producers, to pay for a Climate Compensation Fund for impacted communities. Another proposal is the Superpower Institute's Climate Solutions Levy.¹⁴ The Select Committee on the Impact of Climate Risk on Insurance Premiums and Availability recommended that Treasury “develop options for a levy on coal and gas extraction companies... from which the funds raised would be invested in disaster mitigation and resilience measures, and the cost of rising insurance.”¹⁵ We continue to urge the Government to actively investigate and develop such options as a high priority.

Moreover, subsidies to the fossil fuels industry should be redirected toward community transition and the industries of the future. Some will argue that these subsidies are vital to support an industry that is considered central to the Australian economy. On the contrary however, most people dramatically overestimate the importance of the fossil fuel industry to our national economy. The reality is that fossil fuels contribute approximately 3% of Australia's economy,¹⁶ and approximately 1% of Australia's employment¹⁷ while directly harming and putting at risk a far larger proportion of jobs and communities through climate impacts.

Finally, Australia should work with other nations to develop new rules on tax avoidance by multinational corporations under a new United Nations Tax Convention.¹⁸ Australia can play a

¹⁰ [Scientific American. Exxon Knew about Climate Change almost 40 years ago. October 26, 2015.](https://www.scientificamerican.com/article/exxon-knew-about-climate-change-almost-40-years-ago/)

<https://www.scientificamerican.com/article/exxon-knew-about-climate-change-almost-40-years-ago/>

¹¹ [Union of Concerned Scientists. The Climate Deception Dossiers: Internal Fossil Fuel Industry Memos Reveal Decades of Corporate Disinformation. 2015. https://www.ucsusa.org/sites/default/files/attach/2015/07/The-Climate-Deception-Dossiers.pdf](https://www.ucsusa.org/sites/default/files/attach/2015/07/The-Climate-Deception-Dossiers.pdf)

¹² Page 7: <https://www.documentcloud.org/documents/6554117-Mining-Congress-Journal-August-1965-Air/>

¹³ <https://www.makebigpolluterspay.org.au/>

¹⁴ <https://www.superpowerinstitute.com.au/news/the-necessity-for-polluter-pays>

¹⁵ https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Impact_of_Climate_Risk_on_Insurance/ClimateRiskonInsurance/Report

¹⁶ [Burke PJ. On the way out: Government revenues from fossil fuels in Australia. Aust J Agric Resour Econ 67, 1-17, 2023.](https://doi.org/10.1111/1467-8489.12503)

<https://doi.org/10.1111/1467-8489.12503>

¹⁷ [Stanford J. Employment Aspects of the Transition from Fossil Fuels in Australia \(2020\).](https://australiainstitute.org.au/wp-content/uploads/2021/10/Fossil_Fuel_Employment_Transitions-WEB.pdf)

https://australiainstitute.org.au/wp-content/uploads/2021/10/Fossil_Fuel_Employment_Transitions-WEB.pdf

¹⁸ <https://taxjustice.net/press/world-losing-half-a-trillion-to-tax-abuse-largely-due-to-8-countries-blocking-un-tax-reform-annual-report-finds/>

positive role in these negotiations which could restore billions of dollars to government budgets.

Recommendation 3. Government should undertake a parliamentary inquiry into the total costs of climate change to communities

As mentioned above, BSCA has been working with other organisations in the Make Big Polluters Pay Alliance. Among other calls, we have requested a parliamentary inquiry to fully recognise, identify and fund the whole and diverse costs of climate change which is already occurring and locked in for the coming decades to the economy, individual Australians and communities. Some of this is addressed in the NCRA, the National Adaptation Plan, the Colvin and Glasser reviews the 2024 Select Committee on the Impact of Climate Risk on Insurance Premiums and Availability report, and the currently ongoing Inquiry into Local Government Funding and Fiscal Sustainability.¹⁹ However, no inquiry to date has brought together all these costs in one overview to **fully account for the magnitude of the funding challenge - particularly with a focus on communities.**

¹⁹https://www.aph.gov.au/Parliamentary_Business/Committees/House/Regional_Development_Infrastructure_and_Transport/LocalGovernmentFunding

CONCLUSION

We welcome the proposal for a new tax on the gas industry, and we support calls for the generated revenue to be used to support household energy relief to offset the impacts of the ongoing energy crisis.

We also recommend that two streams of the generated revenue be directly specifically front-line communities - one, to **communities impacted by climate change**, and the other to **communities impacted by the decarbonisation transition**.

We further recommend future additional work on recovering costs from the fossil fuels industry, including gas, in the form of a **Climate Pollution Levy to feed a Climate Compensation Fund**. This can be informed by the outcomes of a **parliamentary inquiry into the totality of costs of climate change** to government and communities.

Bushfire Survivors for Climate Action represents **people who have been severely impacted by the physical impacts of climate change**. Our members' losses range from damaged mental and physical health and wellbeing, deep impacts across communities, through to massive tangible and financial losses; and while some of these losses have eventually been recovered through enormous effort and determination, many continue long term. We also know that we are **only a fraction of those hit hard by effects of climate change, including floods, storms, sea level rise and other impacts**. The ranks of climate-impacted Australians will only continue to swell, even in the best case scenario.

These people and communities **can never be fully compensated for their losses**, but at the very least they **should not be bearing the burden of excess financial costs** caused by the pollution from the highly lucrative fossil fuels industry. This is why we recommend they receive some compensation from the proposed tax, and further compensation in the future from a Climate Pollution Levy feeding into a Climate Compensation Fund.

Thank you for your consideration of our submission.

Yours sincerely,



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