

Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Environment portfolio

Question No: 71
Hearing: Additional Estimates
Outcome: Outcome 2
Programme: Climate Change and Renewable Energy (CCARE)
Topic: Savings from repeal of carbon tax
Hansard Page: 65
Question Date: 23 February 2015
Question Type: Spoken

Senator Waters asked:

Senator WATERS: The government has repeatedly claimed that the repeal of the carbon price would save Australian households \$550 per year. Can the department provide a breakdown of how much households have actually saved since the repeal of the carbon price?

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Senator WATERS: Is there someone else in the room who has the dollar figures?

Dr de Brouwer: We will take that on notice.

Senator WATERS: It is pretty widely known to be about \$140. Is there anything you have in front of you that can corroborate that figure?

Mr Archer: It does not look like it, unfortunately.

Senator WATERS: Thank you for taking that on notice.

Answer:

The Australian Bureau of Statistics (ABS) and the Australian Competition and Consumer Commission (ACCC) have reported their estimates of the impact on household electricity prices associated with the repeal of the carbon tax:

- The quarterly consumer price index figures released by the ABS on 22 October 2014 showed that electricity prices decreased by 5.1 per cent in the period immediately following the carbon tax repeal. While the ABS cannot attribute this price decrease to particular factors, this is the biggest quarterly fall in electricity prices in a quarter since records have been kept in Australia.
- The ACCC's quarterly report to December 2014 on its monitoring of the impact of the carbon tax and its repeal included an estimate of the average fall in household electricity tariffs attributable to repeal. The ACCC's rough estimate was that this impact is in the range of -4.5 per cent to -10.6 per cent (varying across the eight States and Territories). This report did not estimate these price impacts in dollar figures.
- The ACCC's previous carbon tax quarterly report, to September 2014, did include the following dollar figure estimates of the impact of the carbon tax repeal on average household electricity bills. These estimated annual cost savings were given to the ACCC by retailers as part of the substantiation notices they were required to provide under the carbon tax repeal legislation. The savings vary across retailers and jurisdictions, and are averages only; actual individual savings will depend on the customer's tariff structure, location and consumption.

Jurisdiction	Range of estimated annual savings reported by electricity retailers
NSW	\$158-179
Victoria	\$132-146
Queensland	\$170-174
South Australia	\$136-159
Tasmania	[no data]
ACT	\$189-222
Western Australia	\$46-263
Northern Territory	[no data]