

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates 2012

30 May 2012

QUESTION: BET 402 - 404

Topic: Modelling on the Impact of the Carbon Tax on Running Costs (ATO)

Hansard Page: Written

Senator MCKENZIE asked:

402. Have the Department of the Treasury and the agencies within the Treasury portfolio modelled the impact of the carbon tax on their running costs?
403. If so, what was the outcome? If not, why, not?
404. How much electricity do the Department of the Treasury and the agencies within the Treasury portfolio use? What does this cost them in electricity bills?

Answer:

402–403.

The ATO has modelled the impact of the carbon tax on its running costs by forecasting an estimated budget increase in its electricity and statutory outgoings for the 2012-13 financial year of approximately \$1.4 million. The budget increase calculations are based on the following information:

- The ATO's contracted property service provider, United Group Limited (UGL) received data from the whole-of-government energy provider, ERM, in relation to the expected increase in the price of energy throughout the 2012-13 financial year due to the Carbon Pricing Scheme. This expected increase was investigated and deemed appropriate by UGL and was then used as a benchmark to establish the budgeted expected increase in energy expenditure across the ATO's property portfolio.
- UGL also attended a presentation hosted by the Australian Property Council on the expected impact on expenditures due to the Carbon Pricing Scheme. Based on the presentation "The carbon price mechanism and the property sector" by the Allen Consulting Group and through the use of a carbon pricing model available on the Australian Property Council's website, it was deemed appropriate to increase budgeted expenditures on all non-contracted property operating expenditures by approximately 1.60%.

404. From 1 July 2011 to 31 May 2012, the ATO's electricity costs were \$7,211,717. Electricity usage figures will not be available until October 2012.

In the 2010-11 financial year, the ATO's electricity costs were \$9,649,637. Electricity usage was 250,000 gigajoules across the ATO's property portfolio.