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

Question No: 68

Hearing: Additional Estimates

Outcome: Outcome 7

Programme: Renewables Projections & Governance Division

Topic: Carbon Tax Repeal

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Question Date: 24 February 2014

Question Type: Spoken

Senator Ruston asked:

Senator RUSTON: Back on the line of the cost and benefit of the carbon tax, but most particularly in light of the fact that there was a hope or expectation that the carbon tax would be able to be repealed sooner rather than later, obviously we now know that it is not going to be able to be repealed in this current term of government, unless some common sense prevails.
Have you got any understanding of the cost of delaying the repeal of the carbon tax from when it could possibly have gone through in November now possibly not being repealable until after 1 July or subsequently if it goes any longer? Do we have a quantum of the cost to government, business and the community?
Dr Kennedy: I do not have those quantums in front of me. I am happy to outline the issues and potential costs associated with delayed repeal that have come forward from submissions around repeal. I am happy to take on notice estimates around ongoing administration that would be associated with delayed repeal. That would be related to my earlier question about the obligations that bodies would face until the repeal takes place..........................

Answer:

The Government has not estimated the costs of delaying the repeal of the carbon tax. Any estimate of the costs of a delay in the repeal of the carbon tax would require a range of assumptions to be made, some of which are speculative. These would include assumptions about the possible timing of the enactment of the repeal legislation; the administration costs of a delayed repeal for the Government, affected businesses and consumers; the nature of specific commercial arrangements and the way in which businesses may behave.