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Submission - Senate Select Committee on Scrutiny of New Taxes.

The Sustainable Energy Association of Australia Inc. (SEA) is one of Australia's largest energy chambers.

WA SEA is a member-based chamber of enterprises providing the commercial solution to climate change through their products and services, or that aspire to be more sustainable in their own energy use, inclusive of businesses offering or using services and products that manage or offset greenhouse gas emissions in transition to sustainable energy use.

WA SEA has a strong reputation for authoritative commentary and advocacy on a broad range of energy efficiency and sustainable energy issues, including submissions and media releases – many examples of our contribution can be found on our website.

Many businesses are acting to support the development of the best policy outcomes for the industry by becoming SEA members. SEA has over 375 industry members from a diversity of enterprises including many key energy players in Australia including researchers, developers, suppliers and customers. This range of companies, businesses, organisations and individuals are involved in sustainable energy practices and including energy efficiency across government, business and the community in: infrastructure; architecture and design of buildings and homes; transport; performance of appliances, vehicles, machinery, and industrial processes; use of renewable energy passively, in support of process and in generation.

SEA is the only business peak body in Australia actively supporting comprehensive action on all aspects of sustainable energy in Australia's economy and the community.



SEA is a key advocate for efforts from individuals and enterprises contributing to the solution of climate change, and works to support actions that assist the community to use energy more sustainably and act on global warming.

I write to on behalf of SEA to provide a submission to Senate Select Committee on Scrutiny of New Taxes:

Taxation can have uses in control and management of the economy as well as becoming a significant influence on the behaviour and perceptions of individuals and companies.

SEA's major area of interest in the introduction and administration of a carbon tax lies with the implications that such a tax would have to energy, it's perceived value as a commodity and consumption, and the long term implications of the sources for the generation of energy within the Australian economy.

SEA is a supporter of the proposition of taxation of greenhouse gasses (GHG) as a mechanism for accountability for the economic externality cost of GHG, not only of emitted CO2 but also other GHGs including oxides of nitrogen (NOx) and other gasses that affect greenhouse potential.

SEA's support arises from the position of accepting the science of anthropogenic climate change, and those anthropogenic carbon emissions, under 'business as usual' scenarios, create a substantial risk of dangerous warming of the global climate. In accepting the science, SEA recognises that Australia incurs significant environmental, social and economic risks without the effective minimization of carbon emissions.

Carbon taxation comes in essentially 2 forms; a cap and trade system such as an emissions trading system; and a direct tax on emissions. Both of these effectively put a price on carbon emissions. However, as a business chamber supporting market based approaches to change, it is SEA's view that an emissions trading system is the most economically efficient way to deliver change in GHGs.

The need to put a price on carbon has been formally acknowledged through the establishment of the United Nations Framework Convention on Climate Change signed by Australia in 1992. After 18 years, it is time for Australia and the world to act without delay.

I would welcome the opportunity to provide further evidence before the committee.

Yours sincerely

Prof Ray Wills Chief Executive Officer Sustainable Energy Association of Australia Inc. (SEA)

WA SEA 2030 VISION

30% energy generation from sustainable sources and 30% reduction of existing use through energy efficiency by 2030