

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

2016 - 2017

Division/Agency: Structural Reform Group

Question No: 306

Topic: Carbon Emissions

Reference: Hansard page 104 (01 March 2017)

Senator: Macdonald, Ian

Question:

Senator IAN MACDONALD: On that last issue, has Treasury ever done any analysis on the change that carbon emissions cause to the world climate on the basis that Australia's emissions are less than 1.2 per cent of the world's carbon emissions? I am wondering if you have ever done an analysis on the cost to the Australian economy of dealing with so-called climate change, [...] I am just wondering if Treasury has ever done a model or analysed the cost to the Australian economy for all the work we are doing to try and reduce Australia's 1.2 per cent of emissions by 2030 or even 50 per cent on the basis that even if we reduce it by 50 per cent the impact on the world's climate is going to be absolutely negligible. So I am wondering if anyone has ever looked at those figures from an economic point of view?

Mr Dunn: I will have to take that question on notice because you say 'ever'. I am sure that we have been involved in the development of emissions trading schemes, carbon tax and everything in the past. That is quite a long time frame. We would have to take that question on notice to see if we have done any work on the climate impact.

[...]

Senator IAN MACDONALD: Could I suggest to the minister that perhaps that might be something that the minister might ask the Treasury to have a look at. There is so much emphasis on this change, this expense of renewable targets, but it surprises me that Treasury has not done an analysis of the costs and benefits—it would be negative, not benefit—of doing that, when it is going to make absolutely no difference, at that 1.2 per cent, to what the emissions of carbon might do to the world's climate change.

Senator McGrath: I will take that on notice.

Answer:

Treasury has not performed “analysis on the change that carbon emissions cause to the world climate on the basis that Australia's emissions are less than 1.2 per cent of the world's carbon emissions.”