

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates 29, 30 & 31 May 2007

Question: bet 79

Topic: Carbon Trading – Schemes Operating in Other Countries

Hansard Page: E50

Senator JOYCE asked:

This question might be self-interest for the farmers, but this is what they will be wanting me to ask: do farmers and people who own property get the chance to make money out of the carbon that is on their land?

Ms Mrakovcic—It is impossible to answer that question. It would very much depend on—

Senator JOYCE— Or is it that they are trading carbon on their land but the people who actually own the land do not make any money out of it, in which case—

Mr Tune—It depends crucially on the design of your scheme. You cannot answer a priori. You would have to look at the detail of what the scheme was before you could—

Senator JOYCE—Are there any countries that do anything similar to that?

CHAIR—It is a very hypothetical scenario.

Senator JOYCE—Can we take that one on notice, then?

Senator SHERRY—I think if Mr Tune or any of the officers had knowledge of the schemes operating in any other countries that operate in the way that Senator Joyce is interested in—

CHAIR—Do you want to take that on notice?

Senator JOYCE—Yes, take it on notice.

Mr Tune—We are happy to take it on notice.

Answer:

In response to the report of the Task Group on Emissions Trading, on 3 June this year the Prime Minister announced that Australia would move towards a domestic emissions trading scheme, beginning no later than 2012. The scheme will be national in scope and as comprehensive as is practical.

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The impact of emissions trading on farmers will depend ultimately on the extent to which farmers are required to account for their emissions, and the capacity of their land to generate any recognised abatement.

Many countries' emissions trading schemes are still in their formative stages, with the proposed treatment of the agriculture sector unclear. The European Union scheme excludes emissions from the agriculture sector.