

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates, 2 June – 4 June 2009

Question: bet 18

Topic: The Cap & Trade System

Hansard Page: Written

Senator Williams asked:

1. Is the tax that is going to be raised through the cap and trade system going to be reinvested into programmes to reduce carbon?
2. If not where will the revenue be directed to?
3. How much is expected to be raised in the first year?

Answer:

1. The Government has committed to use every cent it receives from the sale of emissions units to help households and businesses adjust and move Australia to the low pollution economy of the future (refer to page xviii of the Government's White Paper, *Carbon Pollution Reduction Scheme: Australia's Low Pollution Future*).
2. A breakdown of revenue and assistance measures under the Carbon Pollution Reduction Scheme (CPRS) is provided in the fact sheet 'Revised Fiscal Impact of the Carbon Pollution Reduction Scheme', which is available on the Department of Climate Change website.
3. Details on the estimated revenue from the CPRS are available in 'Statement 5: Revenue' of the *Budget Strategy and Outlook 2009-10* (Budget Paper No. 1).