

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

19 – 20 October 2011

Question No: SBT 851

Topic: The growth rate of domestic emissions

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Senator Cormann asked:

Senator CORMANN: The modelling report I see characterises that as strong growth. Can you tell me what the growth rate of domestic emissions is over the decade to 2020 under the carbon tax and an emissions trading scheme?

Ms Quinn: The growth rate of domestic emissions over that period? I do not have that number in front of me. I have got the level of emissions and the deviation.

Senator CORMANN: The number is 578 million to 621 million tonnes per annum. That is about a three-quarter per cent increase per annum. Does that sound right?

Ms Quinn: I am certainly happy to take it on notice and check those numbers. I have not got a calculator with me.

Senator CORMANN: If 1.1 per cent per annum is strong growth, does three-quarters of a per cent per annum growth also count as strong growth?

Answer:

In the *Strong growth, low pollution: modelling a carbon price update*, domestic emissions increase from 578 Mt CO₂-e in 2010 to 621 Mt CO₂-e in 2020 in the Government policy scenario. The average annual growth rate of domestic emissions during the decade is 0.7 per cent. This compares to the annual average growth rate of 1.6 per cent in domestic emissions without carbon pricing.