




Speech By
Robbie Katter

MEMBER FOR MOUNT ISA

MOTION: CARBON TAX

 **Mr KATTER** (Mount Isa—KAP) (11.58 am): I rise to make a brief contribution to this debate. I fully support the removal of this tax. I always have. It is a burden on industry. It is a non-constructive way to reduce emissions. I feel that there is generally a consensus to reduce emissions and to clean up our environment, but this is not the time, the place or the most effective way to do this. This tax forms part of a large basket of various serious issues confronting Australia's energy situation. The national energy strategy falls hopelessly short of effectively dealing with an economically palatable solution to reducing any emissions, dealing with gas reserves for domestic industry, heavy reliance on our coal exports and coal generated power, and poor application to value adding in our industries.

There are many examples of bad policies that have tried to regulate environmental impact but have had a very negative impact on industry. I need to look no further than my own electorate of Mount Isa, where a copper smelter had operated for 50 or 60 years and was a very critical part of the viability of the many copper mines. New environmental regulations were imposed upon that smelter that precipitated a decision to shut it down. I consider the impact of that. We imposed regulations that made that smelter non-viable, so the ore we dig out of the ground in Mount Isa will be railed to the Townsville port and shipped to China, where presumably it will be processed in a less regulated environment. As far as I am aware, we all live under the one sky; China and Australia are under the one sky. As custodians of the environment, that is a pretty poor outcome. It is a good example of where we are failing and where some of those decisions are politically driven but are not directly effective. We sell coal to China to keep our economy going. It is a critical part of our exports. I find it hard to not see the hypocrisy in driving our economy by selling our coal to be burnt in China when we are trying to reduce our own emissions.

The other point is that there is a lack of substantial investment in the primary clean coal generating activities. There is money for research and people are encouraged to bring something forward that is successful, but when it comes time for governments to invest in something successful they do not get across the line. There are some very serious issues that this is just one part of.

There are other effective ways of dealing with emissions that complement industry. Obligatory renewable energy certificates received bipartisan support in the federal parliament. The best way to address that was committing to the clean energy corridor from Townsville to Mount Isa, which was able to tap into a lot of renewable energy projects which, albeit expensive, at least come 2020 are estimated to save the government \$150 million in renewable energy certificates. That is one way to complement industry while trying to make an effort with renewable resources, which we all acknowledge are a costly way of delivering power.

The most realistic example of where we can contribute to our industry while at the same time providing a cleaner environment is by 10 per cent mandated ethanol, which we believe in very strongly. Ethanol has the ability to reduce carbon emissions from motor vehicles by around five per cent and, at the same time, can greatly develop industry in our great state and provide opportunities for primary producers—our grain farmers and sugar farmers—with no detriment or risk to the feed prices et cetera. There are some very practical ways to address some of the issues and the carbon tax was a poor way to do it. We fully support this motion.