

QUESTION ON NOTICE

No. 713

asked on Thursday, 12 May 2005

MR SPRINGBORG ASKED THE MINISTER FOR ENERGY AND ABORIGINAL AND TORRES STRAIT ISLANDER POLICY (MR MICHEL)—

QUESTION:

Will he detail the current status of the discussions being held by the Interjurisdictional Emissions Trading Working Group, in doing so outlining (a) the estimated timeframe for announcement of a State-based national emissions trading scheme and (b) the anticipated price of a tonne of carbon dioxide under the proposed State-based national emissions trading scheme?

ANSWER:

Queensland is leading the way in reducing greenhouse gas emissions. The Queensland Government is the only jurisdiction to have introduced a Scheme which requires electricity retailers and other liable parties to source 13 per cent of the electricity they sell in Queensland from gas-fired generation. Queensland has also invested heavily in clean coal technology and the Kogan Creek Power station which is under construction on the Darling Downs will set a new environmental benchmark for the industry.

The Premier released a communiqué and press release on 31 March 2005 which indicates the Interjurisdictional Working Group on Emissions Trading will be undertaking further analysis of emissions trading during 2005. The analysis will focus on the potential social and economic impacts of a national emissions trading scheme.

The Premier also indicated that Queensland would continue to support ongoing investigations into the development of a national emissions trading scheme and will continue to participate in the working party to ensure that Queensland retains its competitive edge as Australia's electricity generation powerhouse.

At this stage, the State and Territory Governments have together committed to further investigation and analysis and propose to report to their respective Premiers on this work by the end of 2005. Detailed analysis of a number of factors, including pricing will take place over the coming months.

The Premier released a communiqué and press release on 3 June 2005, following the Council of Australian Governments (COAG) meeting in Canberra. The communiqué advised that COAG noted the difference in view between the Commonwealth Government and the State and Territory Governments on the need for an emissions trading system in Australia at this

time. COAG agreed to set up a Senior Officials' group to examine the scope for national cooperation on climate change policy, focussing on areas of common ground between jurisdictions where practical progress can be made. This would include consideration of the scope to improve investment certainty for business, encourage renewable energy (including ethanol) and enhance cooperation in areas such as technology development, energy efficiency and adaptation.