



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

Federation Chamber

PRIVATE MEMBERS' BUSINESS

Carbon Pricing

SPEECH

Monday, 20 August 2012

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Page 9245
Questioner
Speaker Jones, Stephen, MP

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Mr STEPHEN JONES (Throsby) (12:01): I listened with interest to the impassioned contribution of the member for Parkes in support of cement. I asked him to stay in the chamber, because I will have a question for him on that particular issue. I too have cement works in my electorate, particularly in the Southern Highlands of my electorate, where Boral cement works owns a coal mine which provides the electricity supply for that cement works. It is only the coexistence of the coal mine and the cement works which continue to enable the Boral cement works to exist on a profitable basis.

I would have thought that a proud member of the coalition getting up in not only vociferous support of the cement works within his electorate would probably have a broader interest in the viability of cement throughout New South Wales and Australia. For that reason, I would ask the member for Parkes, when he gets back to his office, to pick up the phone to the Liberals who sit on the Wingecarribee Shire Council. He might be scratching his head and wondering why I am asking that he pick up the phone to the Liberals who sit as councillors on the Wingecarribee Shire Council. It is because the voting record of the Liberals, the coalition members, on the Wingecarribee Shire Council are putting at risk the future of that cement works, because they are voting against the continuation of the increased export of coal from the coal mine in Berrima. It is absolutely critical that we get bipartisan support from all sensible thinking people, or people who know a little bit about economics—and I am sure the member for Parkes would like to include himself in that group—and that we have sensible voting and sensible support for the cement works in my electorate, as we need sensible support for the cement works in electorates right around the country.

As I sat and listened to some of the contributions from the member for Parkes, particularly as he spoke about the impact that rising electricity prices are having on fine community organisations, such as Men Sheds, I had to think to myself, 'Where have these guys been for the last four or five years when electricity prices have been increasing 10, 20 and 30 per cent per annum?' Is this a newfound affection for running campaigns against electricity prices—particularly as their mates in coalition governments around the country have done absolutely nothing as we have seen skyrocketing power bills and continue to see skyrocketing power bills? Where have these guys been on that issue? It is another phone call that they might like to make to their colleagues who have a real capacity to do something about power bills in the states of Queensland, New South Wales, Victoria and Western Australia. If he really wants to do something about the cost of power bills that are affecting the fine community organisations such as those mentioned by the member for Parkes, he should make a phone call to Premier Barry O'Farrell to do something about the absolute price gauging that is going on with New South Wales power.

The purpose of the motion, brought to us by the member for Gippsland, is to address the issue of climate change, climate change policy and how we put in place the most effective and efficient mechanisms for dealing with our contribution to addressing global warming and greenhouse gases, that we do it in a way that enables our economy and our society to transform itself, and that we take small steps now to ensure that we do not have to take big steps into the future.

I am pleased to see the member for Fremantle on this side of the House in the chamber at the moment, because I know she has been a passionate campaigner on the issue of climate change. We on this side of the House believe that climate change is a reality. It is official policy from those who sit on the other side of the House but, when you hear their members speak on it, you can sometimes be forgiven for being confused on it.

The Australian government, acting on the strong scientific advice of the CSIRO and that of the Bureau of Meteorology, as opposed to talkback radio experts, has put in place a strong course of action to deal with climate change. The opposition have been making hysterical claims about the carbon price as 'a wrecking ball that will destroy whole industries and towns and our way of life'. Those are their words, not mine. They have been saying this, despite the fact that they went to two elections with a policy of putting a price on carbon and introducing an emissions trading scheme. We are nearing the three-year anniversary of the Leader of the Opposition saying that that was the most sensible way to deal with climate change. It is the most sensible way of dealing with

it and economists around the world agree on that. But what we are seeing from the opposition in response to this critically important reform is a political scare campaign. The motion from the member for Gippsland is just another episode in this sorry saga, which is the opposition's scare campaign.

The Leader of the Opposition and his coalition colleagues have been travelling around the countryside and doing everything that they can do to talk down the economy and scare people. And nothing scares them more than good news for the economy. They have been a little bit wobbly over the last few weeks as the economy has received some good news—that is, that inflation is not going through the roof, as has been predicted by those on the other side, and, instead of whole towns being wiped off the map and millions being added to the unemployment queues, unemployment is going down and employment is going up in this country. We are one of the only countries in the world that can boast that record. Our unemployment rate is half that of the United States and most economists are predicting that, by the end of the year, unemployment in Europe will head to well north of 10 per cent. Overall, we have not seen the doom and gloom predicted by the other side. The most recent labour force figures show that, despite the ongoing difficulties in the global economy, unemployment grew in July by an additional 14,000 jobs. Full-time employment grew by 9,200 jobs and part-time employment also increased by just short of 5,000 jobs. Whilst Australia's unemployment rate fell marginally, to 5.2 per cent, it is still the envy of the entire world.

The motion mentions the situation faced by local government. I heard some statements from local governments in my electorate on this particular issue. I would like to confine my concluding remarks to the situation facing local government. It is a fact that local governments which own landfill facilities, better known to us as waste dumps, do face the prospect of having a carbon price liability if their annual emissions are in excess of 25,000 tonnes. At least one local council in my electorate faces the prospect of having to pay a carbon price, based on the current price of \$26 per tonne, on any emissions from solid waste entering the landfill from 2012 to 2013—not on heritage emissions, because we agree that it is unfair for councils to have to pay a carbon price on those so-called heritage emissions that have resulted from any waste that has been deposited into the ground prior to 1 July this year.

That is, of course, if local councils around the country who own their own landfill and their waste dump facilities do absolutely nothing to mitigate or to reduce their emissions. But smart councils, including Shellharbour council in my own electorate, are putting in place mechanisms to ensure that they do do something. Far from incurring a liability, they believe that they can actually make a profit out of capturing, storing and converting fugitive gases from their landfill and converting those into energy. So not only can they make money out of generating a power source from methane emissions from their landfill and selling that back into the grid for a price; they can also gain renewable energy certificates for that process. So these councils can actually make money out of the scheme which has put a price on carbon. And of course that is exactly what was designed to occur, because when you put in place a market mechanism it encourages people to think of creative ways to deal with this, and it also puts in place an economic imperative for them to do that. So good on those councils who are taking these steps. I encourage other councils to do exactly the same.