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Carbon Price Repeal Bills: quick guide

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Introduction

The newly elected Government has [promised to](#) introduce legislation to repeal the carbon price and associated measures as its first item of business for the 44th Parliament.

Coalition policies on repealing the Carbon Price

- [The Coalition Government's Plan For The Environment](#) (October 2013)
- [The Coalition Government's Plan To Tackle Climate Change, Reduce Emissions And Reduce Pressure On Electricity Prices](#) (October 2013)
- [The Coalition's Policy to Deliver Lower Prices by Scrapping the Carbon Tax](#) (September 2013)
- [The Coalition's Policy to Scrap the Carbon Tax and Reduce the Cost of Living](#) (August 2013)

Draft repeal legislation and consultation

On the 15th of October 2013 the Coalition Government announced it had [released exposure drafts](#) of bills designed to repeal the carbon price. Drafts for all eight pieces of legislation are [available online](#).

A [consultation paper](#) was also released, with a call for public comment. The paper includes summaries of the draft legislation and outlines issues for businesses subject to the carbon price. Submissions closed on the 4th of November 2013 but have not yet been published on the Department of the Environment's website.

Media releases

- Relevant press releases and transcripts by [Prime Minister Tony Abbott](#).
- Relevant press releases and transcripts by [Greg Hunt, Minister for the Environment and former Shadow Minister for Climate Action, Environment and Heritage](#)

The Coalition's Direct Action Plan

The repeal of the carbon price will coincide with the introduction of the Coalition's Direct Action Plan, [according to Environment Minister Greg Hunt](#). The Government says that it is committed to reducing Australia's emissions by 5 per cent from 2000 levels by the year 2020.

- [The Coalition's Direct Action Plan](#) (2010)

A key instrument of the Direct Action Plan is the Emissions Reduction Fund, designed to provide funding for low-cost emission abatement projects. [Public consultation](#) for an Emission Reduction Fund Green Paper is underway and will close on the 18th of November 2013. The paper is due to be released in December 2013, with an Emissions Reduction Fund White Paper scheduled for early 2014.

Cost of the Direct Action Plan

Costings for repealing the carbon price and launching the Direct Action Plan are included in the Parliamentary Budget Office's [Post-election report](#) on commitments made by the major parties during the 2013 general election campaign.

In 2011 the Treasury released an Executive Minute analysing the [Economic and Fiscal Impacts of the Coalition's Direct Action Plan](#) compared to Labor's Carbon Price Mechanism, detailed in their 2010 plan [Strong Growth, Low Pollution](#).

Labor's Clean Energy Future being repealed

The Rudd-Gillard Government's plan for mitigating climate change, the Clean Energy Future, also aims to reduce emissions by at least 5 per cent compared with 2000 levels by 2020. This is being done through a Carbon Price Mechanism on most sources of greenhouse gas emissions.

- [Securing a Clean Energy Future: The Australian Government's climate change plan in summary](#) (2011)

Public comment was sought during a consultation period on the Clean Energy Future package. The submissions received are no longer available online but [a handful has been archived](#). Legislation was amended following this consultation with the changes outlined [in this factsheet](#).

The Clean Energy Future package was reviewed by the Joint Select Committee on Australia's Clean Energy Future Legislation. The Committee's [report](#) and [submissions](#) were published in October 2011, including a [Dissenting Report](#) by Coalition members of the Committee.

The Senate Select Committee on Scrutiny of New Taxes also published two reports; a draft titled [The Carbon Tax: Economic pain for no environmental gain](#) and the final report [The Carbon Tax: Secrecy and spin cannot hide carbon tax flaws](#). Both contain Dissenting Reports by Labor members of the Committee.

The [Clean Energy Act 2011](#) is one of 18 bills that legislates the Clean Energy Future package. A full list of the relevant Acts can [be found online](#). Second reading debates for all Clean Energy Future bills (which were debated as a package) can be found [here](#).

The Parliamentary Library prepared the following Bills Digests on the legislation around the Clean Energy Future:

- [Clean Energy Bill 2011](#)
- [Clean Energy \(Household Assistance Amendments\) Bill 2011](#)
- [Clean Energy \(Income Tax Rates Amendments\) Bill 2011 & Clean Energy \(Tax Laws Amendments\) Bill 2011](#)
- [Clean Energy Regulator Bill 2011](#)
- [Climate Change Authority Bill 2011](#)

Changes to the Clean Energy Future Package 2012

The Clean Energy Future package was amended twice in 2012. In May, amendments added non-transport gaseous fuels to the Carbon Price Mechanism. These amendments can be [found in Parlinfo](#).

In September the legislation [was amended](#) to link the future Australian Emissions Trading Scheme with the European Union Emissions Trading Scheme from July 2015. A [Bills Digest](#) for this significant change and [a list of these amendments](#) is online.

Proposed changes to the Clean Energy Future Package 2013

In the 2012–13 Federal Budget the Government's projections of the carbon price [fell significantly](#). This development led in part to the Government proposing to bring forward to 2014 the transition from a fixed carbon price to a floating carbon price. [Draft legislation](#) for this change was released and public consultation began, which closed on the 15th of August 2013. The submissions are not available online.

Cost of the Clean Energy Future package

- The Climate Institute's Media Brief: [The carbon laws one year on: Lower emissions, cleaner energy and a strong economy](#) (July 2013)
- Australian Industry Group: [Business pricing responses to Australia's carbon tax, the first six months](#) (January 2013)

- Tourism Accommodation Australia: [Carbon Tax Impacts on the Australian Accommodation Industry](#) (March 2013)
- Parliamentary Library Research Paper: [Securing a clean energy future: some economic aspects](#) (2011)
- Commonwealth Scientific and Industrial Research Organisation/AECOM Technology Corporation: [The Carbon Price and the Cost of Living: Assessing the impacts on consumer prices and households](#) (2011)

Reviews of Australian climate change progress

- Climate Change Authority: [Reducing Australia's Greenhouse Gas Emissions: Targets and Progress Review Draft Report](#) (October 2013)
- [Quarterly Update: Australia's National Greenhouse Gas Inventory](#) (March 2013)
- [Garnaut Climate Change Review 2008](#) and [2011 update](#), commissioned by the Australian Government.
- [Strategic Review of Australian Government Climate Change Programs \(Wilkins Review\)](#) (2008)

Review and analysis of local and international climate change policies

- Organisation for Economic Co-operation and Development Environment Policy Paper: [Climate and carbon: Aligning prices and policies](#) (October 2013)
- Parliamentary Library Background Note: [Emissions Trading Schemes around the world](#) (June 2013)
- Productivity Commission: [Carbon Emission Policies in Key Economies](#) (May 2011)
- Parliamentary Library Background Note: [Emissions Control: your policy choices](#) (2010)
- Parliamentary Library Background Note: [Emissions trading—has it worked?](#) (2009)
- Parliamentary Library Research Paper: [The European Emissions Trading System—lessons for Australia](#) (2008)

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