

Australia to unveil pollution tax

July 5 2011



Environmentalists hold banners and placards during an anti-coal demonstration in Sydney. The country is set to unveil the full details of its contentious pollution tax within days, Treasurer Wayne Swan said Tuesday, promising help for households facing higher energy bills.

Australia will unveil the full details of its contentious pollution tax within days, Treasurer Wayne Swan said Tuesday, promising help for households facing higher energy bills.

The tax, to apply to Australia's top 1,000 polluters from mid-2012, follows two failed attempts by the ruling Labor party to introduce an [emissions trading scheme](#) (ETS) in a bid to cut [carbon emissions](#) blamed for global warming.

Australia is among the world's worst per capita polluters due to its

reliance on [coal-fired power](#) and resources exports, and Labor plans to charge big business a fixed price per tonne of carbon dioxide emitted.

The levy will give way to an ETS within five years linked to global carbon markets.

Swan said the full details -- including the per tonne price and compensation for households and business -- would be unveiled on Sunday, following several months of intense multi-party negotiations.

"This price on [carbon pollution](#) will apply to fewer than 1,000 of our largest [polluters](#). It will not apply directly to households," Swan told reporters.

"We need to put a price on carbon to remain competitive, to drive investment in renewable energy... so we can have a clean energy future," he added.

"A clean energy future is absolutely essential if we are going to remain a first-rate economy for the rest of this century."

Swan said nine out of 10 households would get tax cuts or pension boosts to help meet rising living costs associated with the carbon levy and promised industry assistance, particularly for high-polluting exporters.

The carbon tax plan has met fierce resistance from groups including the Minerals Council of Australia and the Australian Coal Association, who have reportedly joined a multi-million dollar advertising campaign to have it axed.

Labor's conservative Liberal/National opponents also reject the tax, and the government needs the support of the eco-minded Greens minority party and a handful of rural independent lawmakers to get it through

parliament.

One of the most significant economic reforms in Australia for decades, the [carbon tax](#) has dominated public debate in recent months and Prime Minister Julia Gillard is staking her ailing leadership on its passage.

(c) 2011 AFP

Citation: Australia to unveil pollution tax (2011, July 5) retrieved 19 April 2024 from <https://phys.org/news/2011-07-australia-unveil-pollution-tax.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.