

TABLE E1: ESTIMATED CONTRIBUTION OF THE INTRODUCTION OF THE CARBON TAX AND OTHER GREEN SCHEMES TO A TYPICAL ANNUAL HOUSEHOLD ELECTRICITY BILL, QLD AND NSW

	QLD (2012-13)	NSW (2013-14)
RENEWABLE ENERGY TARGET	\$102	\$107
SOLAR BONUS SCHEME/OTHER SCHEMES	\$67	\$53
CARBON TAX	\$190	\$172
TYPICAL HOUSEHOLD BILL	\$1900	\$2073
GREEN SCHEMES/TOTAL	19 PER CENT	16 PER CENT

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FIGURE 2.1:
MARGINAL COSTS AND
BENEFITS OF CO₂-E ABATEMENT

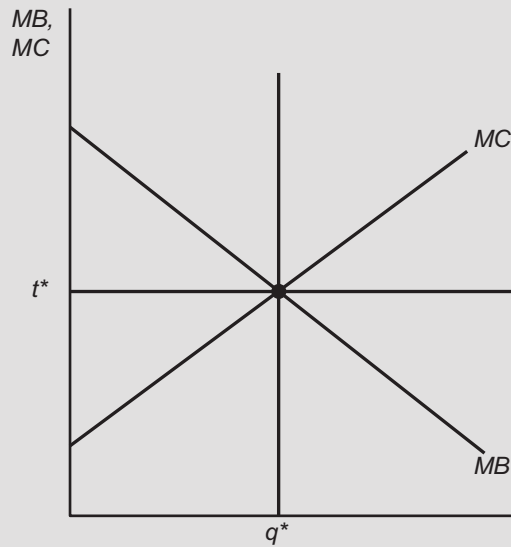


FIGURE 2.2:
A CAP AND TRADE SCHEME

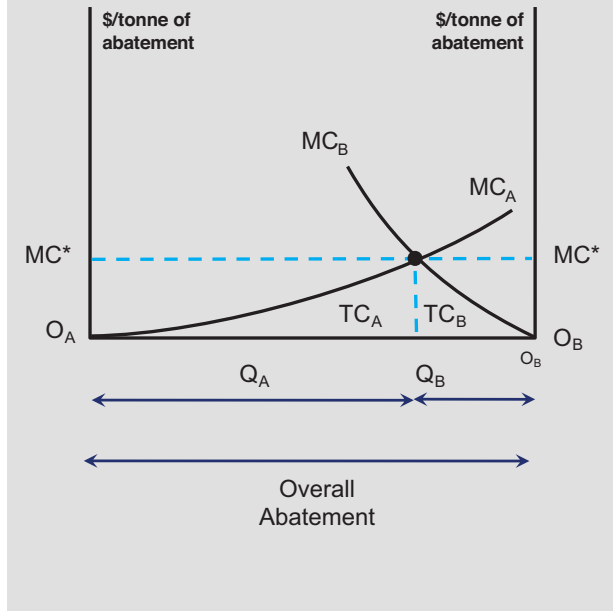
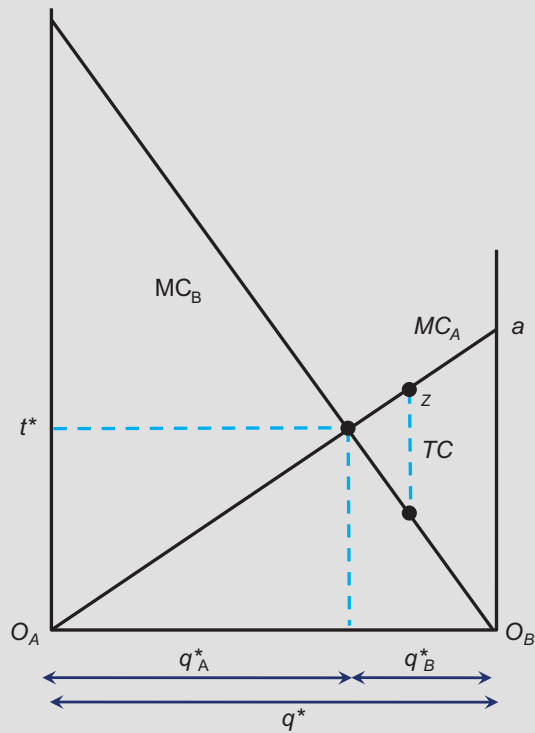


FIGURE 2.3:
TRANSACTION COSTS
IN A CAP AND TRADE SCHEME



**FIGURE 2.4:
SUMMARY OF THE LEGISLATIVE HISTORY OF THE CARBON TAX**

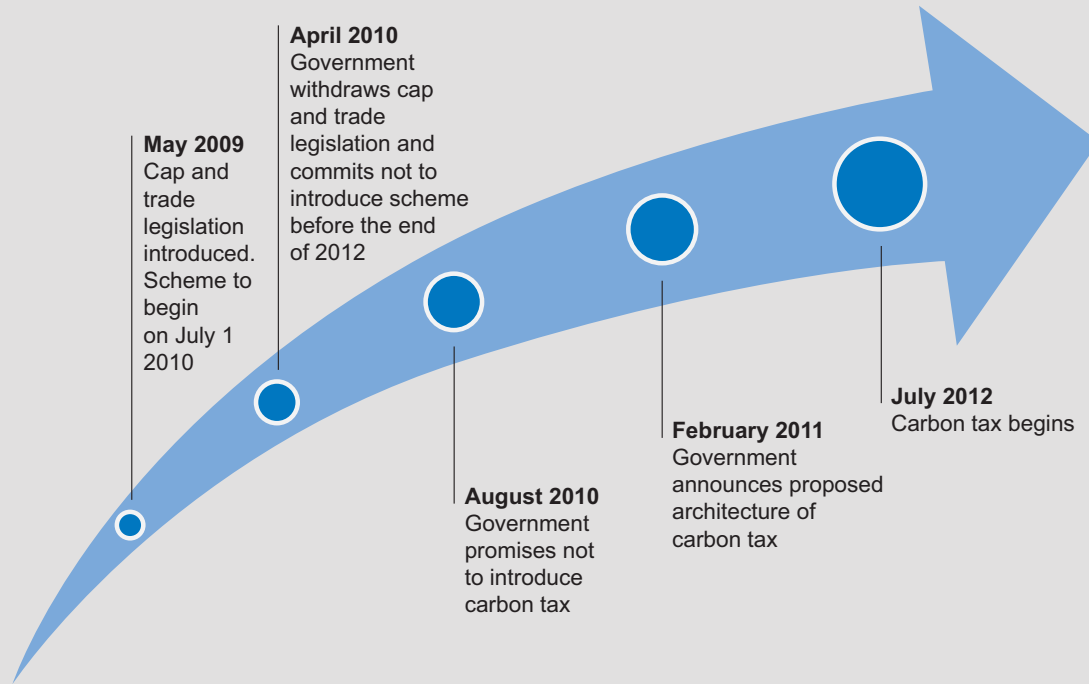
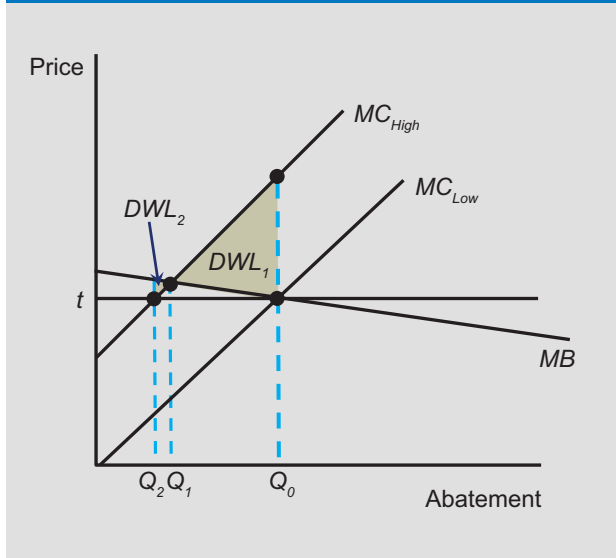
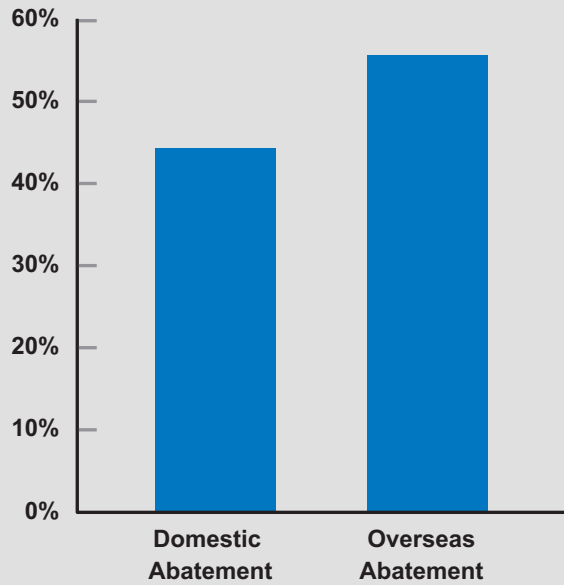


FIGURE 2.5:
EFFICIENCY LOSSES FROM A
CARBON TAX AND A CAP AND
TRADE SCHEME WHEN MARGINAL
COSTS ARE UNEXPECTEDLY HIGH

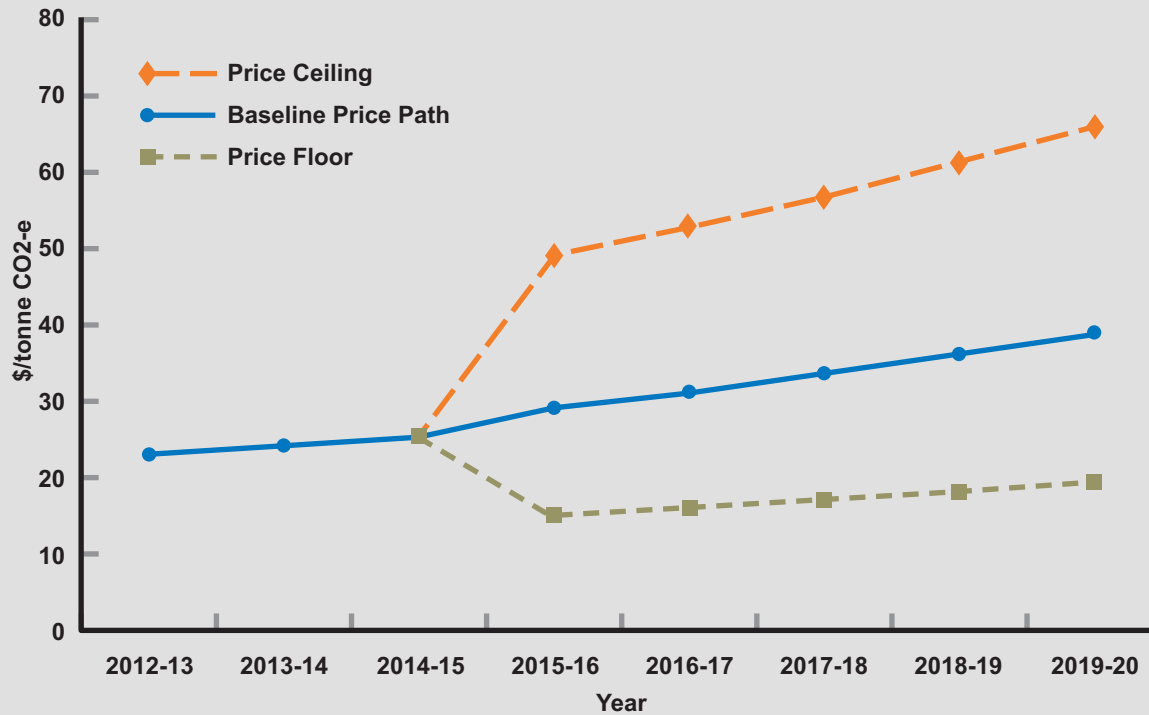


**FIGURE 3.1:
SOURCES OF CUMULATIVE
ABATEMENT RELATIVE TO
BUSINESS AS USUAL
PROJECTIONS, 2013-2050**



SOURCE: SGLP, CHART 5.2

FIGURE 3.2:
**BASELINE PERMIT PRICES, PRICE CEILING PATH
 AND PRICE FLOOR PATH UNDER THE ORIGINAL CEF POLICY**



SOURCE: AUSTRALIAN GOVERNMENT, SECURING A CLEAN ENERGY FUTURE, PAGE 27

FIGURE 3.3:
WELFARE EFFECTS OF A PRICE
FLOOR AND PRICE CEILING

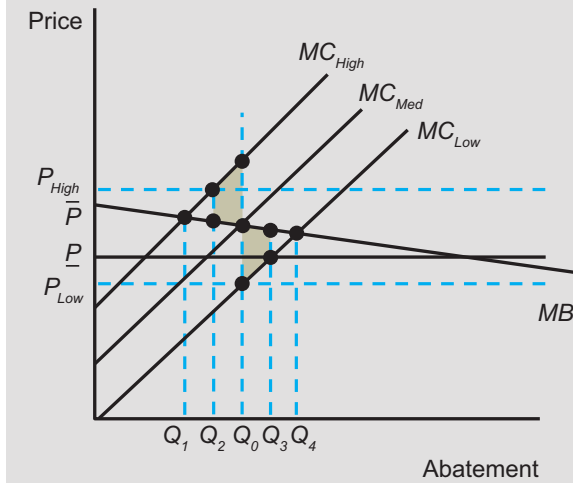


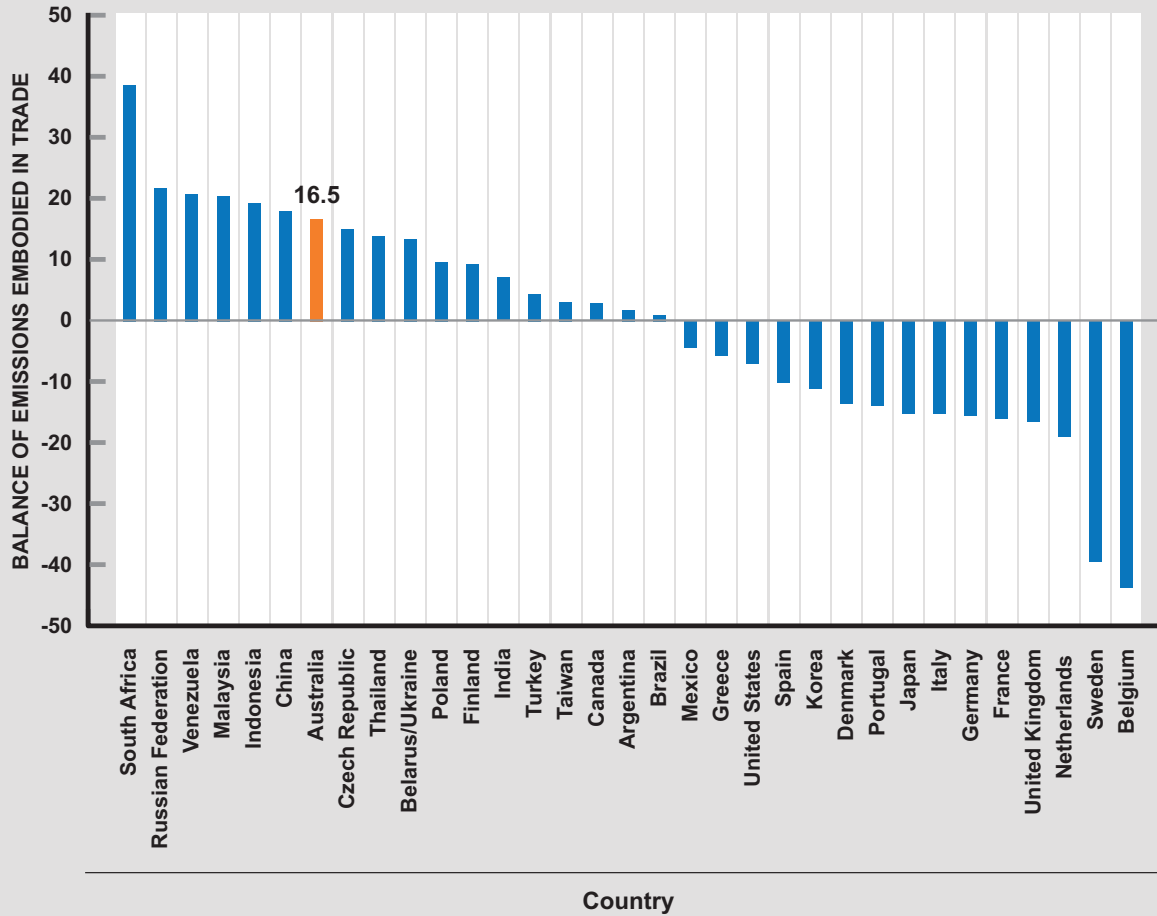
TABLE 3.1: ALLOCATION OF FREE PERMITS TO EMISSIONS INTENSIVE TRADE EXPOSED INDUSTRIES

EMISSIONS INTENSITY	FREE PERMITS (% OF ALLOCATIVE BASELINE)
≥2,000 TONNES OF CO ₂ -E/MILLION DOLLARS OF REVENUE <u>OR</u> ≥6,000 TONNES OF CO ₂ E/MILLION DOLLARS OF VALUE ADDED	94.5
1,000-1,999 TONNES CO ₂ E/MILLION DOLLARS OF REVENUE <u>OR</u> 3,000- 5,999 TONNES OF CO ₂ E/MILLION DOLLARS OF VALUE ADDED	66

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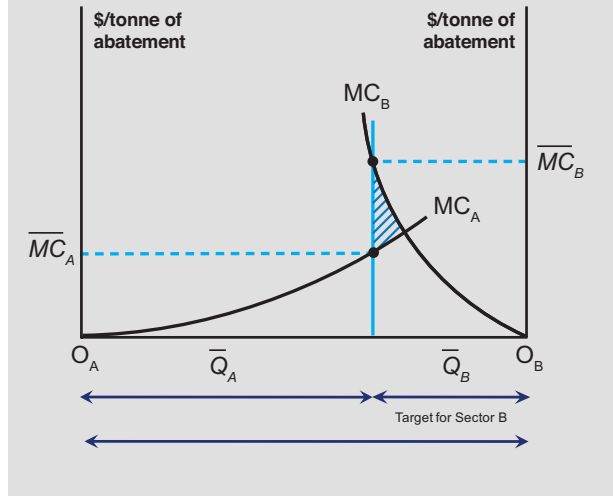


FIGURE 4.1:
PETERS AND HERTWICH (2008) ESTIMATES OF
THE BALANCE OF EMISSIONS IN TRADE



SOURCE: PETERS AND HERTWICH (2008), PAGE 1404.

FIGURE 4.2:
THE COSTS OF A MANDATORY
RENEWABLE ENERGY TARGET



**TABLE 4.1: NEW STATUTORY INCOME TAX RATES,
OLD EMTRS AND NEW EMTRS**

INCOME LEVEL	OLD EMTR	NEW STATUTORY RATE	NEW EMTR	CHANGE IN EMTR	APPROXIMATE NUMBER OF TAXPAYERS (MILLION)
\$0-\$16,000	0	0	0	NO CHANGE	0.28
\$16,001-\$18,201	0.15	0	0	FALL BY 0.15	0.28
\$18,201- \$20,542	0.15	0.19	0	FALL BY 0.15	0.28
\$20,543-\$30,000	0.15	0.19	0.19	RISE BY 0.04	1.38
\$30,001- \$37,000	0.19	0.19	0.19	NO CHANGE	1.19
\$37,001- \$67,001	0.34	0.325	0.34	NO CHANGE	3.58
\$67,001- \$80,000	0.3	0.325	0.325	RISE BY 0.025	0.83
\$80,001- \$180,000	0.37	0.37	0.37	NO CHANGE	1.19
>\$180,001	0.45	0.45	0.45	NO CHANGE	0.18

SOURCE: WILLIAMS (2011).

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FIGURE 4.4:
INTERNATIONAL TRADE IN
EMISSIONS PERMITS

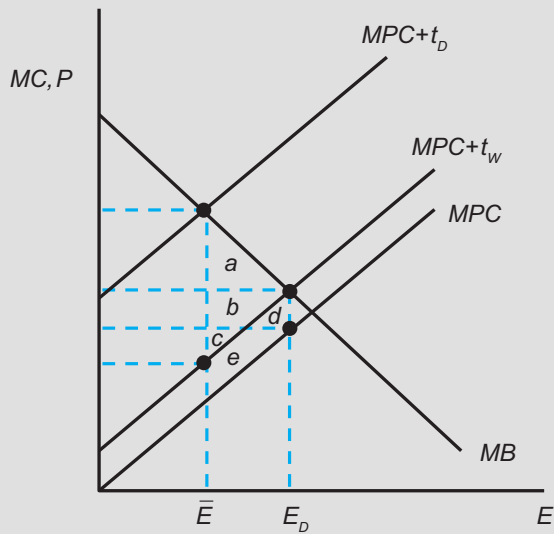


FIGURE 4.5:
DOMESTIC EMISSIONS
AND ABATEMENT WITH FREE
TRADE IN PERMITS

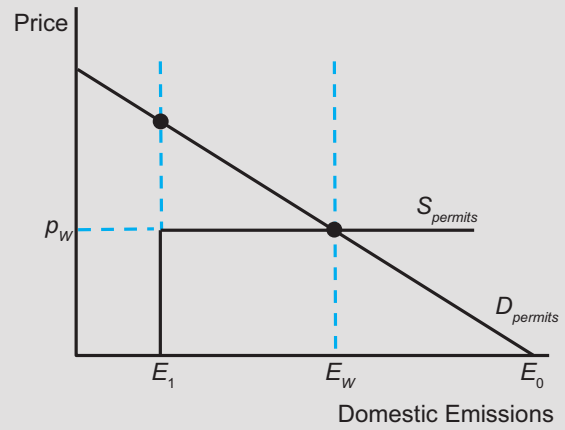


FIGURE 4.6:
DOMESTIC EMISSIONS AND
ABATEMENT UNDER AUSTRALIA'S
CEF POLICY TO 2020

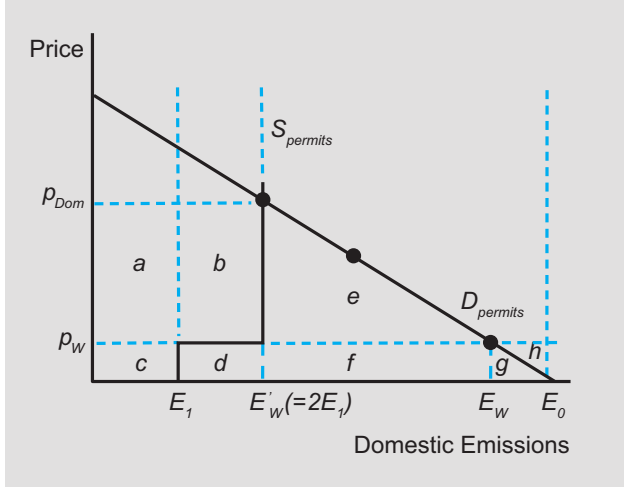
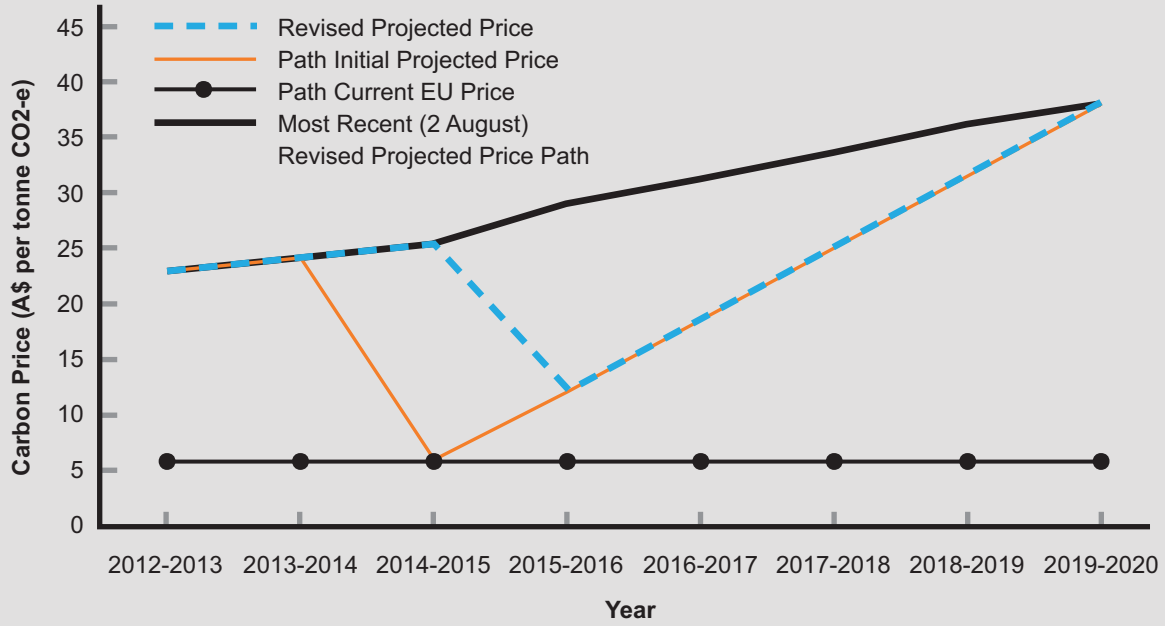


FIGURE 4.7:
CARBON PRICE PROJECTIONS, 2012-13 TO 2019-20



SOURCE: AUSTRALIAN GOVERNMENT BUDGET PAPERS PRE-ELECTION ECONOMIC AND FISCAL OUTLOOK; POINT CARBON.

**TABLE 5.1: ESTIMATED GDP COSTS OF
POLICY COMMITMENTS UNDER THE COPENHAGEN**

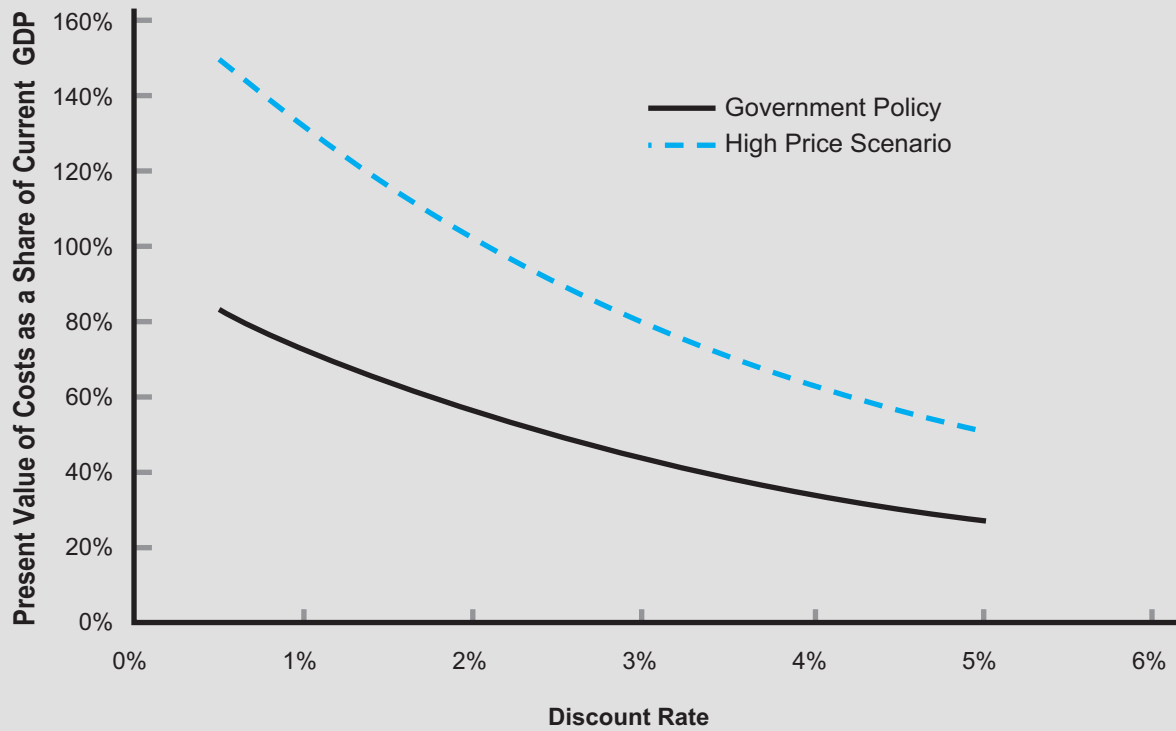
COUNTRY/REGION	POLICY COMMITMENT	GDP LOSS IN 2020
UNITED STATES	-15% ON 2000 LEVELS BY 2020	-2.7%
JAPAN	-37% ON 2000 LEVELS BY 2020	-5.1%
AUSTRALIA	-5% ON 2000 LEVELS BY 2020	-6.3%
EUROPE	-24% ON 2000 LEVELS BY 2020	-4.9%
CHINA	+350% ON 2000 LEVELS BY 2020	-3.7%
OPEC	+105% ON 2000 LEVELS BY 2020	-5.9%
WORLD	+70% ON 2001 LEVELS BY 2020	-3.2%

SOURCE: MCKIBBIN ET AL (2010)

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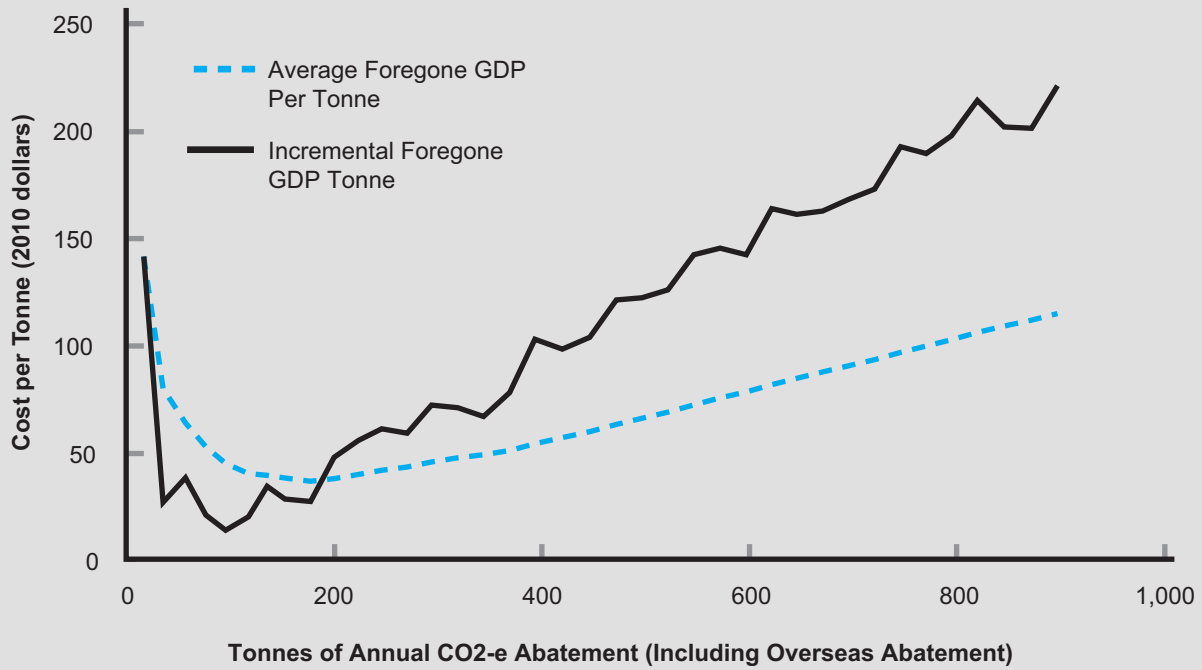


FIGURE 5.1:
PRESENT VALUE OF PROJECTED ECONOMIC COSTS
OF AUSTRALIA'S CARBON TAX TO 2050



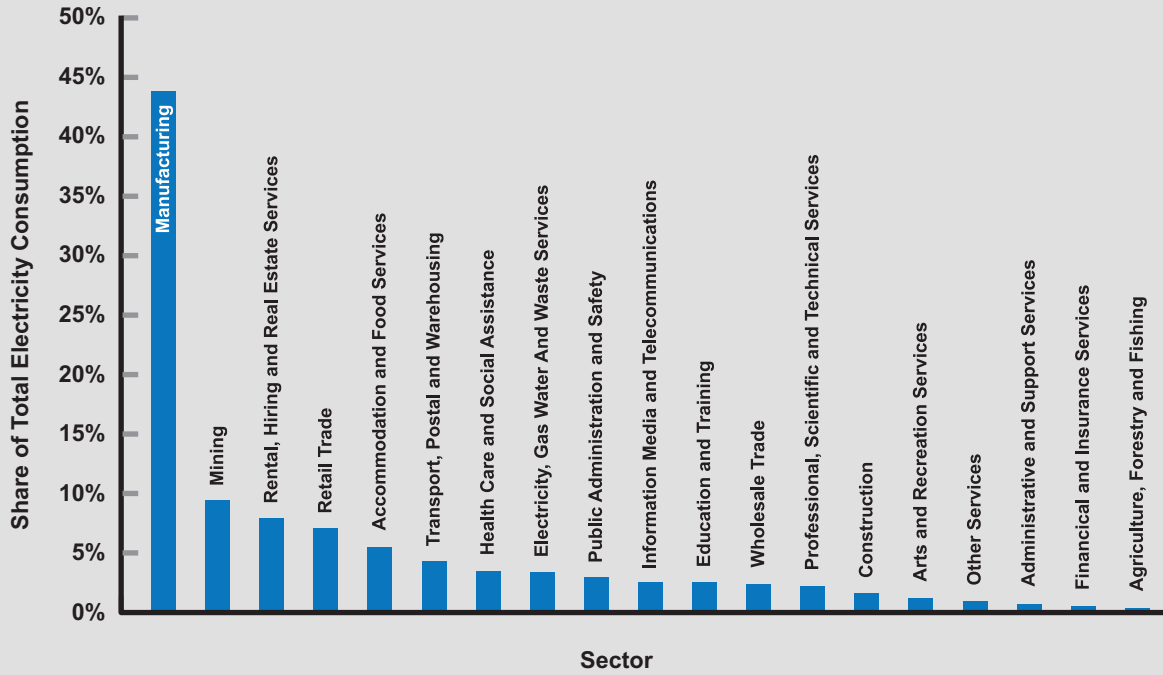
SOURCE: STRONG GROWTH, LOW POLLUTION; AUTHOR'S OWN CALCULATIONS.

**FIGURE 5.2:
AVERAGE AND INCREMENTAL COSTS OF ABATEMENT,
RELATIVE TO BUSINESS AS USUAL EMISSIONS**



SOURCE: STRONG GROWTH, LOW POLLUTION, CHARTS 5.2 AND 5.13; AUTHOR'S OWN CALCULATIONS

FIGURE 5.3:
SECTORAL SHARES OF TOTAL BUSINESS ELECTRICITY USE, 2011-12



SOURCE: ABS.

FIGURE 5.4:
CARBON LEAKAGE IN AN
IMPORT-COMPETING INDUSTRY

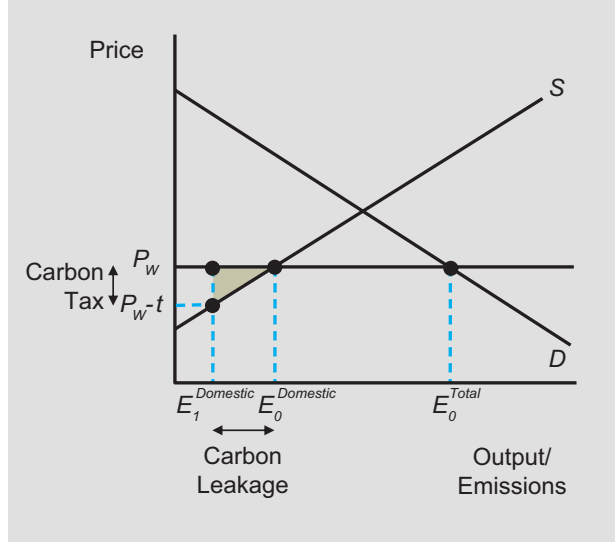
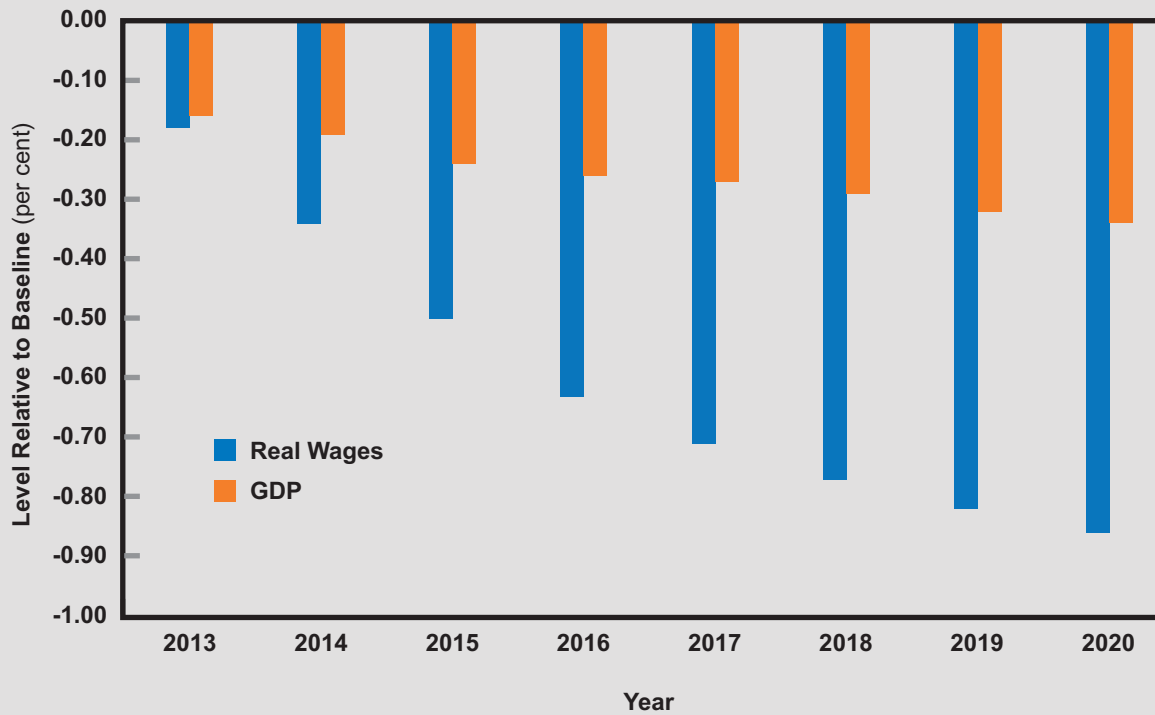
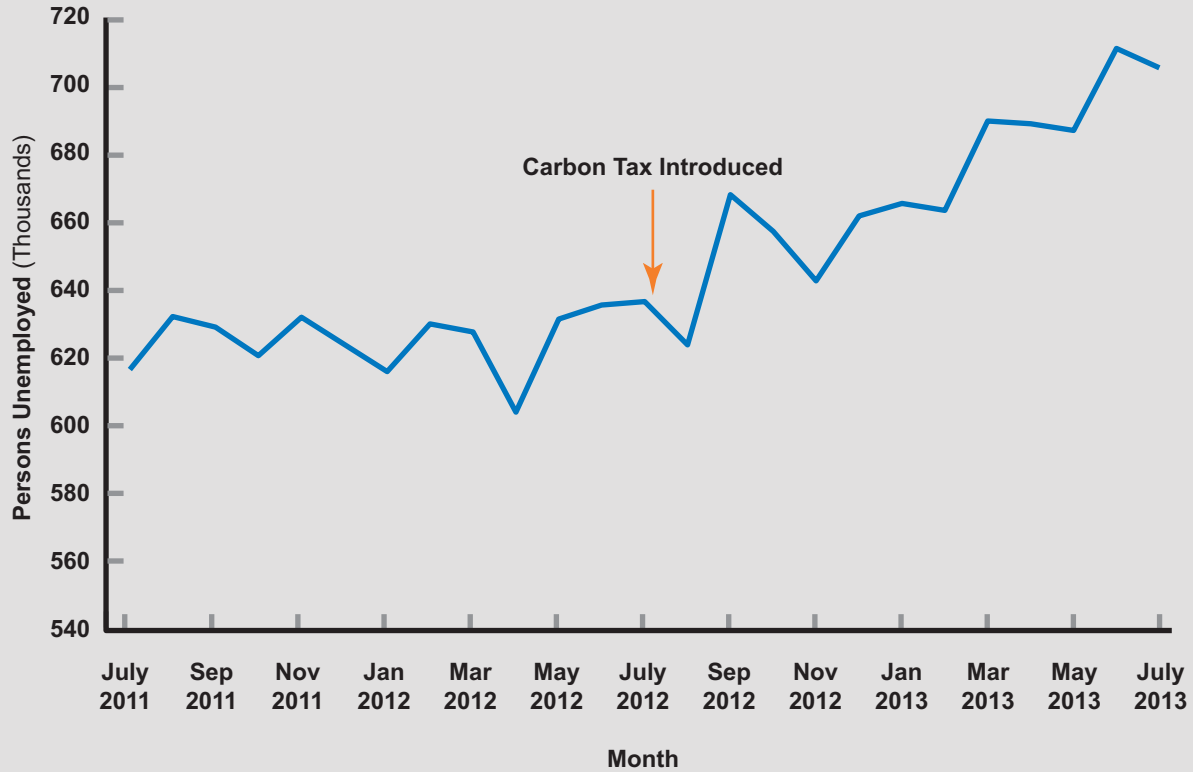


FIGURE 5.5:
ANNUAL REDUCTION IN REAL WAGES VERSUS ANNUAL REDUCTION
IN GDP UNDER THE CARBON TAX, RELATIVE TO BASELINE, 2013-2020



SOURCE: SGLP

FIGURE 5.6:
UNEMPLOYMENT IN AUSTRALIA, JULY 2012 TO JULY 2013



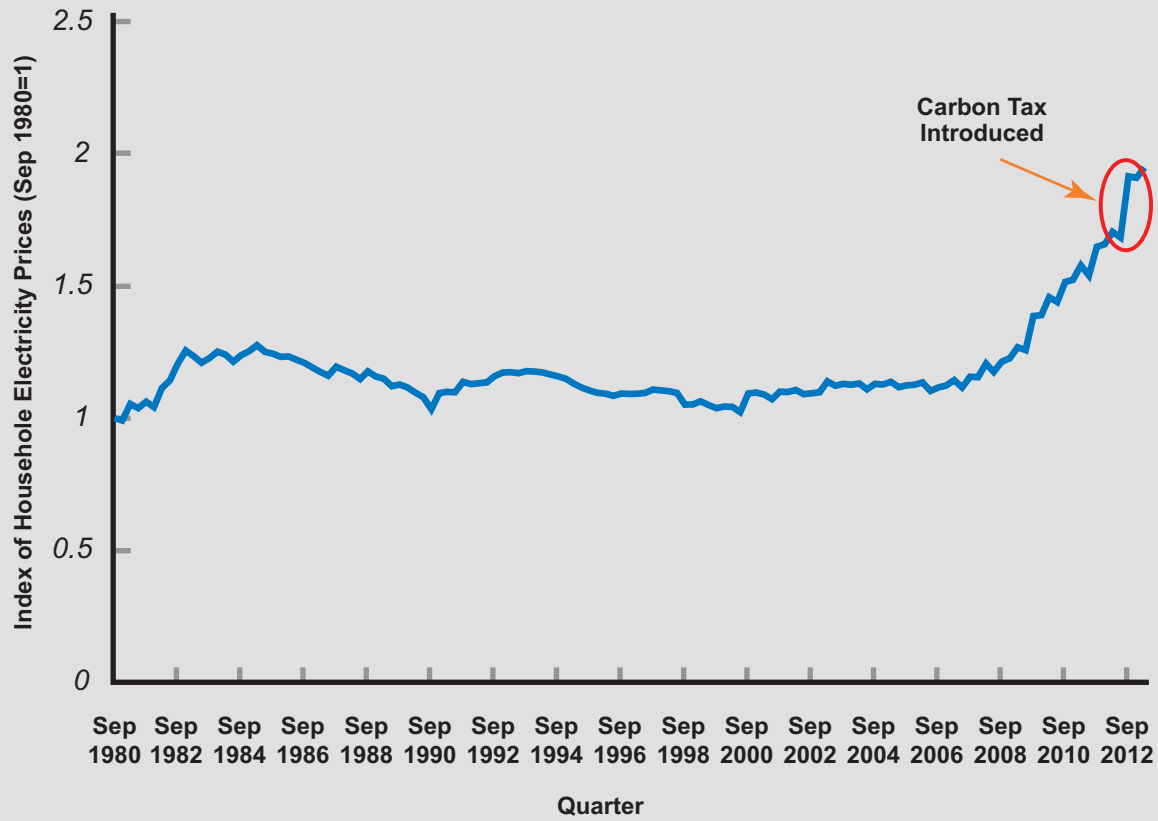
SOURCE: ABS CAT. NO. 62XX, LABOUR FORCE, JULY 2013.

**TABLE 5.2:
ESTIMATED EFFECT OF THE
CARBON TAX ON WHOLESALE
ELECTRICITY PRICES TO 2050**

YEAR	2013	2030	2040	2050
ESTIMATED % INCREASE ABOVE BUSINESS AS USUAL	43.18	61.76	90.54	104.05

SOURCE: STRONG GROWTH, LOW POLLUTION, CHART 5.27.

FIGURE 5.7:
INFLATION-ADJUSTED HOUSEHOLD ELECTRICITY PRICES,
1980 TO 2013



SOURCE: AUSTRALIAN BUREAU OF STATISTICS, CAT. NO. 6401.0 CONSUMER PRICE INDEX, AUSTRALIA, TABLE 7; AUTHOR'S CALCULATIONS.

**TABLE 5.3:
ESTIMATED CONTRIBUTION OF THE
INTRODUCTION OF THE CARBON TAX AND OTHER GREEN
SCHEMES TO A TYPICAL ANNUAL HOUSEHOLD
ELECTRICITY BILL, QLD AND NSW**

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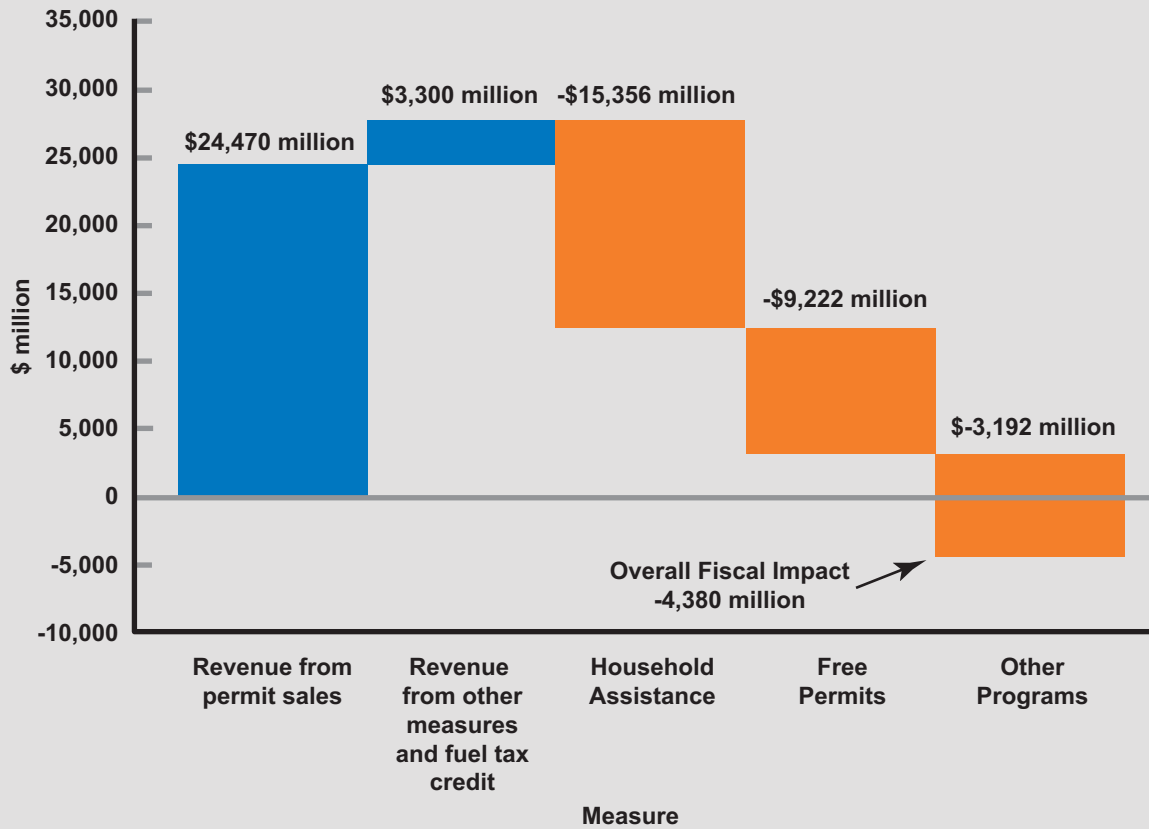
SOURCE: QLD - MINISTER FOR ENERGY AND WATER SUPPLY, MEDIA STATEMENT, 30 MAY 2013.³⁶

NSW - INDEPENDENT PRICING AND REGULATORY TRIBUNAL, REVIEW OF REGULATED ELECTRICITY PRICES 2013-16, FINAL REPORT.³⁹

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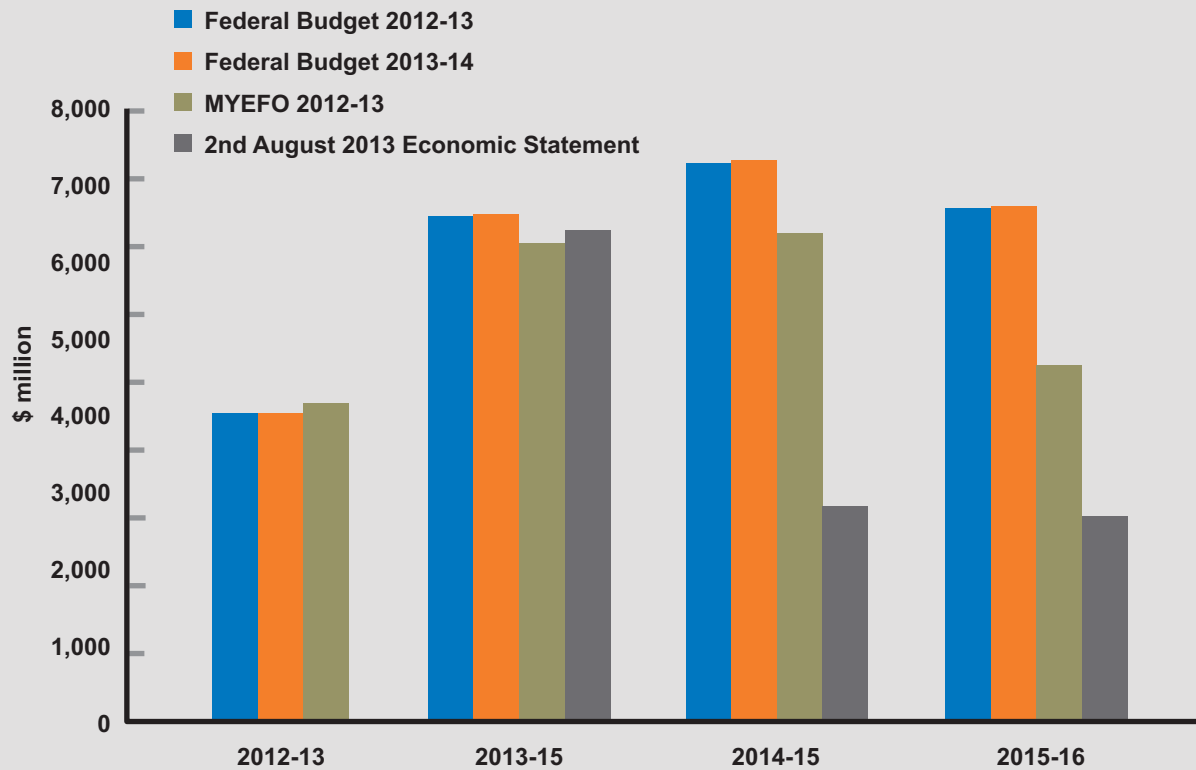
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**FIGURE 5.8:
EXPECTED CUMULATIVE FISCAL IMPACT OF THE CARBON TAX
AND ASSOCIATED POLICIES, 2011-12 TO 2014-15**



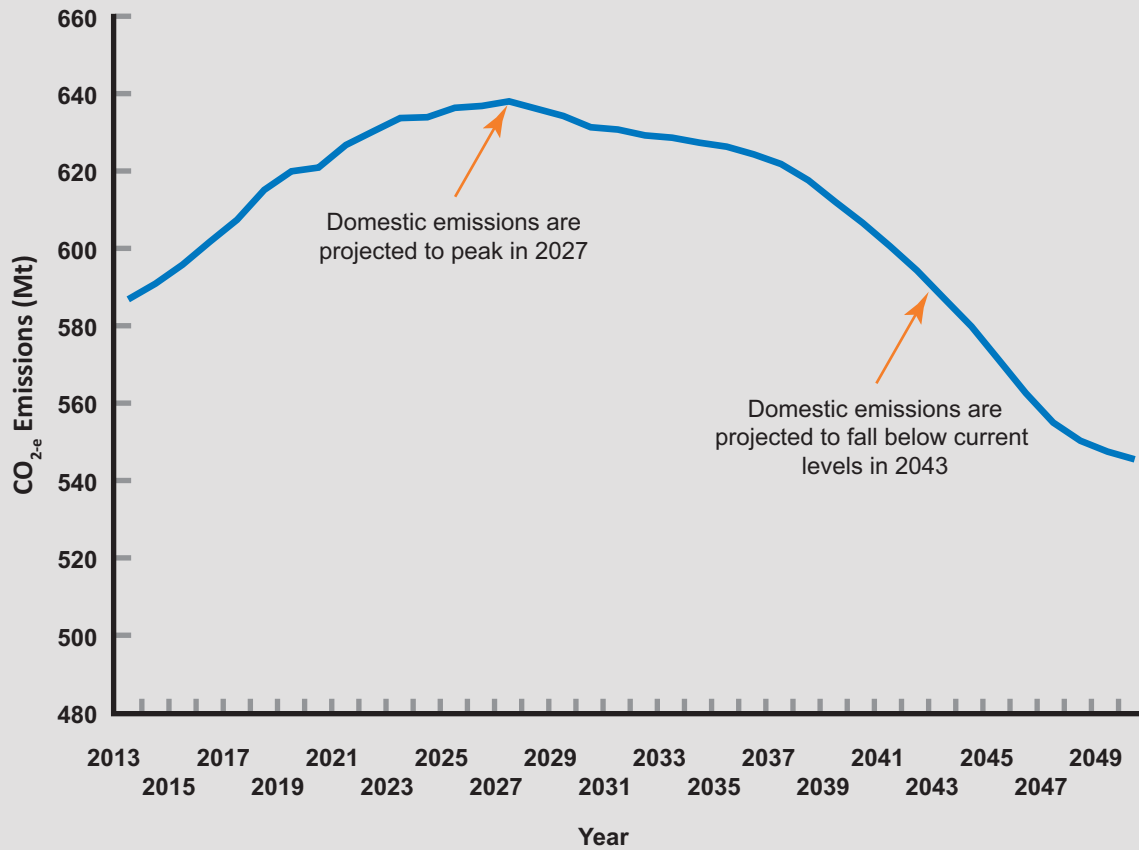
SOURCE: SECURING A CLEAN ENERGY FUTURE: THE AUSTRALIAN GOVERNMENT'S CLIMATE CHANGE PLAN, TABLE 1 PAGE 131, AND TABLE 1 PAGE 135.

FIGURE 5.9:
INITIAL ESTIMATES AND REVISIONS OF CARBON TAX REVENUE,
2012-13 TO 2016-17



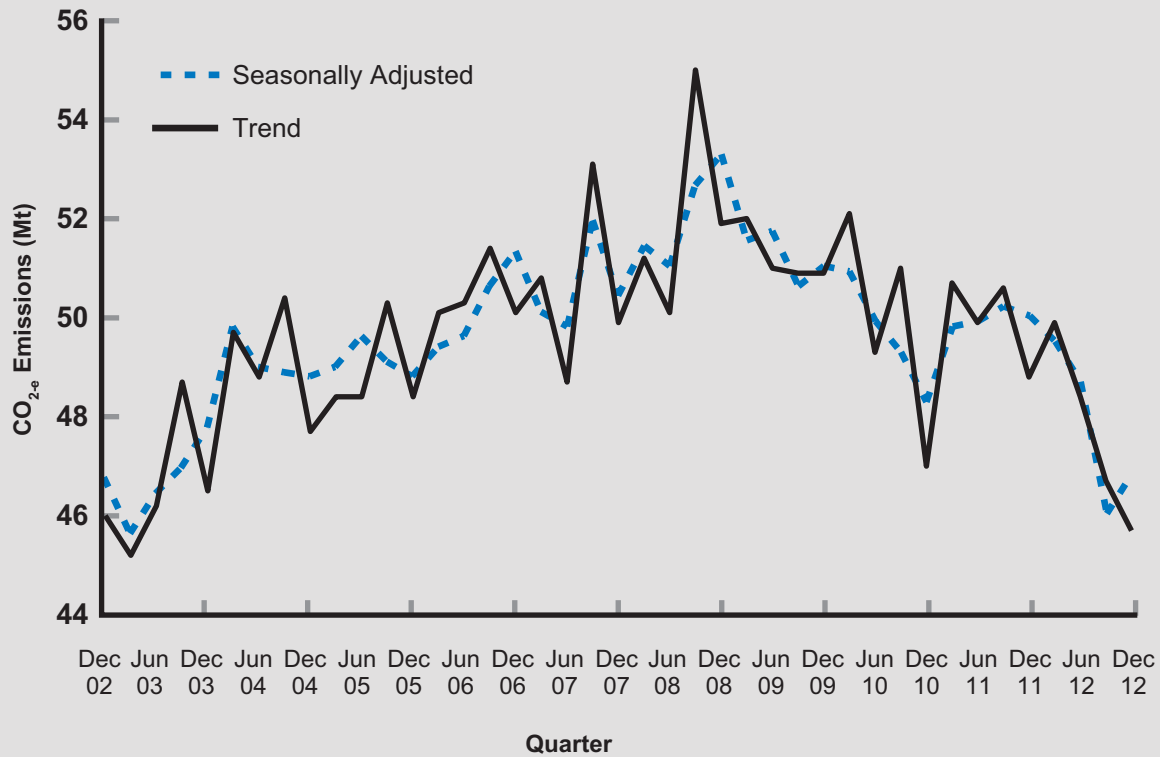
SOURCE: AUSTRALIAN GOVERNMENT BUDGET PAPERS AND STATEMENTS, VARIOUS ISSUES.

FIGURE 5.10:
GOVERNMENT PROJECTIONS OF AUSTRALIA'S DOMESTIC
CO₂-E EMISSIONS UNDER THE CARBON TAX, 2013-2050



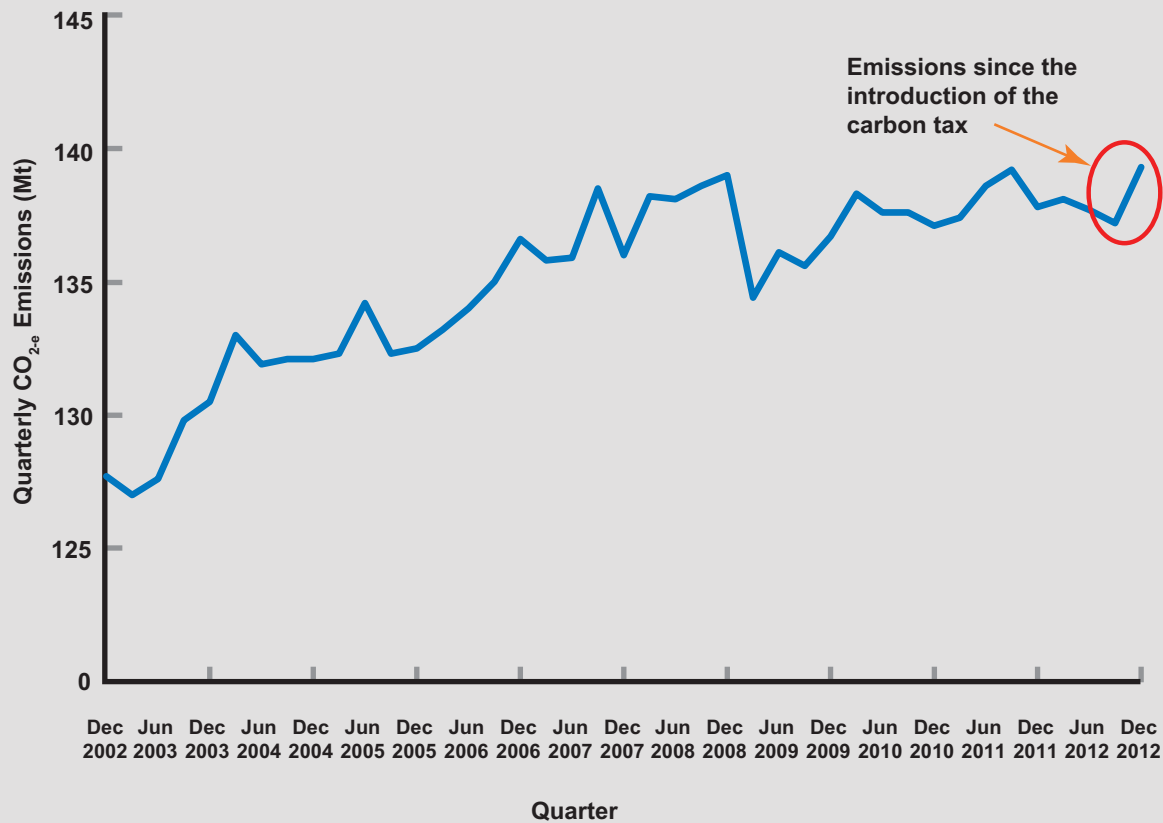
SOURCE: *STRONG GROWTH LOW POLLUTION*, CHART 5.2

**FIGURE 5.11:
AUSTRALIA'S ELECTRICITY CO₂-E EMISSIONS, 2002-2012**



SOURCE: AUSTRALIAN GOVERNMENT, QUARTERLY UPDATE OF AUSTRALIA'S NATIONAL GREENHOUSE GAS INVENTORY, DECEMBER 2012

FIGURE 5.12:
 AUSTRALIA'S TOTAL CO_{2-e} EMISSIONS, SEASONALLY ADJUSTED
 WEATHER NORMALISED, 2002-2013



SOURCE: AUSTRALIAN GOVERNMENT, QUARTERLY UPDATE OF AUSTRALIA'S NATIONAL GREENHOUSE GAS INVENTORY, DECEMBER 2012.⁴⁹