



Brotherhood of St Laurence
Working for an Australia free of poverty

MEDIA RELEASE

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Response to Garnaut interim report: fair go for disadvantaged on climate change measures

Statement by Tony Nicholson, Executive Director, Brotherhood of St Laurence

“The Brotherhood of St Laurence, a national advocate for people in poverty, welcomes the emphasis in the interim report of the Garnaut Climate Change Review on the importance of firm action on the issue domestically and internationally because disadvantaged people will be the hardest hit by climate change and have the most to gain from measures to alleviate it.

“We also welcome the emphasis in the report on the impact of a price on carbon on low-income households.

“As the report by Professor Ross Garnaut points out, the rise in energy prices will disproportionately affect low-income households, for which affected products make up a larger portion of expenditure and who are less able to afford investment in products with lower energy (and emissions) profiles.

“As he also points out, the costs of an emissions trading scheme should be distributed across the community in ways that are broadly seen as fair.

“It’s promising that Professor Garnaut has highlighted these issues – as he himself has said, the emissions trading scheme that’s implemented must take social equity issues into account.

“Disadvantaged people face a double whammy because they will be harder hit by both the impact of climate change, such as increased storms and flooding of low-lying areas, and by the essential action taken to counter global warming, such as a price on carbon emissions, which will increase energy costs and therefore the price of other goods and services.

“Research the Brotherhood commissioned from the National Institute of Economic and Industry Research demonstrated that poor Australian families would be \$558 out of pocket annually if carbon was priced at \$25 a tonne and much more the higher the price is set.

“The Brotherhood believes that carbon pricing must be accompanied by comprehensive and well-funded policies and programs that ensure these household do not suffer financially and do not miss out on the opportunities created as the nation reduces emissions of greenhouse gases.

“Disadvantaged people also need help because without it they will be less able to contribute to the reduction of carbon emissions.

“Poor households simply can’t afford to buy a newer, more efficient car or a low-energy fridge, for example. Renters don’t have the money or the authority to make the home improvements that would cut the use of greenhouse gases.

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“There are also economic opportunities ahead as industries adapt to lower carbon emissions. Assistance with training in new skills will be good news for both poor people and the economy.

“Clever responses to climate change can create a fairer Australia, by helping to cushion disadvantaged households from its impact and by assisting them to make the most of fresh opportunities.”