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ETS SHOULD BE SCRAPPED, NOT DELAYED SAYS FREE MARKET THINK TANK

“While a delay is welcome, the ETS should be scrapped entirely,” said John Roskam of the Institute of Public Affairs, a free market think tank.

Kevin Rudd announced today that the government's ETS – effectively a tax on energy – is to be postponed until 2011.

“In the absence of a comprehensive international agreement to reduce carbon emissions, an Australian ETS would be economic suicide,” said Mr Roskam.

“For more than a decade, the IPA has been a lone voice warning of the economic costs of an ETS.

“Australia has more to lose by action to reduce carbon emissions than any other country in the world.”

The IPA has said in numerous research papers and government submissions that Australia is highly vulnerable to an ETS, because of its energy intensive industry structure, coal based electricity generation industry, and coal and gas exports.

“An ETS would decimate the national economy and devastate regional Australia.

“Kevin Rudd should not sacrifice Australia's economy to an uncertain and unlikely global agreement on carbon emissions reduction,” Mr Roskam said today.

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