



Rudd's ETS to cost 6000 WA jobs, report warns

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The emissions trading scheme will kill off up to 6000 jobs in regional WA, with most being shed from the South-West and Pilbara mining industries, according to new economic modelling.

In a report to be released today, the Minerals Council of Australia estimates the proposed ETS, taking in the Federal Government's changes to the strategy announced this month, would directly eliminate more than 3000 mining positions in WA by 2020 and almost 6000 by 2030, if implemented as proposed.

Nationally, more than 66,000 jobs would be lost by 2030, with the hardest blows landing on the resource-intensive Queensland economy.

The study was done by Concept Economics executive director Brian Fisher, who has previously attacked

Treasury's assumptions in official modelling that China and India would take action to tackle climate change.

The forecast employment losses in the WA resources sector would be the third biggest in Australia, after Queensland and NSW, but did not include the potential impact of the ETS on the gas and oil industries.

WA Chamber of Minerals and Energy chief Reg Howard-Smith said the modelling revealed that the ETS would cut a swath through the State's most economically important export industries.

MCA chief Mitchell Hooke said a simple change to the proposed ETS could cut the job-destroying impact of the current design.

"It should include a phased approach to emissions trading, with the number of carbon permits auctioned increasing over time," he said.

WA Sustainable Energy Association chief Ray Wills said the ETS would stimulate changes that the "static" MCA modelling had not taken into account.

"The consequence of the ETS is that companies will spend money to achieve gains that will be productivity gains," he said.

WA Liberal Senator Alan Eggleston said the probe into the revised ETS had turned into a farce after the most affected industries and companies were excluded from appearing at public hearings today and next Friday in Canberra.

He said Labor senators used their numbers to reject all but two of a coalition list of witnesses.

The economics committee would instead hear from supporters such as the Australian Industry Group, Australian Council of Social Service, Climate Institute and WWF.