

Carbon price smaller than predicted as households reach for new online calculator to add up the real costs and savings

With the carbon price now law, households will finally be able to weigh up their own costs, financial support and potential savings with an independent online calculator and website - yourcarbonprice.com.au - launched today by consumer advocate CHOICE, the Australian Council of Social Service (representing low income households) and policy research organisation The Climate Institute.

"After such a ferocious political debate, Australians can be forgiven for feeling confused about what the carbon price will really mean for everyday items such as food and electricity. This confusion also increases the risk of businesses passing on unrelated costs to consumers. That's why this research is so important, allowing households to work out costs and savings for themselves, with figures and information independently and rigorously researched by the CSIRO and AECOM," said CHOICE spokesperson Matt Levey.

The CSIRO-AECOM research shows impacts on households are likely to be smaller than anticipated. It calculates Australia's carbon pollution price will add 0.6% to inflation in 2012-13. This is less of an impact on the economy than estimated by Treasury modelling, and may be even smaller as the modelling assumes a 100% pass-through of costs by businesses to consumers.

The CSIRO-AECOM research underpins the figures used in the new online savings calculator at yourcarbonprice.com.au, as well as a national information program available to councils, schools, faith groups, business groups and other organisations.

"Communities are looking for real information about their day-to-day costs and savings. For example, the carbon pollution price initially translates into 2 cents extra for bread and a litre of milk, 11 cents for a leg of lamb and 14 cents for a weekly spend on fruit and vegetables but once you factor in ongoing government assistance, those weekly costs are largely covered and most people end up with money in their pocket," said ACOSS CEO Dr Cassandra Goldie.#

"Energy efficiency can put households even further ahead. The latest estimates* show many families could be another \$12.75 better off per week (\$663 per year) by making just 4 small changes in the home," said Climate Institute CEO John Connor.

The CSIRO-AECOM study also compares the effect of the carbon pollution price with other inflationary events such as the introduction of the GST, Cyclone Yasi and the mining boom.

It finds that the impact on prices of the 2001 GST was more than 4 times bigger (2.5%) than the carbon price, while fruit prices, led by bananas, spiked by a massive 70% after the damage of Cyclone Yasi.

The study reports that without domestic and global action to slow down climate change, the impact on basic food prices is likely be 20 times greater than the carbon price impact by 2050 because of extreme weather events.

“Potentially, Australia can cut up to 1 billion tonnes of pollution by 2020 with a carbon price and limits on pollution. This report demonstrates that the nation will continue to prosper while achieving an environmentally strong outcome to help manage the risks of climate change,” said Mr Connor.

**(energy efficiency figures supplied by Sustainability Advice Team p/l; Pitt&Sherry)*

**(These figures have been calculated based on the CSIRO-AECOM results.)*

The national launch of the **yourcarbonprice.com.au** website and the **CSIRO-AECOM** report will be held at 10.30am today at a private residence in Bena St, Yarraville, Melbourne.

When 10.30am, Sunday 13 November
Where Private home, Bena St (off Court St), Yarraville, Melways Map 41 J9
Call Giulia Baggio for details 0402 588 384

Spokespeople John Connor, CEO, The Climate Institute
Matt Levey, Head of Campaigns, CHOICE
Tony Westmore, ACOSS
and a family of four

NB. Picture opportunities at the launch will include a Sunday lunch in a typical family setting to demonstrate carbon price effect. Simple energy efficiency measures suitable for most homes will also be on display.

*Sample frames of the online calculator from the **yourcarbonprice.com.au** website will be available for TV and online use.*

Download Full Report (CSIRO/AECOM):

http://www.climateinstitute.org.au/images/reports/csiroaecom_carbonpriceandcostofliving_report_nov2011.pdf

Download Summary (CSIRO/AECOM):

http://www.climateinstitute.org.au/images/reports/csiroaecom_carbonpriceandcostofliving_summary_nov2011.pdf

Download Spotlight Report (The Climate Institute/CHOICE/ACOSS):

http://www.climateinstitute.org.au/images/reports/tcicochoiceacoss_carbonpriceandcostofliving_spotlightreport_nov2011.pdf

For further information

Giulia Baggio • Communications Director, The Climate Institute • 0402 588 384

Matt Levey • Head of Campaigns, Choice • 0488 214 066

Fernando de Freitas • Media and Communications Coordinator, ACOSS • 0419 626 155