



Dissenting report — Coalition Members and Senators

Introduction

The Kyoto Protocol is a protocol to the United Nations Framework Convention on Climate Change.

It is intended to achieve:

Stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system: Article 2 - The United Nations Framework Convention on Climate Change.

The Kyoto Protocol establishes legally binding commitments for the reduction of four greenhouse gases including carbon dioxide, methane, nitrous oxide, sulphur hexafluoride.

Australia signed the Kyoto Protocol on 29 April 1998 and ratified it on 12 December 2007. The Coalition supported the ratification of the Kyoto Protocol.

As set out in the Committee Briefing papers on ratification Australia committed to reducing anthropogenic greenhouse gas emissions to 108% of their 1990 levels. Most parties to the Protocol have committed to reduce greenhouse gas emissions to 95% or less of their 1990 levels.

With the measures introduced by all levels of Government in Australia, the Department of Climate Change estimates that Australia will meet its target in the 2008–2012 period.

Coalition Members and Senators note that the measures put in place to meet these targets were introduced by the former Coalition Government.

Coalition Members and Senators also note that the Department of Climate Change estimates that without these measures in place, Australia's anthropogenic greenhouse gas emissions would be 124% of the 1990 levels for the 2008–2012 period.

Further, Coalition Members and Senators believe this inquiry was an abuse of the Committee process. The Kyoto Protocol has already been considered by JSCOT in Report 38 of April 2001. The act to ratify was made more than six months before the tabling of the ratified treaty in the Parliament yet the Government chose to conduct a nationwide inquiry that broadly ignored the actual treaty ratified. In fact in the nearly 100 page report the actual Kyoto Protocol is only mentioned in passing in just four paragraphs. Clearly this was just a grandstanding exercise on climate change, not an actual inquiry into the Kyoto Protocol.

Dissent from Majority Report

Coalition Members and Senators recognise that there is conflicting science about the cause and extent of climate change.

We believe however that 'the planet should be given the benefit of the doubt' and that responsible action should be taken to reduce our global emissions.

On that basis, Coalition Members and Senators reject the Majority Report.

Fundamentally, the Majority Report is not balanced.

The issue of 'the Kyoto Protocol and beyond' is a significant one. It deserves a full and proper consideration of all aspects of the science.

The Majority Report does not do this. It is selective in the evidence it relies upon. It fails to present or refer to the range of scientific views that were presented during the hearings to the Committee.

While the Majority Report heavily relies on the evidence given by one CSIRO witness, Dr Andrew Ash, it in fact selectively quotes the CSIRO scientist. The Report fails to provide a balanced assessment of Dr Ash's own evidence. The most stark example of this can be found from the Public Hearing transcript of 1 December 2008:

Senator McGAURAN ... all I am trying to do here is bring balance back. You are the CSIRO, the flagship, and you are presenting a tremendous slideshow here. I think the question asked by my

colleague Luke Simpkins was whether the drought along the Murray Darling is climate change related as in man-made related or El Nino related ...

Dr ASH— Our response to that is that in terms of the historical rainfall patterns, as I said, over the Murray-Darling they are still within the natural bounds of variability from El Nino and Indian Ocean influences, so I think we can say that is certainly the case. As I have said before and reiterate again, the temperature increase we have seen even in the last hundred years does exacerbate slightly that natural drought that we see ...

It is clear Dr Ash is venturing his scientific opinion that the Murray Darling drought has more to do with the El Nino effect than man-made climate change. This evidence by Dr Ash seems too much of an inconvenient truth to the majority to consider as worthy to include in the Report.

The Report also fails to acknowledge or comment upon the economic ramifications of climate change mitigation policies such as the Government's proposed carbon pollution reduction scheme and the importance of sustaining a strong economy to ensure that we are able to meet the challenges of climate change.

Not to devote some part of the Report to the effects of varying emission reduction targets upon business and the economy is a serious and bewildering omission. There was a wealth of evidence and modelling available that the Majority Report could have relied on to estimate the effects of emission reduction targets on the economy generally, business and households specifically.

For example, the Allen Consulting Group made a submission entitled *Deep Cuts in Greenhouse Gas Emissions – Economic, Social and Environmental Impacts for Australia* stating that there would be a high (therefore damaging) economic impact on our major export industries of iron ore, black coal and aluminium. Other witnesses to appear that were worthy of note were Chamber of Minerals and Energy of WA, Alcoa of Australia and the Australian Sugar Milling Council. Each gave evidence of the detrimental effect upon their sector of a high emissions reduction trading target.

Nevertheless, the Majority Report failed to factor in such significant evidence when setting their extreme emissions target.

Consequently, the Report makes the extreme recommendation that '*the Australian Government be willing to adopt a policy setting to reduce Australia's emissions of greenhouse gases by 80% by 2050 in seeking agreement from other developed countries to also cut emission by 80% by 2050.*'

This is a target that goes further than the current Government policy and is one that Coalition Members and Senators utterly reject.

Coalition Members and Senators acknowledge that the Report does make some recommendations which have merit including recommendations 5 to 8. However we note that these recommendations have not been subject to economic and budgetary impact statements and have a diminished significance because of the destructive extreme emissions target recommended by the Majority Report.

Unlike the Majority Members and Senators stance on this issue, Coalition Members and Senators believe that effective action to combat climate change demands a policy of both protecting the planet and protecting the Australian economy.

Both in Government and in Opposition the Coalition has supported effective action to combat climate change.

Coalition Members and Senators affirm the Coalition's position that:

- Climate change is best tackled from a position of economic strength.
- Australia must work in concert with the rest of the world (there is no Australian solution to climate change, there is only a global solution).
- Any emissions trading scheme must not result in the export of emissions and jobs.

Coalition Members and Senators affirm that it must not be forgotten that the objective of any action taken to combat climate change must be to reduce emissions, not to just have an Emissions Trading Scheme.

The Kyoto Protocol and beyond

International approach

There is no question that Australia must continue to make a meaningful contribution to the global effort to combat climate change by reducing greenhouse gas emissions.

Coalition Members and Senators believe that our foundation must be an effective international approach to climate change. That is why the global response to climate change must involve:

- All major emitters of greenhouse gases;
- avoid distortions of economic activity and emissions with no environmental benefit; and

- should recognise different national circumstances.

Coalition Members and Senators note that in Bali we endorsed the Bali Road Map for a post Kyoto agreement - well before the Rudd Government was elected.

Also in 2007, under the previous Coalition Government, at the APEC Leaders summit in Sydney, the historic *Sydney Declaration on Climate Change, Energy Security and Clean Development* was signed.

The Declaration was an agreement amongst APEC leaders that an equitable and effective post 2012 climate change arrangement must draw on such principles as:

- goals that are environmentally and economically effective;
- the need to respect different domestic circumstances;
- the importance of promoting open trade and investment; and
- shared aspirational goals.

Therefore, international action that is taken in response to climate change must not put Australian industry at a competitive disadvantage against competitor countries.

Unlike the Majority Report that recommends that Australia should commit to and take to Copenhagen a target of 80% reduction of greenhouse gasses by 2050, Coalition Members and Senators believe that Australia should not finalize the design of any scheme until:

- we know what the major emitters (for example the United States AND China) are going to do; and
- in particular what the rest of the world is going to do at Copenhagen.

Domestic

Coalition Members and Senators recognise that not only must Australia act internationally in responding to climate change, we must also act domestically.

Again, Coalition Members and Senators affirm that the objective of climate change action is to reduce emissions.

In that respect an Emissions Trading Scheme is not the only action available to tackle climate change in an effective and economically responsible manner.

Alternative actions to respond to climate change are set out in the Coalition's Green Carbon Initiative.

They include:

- opportunities in energy efficiency and the vital national interest in rapidly progressing development in clean coal and renewable energy technologies;
- Measures to encourage improved energy efficiency in buildings, where 23% of all greenhouse gas emissions originate;
- A Green Carbon Initiative to offset greenhouse gases by capturing and storing large quantities of carbon in soil and vegetation – ‘biosequestration’.

Alternative energy sources such as solar, wind, wave and geothermal energy also have enormous potential to contribute to a low-emissions economy in Australia, if we can both protect our existing energy supplies by cleaning them up and add to new energy through renewable options.

Due to our climatic conditions, Australia could not be better placed to lead the world in the development and uptake of renewable energy.

Coalition Members and Senators note that Australia is already one of the world’s leading renewable energy producers. The Mandatory Renewable Energy Target introduced under the former Coalition Government built on existing hydro schemes to bring forward additional renewable energy projects with over 1000 megawatts of additional capacity.

Conclusion

Coalition Members and Senators note that whilst the Majority Report makes some recommendations in relation to low emission technologies we believe that it has neglected to give proper weight to alternative actions that will contribute to a low carbon economy.

The Emissions Trading Scheme is put forward by the Majority Report as the major force to reduce carbon emissions.

Given that the Majority Report recommends that Australia reduce its emission of greenhouse gases by 80% by 2050, Coalition Senators and Members note that this would result in the price of carbon being so high as to have a ruinous impact on the Australian economy.

This reckless recommendation is not only rejected by Coalition Members and Senators but is noted as a clear indication of the inflexible ideological approach that dominates the Majority Report.

Senator Julian McGauran

Deputy Chair

Senator Simon Birmingham

Senator Michaelia Cash

Mr John Forrest MP

Mr Luke Simpkins MP

Mr Jamie Briggs MP

