

To Senators on the Senate Select Committee on Climate Policy,

While emissions trading is a useful and desirable tool for the government to use to reduce carbon emissions, the Carbon Pollution Reduction Scheme (CPRS) as proposed by the government is so badly designed that it cannot achieve its goals.

Firstly the target for emission reductions of 5% below 2000 levels by 2020 is grossly inadequate. If the rest of the world adopted such a target a climate cataclysm would follow. Scientists internationally agree that developed countries need to reduce emissions by between 25 and 40 per cent by 2020 if we are to avoid then unstoppable climate change. The other problem with a weak target is that business needs long term investment horizons in order to make multi-billion dollar decisions. A target of 5% by 2020 is likely to lead to many bad investment decisions as business invests in "low pollution" infrastructure which, in only a few years, will need to be abandoned and replaced with zero emissions alternatives. This waste and unnecessary cost to business could be avoided by decisive action now, not half/quarter measures.

Secondly, the CPRS lets the major polluters off the hook and allows them to continue polluting while their pollution is subsidised by the Australian people. Australia's worst polluters will be given billions of dollars in cash and free permits to pollute. The scheme is a pay-the-polluter scheme not a polluter-pays one. This absurdity in the scheme must be addressed.

The third point that needs to be urgently addressed is the fact that the voluntary emission reductions by the public and government entities will go only to reducing the price pressure on polluters. Such voluntary efforts must be accounted for and not used merely to benefit polluters.

A fourth point to consider is the addition of other measures to complement the emissions trading scheme. Such measures include a renewable energy feed-in tariff, energy efficiency standards for homes and commercial buildings, fuel efficiency standards and investment in trains, buses and trams. Ending the logging of Australia's native forests would reduce Australia's emissions by more than 5% alone.

The Australian government needs to look at the science, not politics, of climate change. Australia and other high-polluting countries need to achieve carbon neutrality as quickly as possible. That means cuts of at least 40% by 2020.

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