

I would like to raise my concerns over the Government's proposed cap-and-trade emissions reduction scheme and the weak target of 5-15% reduction in emissions by 2020. My main concerns are:

- Recent scientific evidence points to the worst case scenario modelled in the IPCC report of 2007 - the process of climate change seems to be generating negative feedback loops that have not been fully taken into account in the models as yet.
- The main aim of a CPRS is to change the behaviour of all economic players: individual consumers, businesses and agriculture. This means there HAVE TO BE LOSERS, or the scheme is not going to be effective (as has been proven in the EU where a similar scheme has failed). The government's proposal over-compensates large polluters 'to protect jobs'.
- The government's CPRS is ineffective because the total cap is fixed and only adjusted whenever the minister feels like it. This means there is NO INCENTIVE to reduce emissions below the floor set by the government. This makes the scheme useless when it comes to changing business and individual behaviour. Any excess reductions will only mean others get away with not changing their behaviour - totally counter productive.
- The scheme is overly complicated and way too complex. A carbon tax with a fixed price per tonne applied to fuel and electricity from carbon dioxide generating sources would be much simpler to understand and administer.
- All subsidies paid to business for electricity from carbon dioxide generating sources should be stopped as part of any useful CPRS. That's a very simple way of encouraging behaviour change.
- All other current subsidies to e.g. road transport and large polluters need to be examined as part of a CPRS. There should be a level playing field between rail and road transport and between coal mining/electricity generation and renewable electricity generation when it comes to subsidies and tax deductions available to those sectors.

Nobody will volunteer to give up tax concessions, subsidies and the like. Nobody will volunteer to pay higher prices for petrol or electricity. Yet the scientific evidence demands that we manage the risk of catastrophic climate change in a fashion commensurate with the level of risk we are exposed to.

The public has demonstrated in recent opinion polls that they understand that this needs to be done. It is now up to parliament to accept responsibility and translate this opportunity into an effective policy. The government's proposed CPRS fails the 'effectiveness' test and needs to be replaced with an effective policy.

Kind Regards  
Peter Lanius