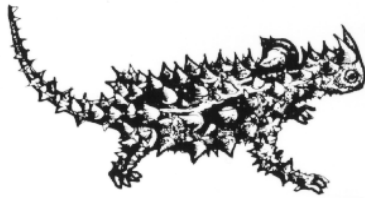


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Introduction

The Climate Action Group (CAG) of the Arid Lands Environment Centre, Alice Springs, would like to express its thanks for the opportunity to submit views to the Select Senate Committee on Climate Policy.

CAG has an active and keen interest in Climate Change. It is an independent group of citizens that are deeply concerned about the impact of climate change. The group's drive is to enhance awareness and encourage effective action to minimise Australia's impact on anthropogenic climate change.

Our vision is for a carbon neutral future for Australia in order that we can fulfil our national duty and ensure our future prosperity.

CAG is funded entirely by its members.

Principals

1) Responsibility

Australia has obtained much of its historic and continuing economic prosperity through processes that led to the emission of large quantities of Green House Gasses (GHGs) and maintains its position to this day as one of the world's largest per-capita emitters of GHGs (1). The presence of these GHGs in the atmosphere is producing demonstrable and ongoing global harm.

It is Australia's responsibility to ensure that we fully participate in a global change from GHG intensive economies and energy production to economies with GHG emissions at levels that present low risks of dangerous climate change. Expense is not a reason to depart from this duty. Taking responsibility for our actions is a part of our national character.

The world's economically poorer nations will be disproportionately affected by climate change. These countries did not create this catastrophe. It is therefore also our responsibility to help provide an effective pathway to clean development.

2) Interest

A global carbon price will be set in the near future and this price will increase with time. Australia will be directly exposed to this price through either lost potential earnings, or more ominously, through international imposed "carbon tariffs" (2).

Much of our export earnings are gained through GHG intensive industries (3). Therefore, Australia is uniquely exposed to such a price. It is therefore our opinion that we must reduce this exposure as quickly as possible by moving our export industries away from activities that involve high GHG emissions.

3) Timeline and Targets

It is Australia's responsibility and in our interest to move as quickly as possible to curb the GHG intensity of its industries. We must reduce our emissions by at least 40% by 2020 and aim for carbon neutrality by, at latest, 2050.

4) Global Targets

300ppm CO₂e is a level of carbon dioxide that provides a climate where the chance of catastrophic climate disasters is at an acceptable level (4). Australia should push for a global agreement designed to achieve this target as quickly as possible.

5) Methods

The current government response is insufficient to meet the climate change challenge. We believe that the government must adopt a new approach. A "War Room", headed by the Prime Minister and involving all party leaders, Federal and State, should be created with the express aim of creating and administering legislation to achieve the aforementioned targets. This "war room" should incorporate and replace the current Department of Climate Change.

While many types of legislation will be required for a complete climate response, the following areas are considered critical to a successful Australian response.

(1) Technology

The technology that would allow us to meet our aforementioned targets already exists in various stages of development. In the initial stages of an appropriate Australian climate change response, a large investment into the development of clean energy generation technologies is necessary.

Current government policy has disproportionately favoured Carbon Capture and Storage (CCS). This technology will only be available in limited areas and is not scalable to the magnitude of Australia's energy demands.

Renewable energy, which has received some Government incentives and subsidies, is scalable, and requires further investment. In particular, a gross feed-in tariff would make some renewable energy investments immediately viable in the Australian context. Winning these investments

would place Australia at a competitive advantage as the world moves in to a carbon-constrained paradigm.

Nuclear energy is a developed industry and has many undesirable side effects. It is also an expensive form of energy generation. It is unlikely that nuclear energy could make a case that it was viable response, without additional government subsidies and assurances, even if an effective carbon price was introduced. Therefore, government support for a nuclear industry is an ineffective response to climate change for Australia.

The debate around the mining and export of uranium for international use is difficult. It is our opinion that uranium mining should be a matter for continuing public debate, given its potentially deleterious environmental, public health and international political consequences.

(2) Reliable Domestic Carbon Price and

(3) Government investment

A reliable long term and predictable domestic carbon price is necessary for Australia to reduce its emissions. An escalating carbon tax is the best way to provide this. This carbon tax should be as comprehensive as possible and all emissions that can be reliably measured should be taxed. The tax rate should be set and then increased at a rate commensurate with the targets and timelines above.

To insulate Australians from this carbon price the revenues raised from this tax should be invested into projects that increase the carbon efficiency of all of Australia's activities. These investments should be first directed at mitigating the economic effects of a carbon price on the Australian population, starting with the poorest, by overhauling Australia's carbon efficiency. This approach has been shown to be effective internationally. (5).

(4) Coal

Exported Australian coal produces 700 million tonnes of CO₂ emissions. This amounts to 1.4 times as much as Australia's total domestic emissions (6). Any responsible approach to climate change must address the role that Australia plays in global GHG emissions. Australia should therefore aim to sunset its coal mining industry by at latest 2030. This period would allow the Australian economy and the workers affected to retrain without a catastrophic effect on the economy (6). Some of the revenues from a carbon price should be made available to aid people who are vulnerable to adverse affects from this change in Australia's direction.

(5) Protecting Australia's carbon stores

There should be federal legislation to end Australia's old growth logging. This form of logging can be best described as climate vandalism in terms of its carbon efficiency. Legislation regarding this practice should reflect this and outlaw old growth logging as a criminal act.

(6) Climate Justice

Australia can be a leader in climate justice. It should pioneer a new paradigm for providing programs for clean development and avoiding deforestation in developing countries. Australia should do this by quarantining a fixed proportion of the revenues raised from a carbon tax to be used for programmes in developing countries that achieve these aims. These programs should be transparent and answerable to the Australian people. These aims should not be achieved by

carbon offsets or permits purchased by corporations from reductions overseas. This approach to climate change has demonstrably disastrous effects (7).

(7) Carbon Sequestration

Carbon sequestration in various forms is likely to be necessary in an effective response to GHG induced global climate change. However, all carbon sequestration technologies are in early stages of development and require significant research into their viability, scalability and long-term stability. Other current available techniques such as tree plantations have not proved to be reliable. Therefore, without an unforeseen technological breakthrough Australia's initial response to climate change should not concentrate on these methods.

(8) Public Education

An effective response to climate change requires public participation. While voluntary individual actions cannot provide the scale of response that is required, public understanding of the urgency for action can provide the political will to act, and the public acceptance of change. Therefore, a large government-funded and directed public education campaign is a vital part of an effective response to climate change.

Recommendations

Current climate and energy legislation (both enacted and proposed) amounts to a critically inadequate response to the greatest threat facing Australia's future prosperity. In order to meet this challenge we need a more comprehensive and high-powered response. While there are large expenses involved in radical reconfiguration of the economy, the cost of inaction is higher.

To combat the crisis Australia faces we propose the following:

- 1) A "war cabinet" headed by the Prime Minister specifically directing and administering policy surrounding climate and energy issues
- 2) Adequate medium term reduction targets; These should be at the top of the 2007 IPCC recommendations (i.e. 40% of 1990 levels by 2020) or greater
- 3) A well constructed carbon tax in preference to an emission trading scheme
- 4) At a minimum any scheme should set a predictable, increasing minimum price for emissions
- 5) Australia should advocate for global targets aimed at achieving a safe atmospheric levels of GHG; 300ppm CO₂e
- 6) Any scheme should not allow "tax-offsets" or "permits" to be purchased overseas
- 7) Any scheme should be inclusive of all emissions and not allow untaxed emissions or free permits
- 8) Revenues from the scheme should not be returned as tax cuts, and should be used to
 - a. Insulate Australia from an international carbon price by overhauling Australia's carbon efficiency in all sectors starting with Australia's most vulnerable populations
 - b. Provide money for infrastructure and research to facilitate renewable energy generation
 - c. Provide money to create "green collar" jobs
 - d. Provide grants and programs to aid clean economic growth in poorer countries and to avoid ongoing deforestation
- 9) A national gross feed-in tariff is recommended as the best way to expand the renewable energy sector
- 10) A gradual wind-down of the coal industry should occur with a sunset of no later than 2030

- a. Additional revenue should be made available from a carbon price to aid people adversely affected by the wind-down of Australia's coal industry
- 11) Outlawing clearing and logging of old growth forests nationwide
- 12) Australia should avoid focusing on sequestration techniques until reliable methods are available
- 13) Immediate government-funded, mass public education regarding climate change and the challenges that Australia and the world face

Signed

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