

Submission to

Senate Select Committee on Climate Policy

Simon & Deb Chinner

& family

April 2009

Six Pages (inc. Cover)

To Senators on the Senate Select Committee on Climate Policy, Dear Senators -

In the lead up to the last Federal election Mr Rudd promised strong action to tackle climate change.

Broken Promise

We like many, we believe, voted for Mr Rudd's government expecting this promise to be honoured. The Carbon Pollution Reduction Scheme (CPRS) proposed by the Government clearly breaks the expectation of the election promise. A 5 to 15% target is nowhere near addressing Climate change let alone giving us a chance of reversing the process.

The proposed target of 15 per cent in the context of an international agreement is not consistent with the Prime Minister's statement that the Government "accepts the findings of the Garnaut Climate Change Review that it is in Australia's interests to pursue a fair and effective global agreement delivering deep cuts in emissions, so as to stabilise concentrations of greenhouse gases in the atmosphere at around 450 parts per million or lower by mid century" (PM Kevin Rudd, 15/12/08).

How can we expect other countries to take our action on climate change seriously when we set such a pathetic target?

Emission trading plan

There has been much said about getting any emissions trading plan (ETS) "right" and the consequences of not doing so. The proposed CPRS is narrow and very poorly thought out. Climate Change Minister Penny Wong has described the CPRS as 'better than nothing', what is wrong with our political leaders?

Mr Rudd defended the 5 to 15% as balanced but in favour of whom, the short term gain of polluters? Obviously not our long term future!

We need a plan which will address Climate change not a piece of tokenism. So I declare 5-15% is worse than useless because it patently won't do the job. As the proposed CPRS won't do the job and I ask the Senate to please fix it so it will. And don't let the government weasel out of dealing strongly with climate change just because it is too hard for them!! Time to stand up for the people who elected all members of parliament, not the powerful few.

Setting a Floor

Perhaps the most disturbing part is the CPRS emissions trading will impose a 'floor' below which emissions cannot fall as well as a 'cap' above which emissions cannot raise. Once the government has decided on an acceptable level of pollution, it will issue a corresponding number of pollution permits. If households use less fossil energy and create less pollution, they will simply free up permits to allow other families or other industries to increase their own emissions.

If, for example, it is decided that Australia needs to reduce its carbon emissions by 15 percent on 2000 levels by 2020, emissions will total 85 per cent—not 84 per cent or 86 percent. Under such an arrangement, there will be little scope for Australian households and small businesses to take deliberate action to reduce their emissions because whatever they do, Australia will continue to emit greenhouse gases (GHG) at a level corresponding to 85 percent of its emissions in 2000. The only varying factors will be *who pollutes* and *what price they pay* to do so.

Our question is why are the government posing such a weak and ineffectual plan? It will only be too little too late and only serves to fuel cynicism about the sort sighted self serving behaviour of our governments.

The plan locks us all in to a position which won't address Climate Change and gives no hope that we as individuals can do anything to reduce green house gas emissions below 95 or 85%.

The CPRS is short sighted, selfish, arguably disastrous and soul destroying for Australian's who passionately believe we can still stop dangerous climate change but we must act very swiftly as the time for "easy does it" has long passed.

Targets

The 'floor' discussed above would be less of an issue if a truly strong GHG reduction target were adopted ie 30 to 40 % but 5% means Australia will continue to emit CO2 far in excess of levels needed to avoid dangerous climate change, as the Scientists continue to tell us.

At 5%, or 15% if the rest of the world joins in first, the science clearly shows we will not stay below the atmospheric CO2 level target of 450ppm indicated by the government. Mr Rudd promised Climate Change action 'targets based on science', the plan shows little reflection of what science is telling us we need to do to avoid dangerous climate change, another broken promise?

With global climate change advancing at the top end or above the top of predicted levels the Government MUST make deep cuts to CO2 emissions or condemn all of us and those to come to a terrible future. As each day, month and year that passes the cuts in CO2 needed to avoid such change increase markedly.

In the 1990's 10% GHG reduction would have been an excellent start, in 2010 we must aim much higher _ 30 to 40%!!

Voluntary Reductions

Purchasing permits and not using them will be the only way for households to reduce overall emissions, highlighting the absurdity of the proposed CPRS. For example, a household with \$3000 to spend would have no impact on greenhouse gas emissions if they used the money to replace their off-peak electric hot water heater with a solar hot water system. However, it would make a significant impact on the level of emissions if instead they purchased permits and ripped them up. This another example of a "Yes Minister" inefficient beaurocratic mess which means our efforts to reduce our CO2 emissions are heavily diluted, buying bits of paper rather than investing in zero emissions products and industry. This sort of 'polly waffle' is totally soul destroying!!

The belief that the CPRS will deliver lower-cost emissions reductions than a carbon tax is based on the capacity for a trading scheme to encourage all energy users to pursue gains from trade. But the reason that ripping up permits is more effective than installing a solar hot water system is due to the proposed structure of the CPRS, which explicitly prevents trade between the household sector and the large polluters. A secondary market as suggested by others needs to be set up to enable such trade.

Polluter pays

The CPRS as is stands is a pay-the-polluter scheme, not a polluter-pays scheme. By providing Australia's worst polluters with billions of dollars of compensation in cash and free permits to pollute, the CPRS will protect the profits of Australia's worst climate offenders at the expense of clean industries.

For those proactive organisations that have made changes to their operations to reduce CO2 emissions, or move to renewable energy there is no reward, for those who have profited and done nothing – they are rewarded. Where is the Aussie 'fair go'?

It also unfairly transfers the cost of reducing emissions to industries with less lobbying power and to the community at large. Every dollar of compensation that goes to polluters is a dollar less to assist householders and clean industries. The big polluters have had a free run for a long time and have freely polluted, it is wrong for them to hide behind the threat of job losses or lack of profitability when they have done nothing to prepare for this time.

The only conclusion I can draw, is that the government has caved in to lobbying from the Polluters, coal unions etc who have a vested interest in a weak ineffective ETS. Such an influence is at the cost of all other industries, a possible green economy and the futures of our children. The government must govern for all, not a privileged few.

We did not vote for this!

Complementary Measures

An ETS is just one of the ways the federal government can reduce Australia's greenhouse gas emissions. But there are other mechanisms, such as a mandatory renewable energy target, 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 substantially more than 5%. All these policies should be pursued regardless of the CPRS.

New Technologies

Numerous new green technologies are being researched, developed and commercialised. This is the tip of the Green economy often heard in the Media today. A broad based ETS with strong GHG emission reduction targets, and permits are not handed out for free, would give business the confidence to invest heavily in a green economy which will sustain our country in the future when our mines empty and the rest of the world no longer wants our coal.

Electric cars are set to revolutionise our light transport but we need expanded grid capacity which could come from millions on suburban rooves with solar power panels. Electric cars via V2G (vehicle to grid) technology can help as a reserve of power in their batteries for utilities to withdraw in peak times allowing power to be more efficiently used. Transport could be carbon neutral. The CPRS will discourage this technology.

How will we upgrade our grid to smart grid technology which can best handle decentralised generation from renewable? The CPRS will not help here.

Solar air conditioning is available overseas, not a new technology but advanced versions of the old kerosene refrigerator! In a hot country like Australia why can't we have solar air conditioning, works best when it hot and does not strain the grid like electric air conditioning. Electric refrigerative air conditioning is posing a huge burden on electricity supply. The cost to supply generation capacity in peak times for short periods of the year is enormous and an extremely inefficient use of energy. The CPRS will heavily discourage people from pursuing these technologies.

Biochar, a highly stable carbon from Pyrolysis (burning biomass in the absence of oxygen), can sequester carbon in to the soil and has been shown to significantly increase agricultural production in our degraded soils. The carbon will remain in the soil for tens to hundreds of years. The other product of pyrolysis is bio oil which can be burnt in Diesel engines or further refined to Biodiesel. This is a Carbon NEGATIVE process and the process is commercially available NOW! The CPRS will heavily discourage the uptake of this technology.

The Biodiesel industry in Australia withered under Mr. Howard and has fared no better under Mr Rudd's term!

What of all the other new technologies to come. The incentive for Australian business to develop them locally will not exist and they will inevitably move overseas. Mr Rudd made much of the renewable/ Green technology along with the need to keep research, innovation, commercialisation and manufacture in this country. Just words?

We reject the governments wish to have a 'Nanny State' where we are told exactly how much and where we can make improvements to our world. There is a massive resource which can be employed to combat climate change and it is Australia's people. The proposed CPRS removes our individual influence to combat this problem. In the 21st century it is hard to believe a government would propose such misconstrued even autocratic scheme.

The tax system

The tax system through rebates and reduced taxes can be used to help consumers choose the least polluting products such as electric cars, home renewable energy systems. Tax breaks to renewable fuel producers with reduced or nil excises will bring a huge advantage to an industry currently withering which can help wean us off fossil fuels

National Security

The United States has finally come to the conclusion that being reliant on foreign oil, most derived from politically unstable regions, is a major threat to national security. The coordinated lack of oil would cripple the country and the near 500 billion spent yearly overseas to buy it would be better spent at home. Australia too is reliant on foreign oil as well as refined product delivered on a just in time basis. This threatens our national security and the money would be better spent here paying for Australian jobs, driving our economy forward.

Conclusion

An ETS has the potential to deliver significant reductions in greenhouse gas emissions.

There are two important steps the government should take to establish a system that will contribute meaningfully to the alleviation of global warming and resulting climate change.

1. Set an ambitious target in line with the recommendations of the climate scientists of at the very least 30 per cent reduction in emissions on 2000 levels by 2020. Anything less will not achieve optimal outcomes.
2. Ensure that household activity is able to deliver additional benefits by empowering individuals to make a difference by their own efforts. The largest potential reductions in emissions result from small changes in the behaviour of large numbers of people but if there is no nexus between households and small organisations and the CPRS, these changes will make no difference.

This can be done by establishing a secondary market for household and small business reductions in emissions, a way of achieving additional effect and recognising community achievements.

Also massively expand the scope of efforts to reduce CO2 emissions by empowering all Australians to lower their fossil fuel use. Such as a mandatory renewable energy target, 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 substantially more than 5%. All these policies should be pursued regardless of the CPRS.

Recent bushfire and heatwave disasters in Australia are a foretaste of a much worse future if we don't act now. Every year of inaction knowingly locks in a more devastating future. Every year of inaction knowingly locks out the opportunity for Australian jobs growth and prosperity in the rapidly emerging 'low carbon 'industries of the future."

A very cynical view of our government's intentions is warranted given the woefully inadequate response to combat climate change. Our international reputation on climate change was significantly tarnished with the Kyoto dealings by the Former Coalition governments. The Rudd government risks the same discontent from our overseas counterparts if this feeble response continues.

With the passage of the last two decades and no action to reduce Net CO2 emissions we must move to immediate and massive cuts to our emissions or lose the last reasonably attainable chance to avoid dangerous climate change. The science points to massive feedback loops as we pass in to “dangerous climate change” and an exponential rise in atmospheric CO2 levels from which we, most likely, cannot return. Mr Obama seems to have the political will we can only now dream of having in our Federal government, why?

Everyone needs to do their fair share on climate change, including big polluting companies. The proposed Carbon Pollution Reduction Scheme will see Australian taxpayers funding the activities of companies that are fuelling climate change to the tune of \$9 billion in the next three years. That’s over \$1000 for every household in Australia. The scheme must be fixed by the Senate this year to stop big business from loading the problem of climate change onto everyone else.

A Final Note

If we were being invaded by an aggressive neighbour would we deploy 5% of our forces? Just because Climate change is relatively slow moving does not mean it is any less threatening. In all reality it is many times more powerful and unstoppable if we dither any longer!

We are still amazed that those who wish to lead our country who stood up to be elected and promised to govern for the long term good of Australia can have such short sighted outlooks. The polluters, the government are so focused on the here and now for short term gain, that acting swiftly to reverse climate change is too difficult for them. We have been told for decades this time was coming, we have been WARNED!

Thank you for reading our submission.

We trust the Senate will be heroes/ heroines for our future – not zeros

Kind Regards

Simon & Deb Chinner & family