
MINORITY REPORT BY ALP

The Labor party believes that there have been many genuine concerns raised in this Inquiry and recognise that the legislation presented to parliament is flawed.

However, Labor recognises the imperative to get the legislation through as soon as possible to enable the Regulator to be established and regulation to be in place before the legislation comes into force in January 2001.

Any attempt to be amended will be thwarted by the Government which has indicated it is unwilling to accept any amendments from the Senate.

Labor endorses the report, with three exceptions:

1. DEFINITION OF RENEWABLE ENERGY – REPORT SECTIONS 1.39 – 1.43 RECOMMENDATION 1

Labor agrees that the definition of what is ‘renewable’ should not be determined solely on greenhouse considerations, but should also consider other environmental impacts.

Labor further recognises the concern that this measure may lead to an increase in biomass extraction from native forests as a result of the additional financial incentive attached to the renewable energy certificates.

Although these concerns are valid, Labor also recognises that further harvesting of RFA areas is not unlimited and there are significant constraints on resource availability.

Labor supports the close scrutiny of the impact of this legislation on other environmental issues, particularly the effect on utilisation of forestry waste and that this should be monitored and included for consideration in a formal review.

2. LEVEL OF THE PENALTY - RECOMMENDATION 5

Labor recognises the concern that the level of the penalty may be too low to encourage liable parties to buy renewable energy certificates and that it may also be too low to result in a mix of technologies.

Labor supports the close scrutiny of the resulting mix of technologies and the inclusion of the level of penalty for consideration in a formal review.

3. IMPLEMENTATION TIMETABLE – RECOMMENDATION 7

Labor notes that due to investments under the Greenpower scheme and in anticipation of the renewable energy target, current capacity of existing renewable generators and those under construction are likely to exceed the interim targets for the first few years.

Labor encourages the Government to reconsider the interim targets in relation to the extent of eligible renewable generation capacity currently in operation and under construction with a view to maximise emission reductions in the 2008-2012 Kyoto commitment period, which is clearly in Australia's interests.

Labor supports the review of the interim targets as part of a formal review.

Senator Jan McLucas

Senator for QLD

Substituting for Senator the Hon Nick Bolkus