

To the honourable Senators and Ministers creating our CPRS,

I passionately feel that Australian CPRS legislation in its current form will not accomplish enough in reducing anthropogenic Climate Destabilization.

I ask that the following more-lucid statement by Alan Pears communicate where I cannot:

Essential criteria for a CPRS include:

- a. CPRS must have criteria that allow government to tighten the cap with 12 months notice if the Carbon price is low and modelling suggests it will stay low, or if the science shows a need for stronger targets. Without this flexibility government locks in failure. It is reasonable for industry to accept such conditions as long as there are transparent and fair processes to determine when such features would be implemented.
- b. A proper mechanism for tracking and certifying voluntary abatement, and formal processes to remove permits from auctions in the same period or at the next auction - as proposed in the Voluntary Carbon Markets Association submission (download from www.vcma.org.au in news).
- c. Review of the freebies for EITs and coal power stations - with scope to recover money retrospectively if they exploit windfall profit potential. As Garnaut's researcher on 4 Corners pointed out, losing our aluminium smelting industry would reduce global emissions, not increase them. And, based on Australia Institute work of a few years ago, our economy would be better off because we now subsidise this industry heavily. As Garnaut pointed out, our LNG industry is well ahead of its international competitors for government assistance already, because of other generous arrangements. And the decline in the A\$ means they are all way ahead in terms of international competitiveness anyway since the CPRS was originally proposed. Garnaut also went through a very thorough process to recommend no handouts for coal power stations.
- d. A stronger target - Garnaut has made a strong case for this. And a recent international analysis suggests that a target of 24% cut relative to 1990 by 2020 would be 'fair' for Australia. "

Adjunct Professor Alan Pears, RMIT University
Member, interim Board, Voluntary Carbon Markets Association

I agree with all those 4 points, except; if a 24% cut leads to 450ppm CO₂ in 2020, then perhaps we should make higher cuts to get lower/safer concentrations like 400ppm CO₂. That may be asking a lot politically, but I consider optimising this legislation a vital part in preventing the increasing severity and regularity of our devastating 'natural disasters'.

I thank you for your time, and wish you success in creating effective CPRS policy.

Sincerely,

Olivier La Mer Adair