



Simon Corbell MLA

ATTORNEY GENERAL

MINISTER FOR THE ENVIRONMENT, CLIMATE CHANGE AND WATER

MINISTER FOR POLICE AND EMERGENCY SERVICES

MINISTER FOR ENERGY

MEMBER FOR MOLONGLO

The Secretary
Senate Standing Committee on Economics
PO Box 6100
Parliament House
CANBERRA ACT 2600
economics.sn@aph.gov.au

Dear Secretary

I refer to your letter of 11 March 2009 to Mr Jon Stanhope MLA, Chief Minister of the ACT, seeking submissions for the Standing Committee on Economics' inquiry into the exposure draft legislation to implement the Carbon Pollution Reduction Scheme (CPRS). Mr Stanhope's office has referred your correspondence to me as responsibility for climate change matters falls within my portfolio.

The ACT Government is supportive of the introduction of an emissions trading scheme. However, we are concerned that actions by states and territories to go beyond the targeted CPRS reductions may not achieve real emission reductions, as these actions may not correspond to fewer emission permits. Further investigation by the Commonwealth is required to identify whether efforts by states and territories to go beyond the targeted CPRS reductions can meaningfully contribute to reducing emissions. In the ACT, opportunities to meaningfully reduce emissions are likely to be especially limited as approximately 95 per cent of the ACT's emissions relate to sectors that will be covered by the CPRS.

It is a significant concern of mine that state and territory jurisdictions may not be able to implement more stringent climate change policies that contribute to achieving real reductions in emissions. I believe it would be useful if the Senate Standing Committee on Economics could explore this impact further.

As you would be aware, the ACT Government has established an ACT climate change policy, *Weathering the Change*, with the policy goal of reducing ACT greenhouse gas emissions by 60 per cent of 2000 levels by 2050. The ACT Legislative Assembly Standing Committee on Climate Change, Environment and Water is currently conducting an inquiry into the establishment of a legislated greenhouse gas emissions target for the ACT. The Standing Committee is scheduled to report by 30 July 2009.

ACT LEGISLATIVE ASSEMBLY

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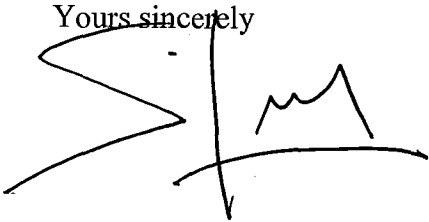
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An issue to be considered by the Standing Committee on Climate Change, Environment and Water is the relationship between the ACT target and national policy measures. It is quite possible that the inquiry will result in a recommendation to adopt a target that goes beyond the Commonwealth's CPRS targets. If this is the case, the coverage of the CPRS severely limits the scope for the ACT to take effective action on climate change. In my view, there has not been adequate debate or discussion on this important issue.

I hope that the Senate Standing Committee on Economics will take these issues into account when finalising its report.

I trust that this information is of assistance.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Simon Corbell', written over a vertical line that extends from the 'Yours sincerely' text.

Simon Corbell MLA
Minister for the Environment, Climate Change and Water

18 MAR 2009