

Thursday, 6 March 2008

The Secretary
Senate Standing Committee on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Ms Radcliffe

The Australia Institute is Australia's leading progressive think tank, based in Canberra. The Institute was founded in 1994, and has established a reputation for leading the public debate on climate change issues.

The Institute wishes to assist the deliberations of the Committee by submitting some of our previous research which is pertinent to the terms of reference of this inquiry, especially (3) the adequacy of existing programs to cope with climatic changes.

In particular, I attach eight hard copies of *Discussion Paper Number 74: [Property Rights and the Environment: should farmers have a right to compensation?](#)*, by authors Andrew Macintosh and Richard Denniss, which was released in November 2004. This paper examines the claim that farmers require a statutory compensation scheme to protect them from legislation designed to improve environmental outcomes.

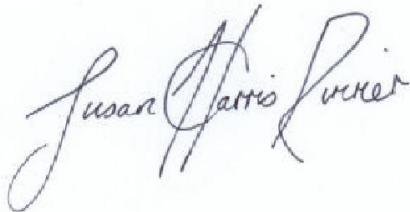
I would also draw the Committee's attention to the 2007 paper [The National Greenhouse Accounts and Land Clearing: Do the numbers stack up?](#), released in January 2007, authored by Andrew Macintosh.

The basic argument advanced on the basis of this research, is that previous drought assistance has not been effective in promoting environmental outcomes in Australia. In an **attached** article, Andrew Macintosh argues that:

A more cost-effective solution is to merge environmental and drought assistance programs so that there is a single subsidy that relieves the financial hardship caused by drought and includes incentives to improve environmental outcomes.ⁱ

I commend our research to you and wish the Committee well in their deliberations on this important matter.

Kind regards



Susan Harris Rimmer
Acting Executive Director

ⁱ [Australia Institute Newsletter, No. 43 June 2005, p. 7.](#)