

To Senators on the Senate Select Committee on Climate Policy,

I have written the following - Labor's Carbon Pollution Scheme: the R's dropped out - on my blog En Passant.

I think it makes the points well enough to reproduce it here, hyperbole and all.

John Passant

Labor's carbon Pollution Scheme - the R's dropped out.

The Labor Government has released its Carbon Pollution Reduction Scheme Bill.

A more appropriate title might be the Carbon Pollution Scheme. The R's fallen out.

What is CPRS? Liz Walsh from Socialist Alternative described it this way in her article The great carbon trade scam:

'Carbon trading creates a market in which companies buy and sell pollution credits. The most widely used scheme is the "cap and trade" system: a cap on total emissions is established by government, permits to pollute are distributed among industry up to that cap and the "invisible hand" of the market supposedly finds the cheapest way to meet it.

'Setting a price on carbon, the theory goes, gives polluting companies an economic incentive to reduce emissions. If companies produce below their carbon allocation, they can sell their permits on the carbon market. If companies produce over their quota, they are penalised because they need to buy carbon permits from those who have produced below their target.

'Carbon trading thereby reduces action to avert the enormous threat that climate change poses to a cost-benefit analysis. It is symbolic of our sick capitalist society which prioritises profits above all else.'

So CPRS relies on the market to fix a problem created by - the market! Ingenious.

After all, the market has been such a resounding success of late in solving the problems of the financial and productive sectors of the economy, problems it itself created. Who can doubt the market will be even more successful in reducing greenhouse gases?

Rudd Labor's CPRS is not just a cap and trade scheme. It is a floor and trade scheme too.

This means that the more individuals and households reduce their carbon footprint the more the big polluters can pollute.

I suspect this is the rationale behind Rudd's promise of pink batts in every roof. As households reduce their greenhouse gas emissions courtesy of the pink batts, the coal fired power stations can buy more Pollution Permits.

And where the initial Pollution Permits are given to the polluters for free, there is a massive transfer of wealth to them for their polluting activities.

Look at the European Emissions Trading Scheme (similar to our CPRS scheme.) Greenhouse gas emissions went up in the years after it was introduced.

The proposed 5 to 15 percent reduction on 2000 levels by 2020 (depending on what the rest of the world does) is a joke. It won't reduce greenhouse gas levels to the level even the

conservative economist Ross Garnaut recommended, and his targets themselves were pretty poor.

Kevin Rudd has said that CPRS will only decrease the rate of growth of carbon pollution in its first five years of operation, not reduce the level at all.

A real alternative would be to develop green jobs immediately through massive public spending on urban and inter-city (free) transport, on solar, wind and other energy sources, energy efficient homes and a range of other possibilities I am sure readers can suggest. (See too the post on this site called Create climate change jobs and save the planet).

To delay is to deny. For example James Hansen argues we are moving into a tipping zone where change soon will be irreversible. He says we must start immediately to reduce emissions to 350 parts per million.

Garnaut's target was 550 ppm, and Labor's CPRS won't even reach that.

This green jobs program needs to start now. But the Rudd Labor Government will only take real action around green jobs and green energy sources if we force them.

Let's mobilise for a new world.

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