

6/4/09

Darwin Climate Action Group
C/o 137 Smith Street
Larrakeyah NT 0820

John Hawkins
Committee Secretary
Senate Select Committee on Climate Policy
PO Box 6100
Parliament House
Canberra ACT 2600
Australia

Dear Mr. Hawkins,

The *Darwin Climate Action Group* has serious concerns about the proposed Carbon Pollution Reduction Scheme (CPRS). The current CPRS contains fundamental flaws that mean Australia's emissions could actually rise. We would like to see the legislation redesigned into a meaningful scheme that will actively reduce emissions and show Australia as a leader in the climate change movement.

Our main concerns are as follows:

The target

Given growing evidence that all measurements of climate change are at the high end of past predictions, the target of 5-15% emissions reduction by 2020 is inadequate. We believe that a target consistent with the 2007 Intergovernmental Panel on Climate Change (IPCC) suggestions where developed countries as a group should reduce their emissions by between 25% and 40% to participate in keeping global greenhouse gas concentrations below 450ppm is more appropriate. We support a target at the upper limit of 40% below 1990 levels by 2020.

The International Credits system

We have serious concerns that the current 5-15% emissions reduction target range for 2020 delivered by the CPRS will likely be met through the purchase of off-shore carbon credits rather than genuine cuts to emission-intensive industries, most of whom will be shielded through the provision of free permits to pollute and thus nationalising the costs of pollution. We encourage aid for developing nations but believe that limiting international credits to 20% of emission reductions targets to be a responsible position on the issue.

Assistance trade exposed industries.

Another fundamental flaw of the CPRS is that it provides excessive compensation (7.4 billion – including 3.9 billion direct to coal-fired power stations) to heavily polluting industries. Big polluters should be required to pay their full and fair share and any assistance to trade exposed industries should be redirected into renewable energy technologies to encourage the growth of the industry.

ETS must not discourage further measures

By setting a cap on the amount of emissions allowed for Australia's top 1000 polluters, the CPRS will also set a floor which the scheme will not allow us to reduce emissions beyond. This critically undermines the growing sector of small and large scale voluntary action from all parts of the community.

Forestry included in the CPRS

In regard to the issue of forestry, we believe that native forests should be managed for habitat conservation because of the broad environmental benefits of saving our remaining forests.

It needs to be noted that due to global warming, forestry is now excessively vulnerable to fire. (At 189 for Black Saturday, the upper limit of the FFDI now well exceeds 100. CSIRO and Bureau of Meteorology modelling predicts fires of this magnitude every 5-7 years.)

While we support the provisions of credits for planting, the current CPRS provides no mechanism for penalising deforestation. We believe that forestry should either include deforestation, or exclude both planting and deforestation.

In addition, a strict limit should be placed on the number of permits that industrial emitters can purchase from forestry and reafforestation. Forests must be used to draw down excess carbon and not 'justify' the continued burning of fossil fuels.

Pollution permits as property rights

Under the current CPRS if the government increased the emissions reduction target, taxpayers would be forced to compensate industry leading to a significant burden on the Australian economy.

We believe that there must be a legal mechanism in the CPRS that would allow targets to be increased in the future. Also, permits must not be defined as property rights but rather as licenses or allowances which can be withdrawn under emergency circumstances.

Specific issues for Darwin and the Northern Territory

The scheme's indifference to the Territory issue of wildfire will unnecessarily delay great opportunities that NT land management professionals have developed to reduce emissions from improved management of savannah burning.

Also, the CPRS's ineffective reduction of greenhouse gas emissions will continue to threaten Kakadu wetlands from salt intrusion due to seawater rise.

Conclusion

An effective CPRS will send a price signal across the economy as a whole, and encourage the shift to a low carbon future at the lowest possible cost.

No matter the strategy eventually employed, the bottom line is that we face a global emergency and must drastically reduce emissions. The current CPRS does not meet this urgent need.

Darwin Climate Action Group
C/o 137 Smith Street
Larrakeyah NT
0820