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The Secretary  
Senate Standing Committee on Economics  
PO Box 6100  
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CANBERRA ACT 2600

## **Submission in response to the Senate Select Committee on Climate Policy**

### **We need a government that acts in the best interests of the people**

**A State of Emergency needs to be declared.** The Rudd Government entered its term in November 2007 with an overwhelming mandate from the Australian people to take swift, effective action on climate change.

The proposed Emissions Trading Scheme, the CPRS Act, will not reduce our emissions. We need the CPRS Act to be rewritten and a full range of possible solutions to climate change implemented immediately.

### **We need stronger targets, to enable a transition to a zero emissions economy**

Australia should lead the world in best practice. We need to factor in the environmental costs in every business transaction and begin the transition to a zero emissions economy.

Energy producers should be expected to produce 100% renewable energy by 2020 and be mandated to produce not less than 60%. All government policy making should be transparent, public and accountable.

If weak targets are adopted universally emissions will not stabilize atmospheric concentrations of GHG at 450ppm. It would send the world past 550ppm and trigger unstoppable and catastrophic climate change.

### **We need to scrap the Pay-the-Polluter Scheme**

The CPRS as it stands is protecting, compensating and rewarding our biggest polluters. The high emissions intensity of energy use in Australia is mainly the result of our reliance on coal for electricity. The CPRS as it stands ideally suits so called 'important' emission intense industries, which have benefited enormously from Australia's cheap, dirty coal fired electricity, receiving over \$3 billion a year in free permits and compensation under the proposed CPRS legislation. It also unfairly transfers the cost of reducing emissions to industries with less lobbying power and to the community at large. Every dollar of compensation that goes to polluters is a dollar less to assist householders and clean industries.

Tax payer money should be directed towards achieving the necessary transition to a more sustainable economy, towards 100% renewable energy sources, capable of protecting our most valuable and irreplaceable public asset; our environment, for current and future generations.

### **We need our Voluntary Reductions to really make a difference**

The CPRS renders useless voluntary domestic efforts already underway to reduce some of our GHG emissions. The efforts of everyone from householders to State Governments to reduce emissions will ONLY reduce the price pressure on the polluters. This must be fixed by taking account of community action and all the policies already in place when setting the scheme caps, and using the scheme to drive more ambitious efforts.

### **We need the difficult, long-term decisions made now, for business certainty**

One of the key problems with setting a weak target is that the only certainty business has is that it will need to be changed again in the future. Business needs long-term investment horizons in order to make multi-billion dollar decisions. A target of 5% by 2020 set now is likely to lead to many bad investment decisions being made, as business invests in 'low pollution' infrastructure which, in only a few years, will need to be demolished at further expense and replaced with zero emissions alternatives.

### **We need a strong Australian response to lead global efforts**

The proposed CPRS Act will undermine international negotiations to achieve an effective global response to climate change, because we have not adopted strong measures to significantly reduce our own emissions.

### **We need a range of measures to combat climate change**

An emissions trading scheme is just one of the tools the federal government can use to neutralise Australia's greenhouse gas emissions. We also need the following:

- a greenhouse gases reporting scheme that is public and applies to every type of business transaction
- a halt to all subsidies for fossil-fuel based energy
- a national feed-in tariff
- a simple and transparent carbon pricing mechanism free of loopholes and distortions
- incentives to conserve energy and reward energy efficiency
- zero emissions energy generation from renewable energy sources
- investment in public transport and rail freight
- a "net energy zero" building policy for all new buildings
- a halt to all native forest logging
- a halt to using tree planting schemes to offset greenhouse gas pollution
- rapid scaling down of the breeding and trading of ruminant animals in Australia

***Thank you for your attention to this submission.***

Yours sincerely



Margaret Maguire