

Introduction:

I believe that the scientific evidence for climate change is in; that human activity is a major factor, and that this generation must begin to make deep cuts in carbon emissions to stabilise carbon dioxide levels at under 450ppm.

Economic issues:

The influence of the fossil fuel industry has seen its growth increase despite the scientific knowledge that to continue doing business as usual is to further exacerbate the problems associated with climate change, leading to global warming. I object to the use of public tax revenue to subsidise the fossil fuel industry. The increases in greenhouse gas emissions from the use of coal, oil and gas is largely due to the ready availability of what is a below real cost commodity. Without the subsidies and the continued practice of externalising the real costs, fossil fuel prices would more accurately reflect the real costs of extraction, processing, transport, pollution and diminishing supplies.

As part of your review I hope you will take into consideration how government policy is making matters worse (i.e. the use of subsidies and tax right-offs), in stark contrast to the stated aims of lowering the very gases that these industries produce.

There should be no exemptions given to the fossil fuel industry to compensate it for refusing to take a long term view of its place in the energy market. Ever since the Rio earth summit in the 70's there have been messages about what would one day be an urgency to wean ourselves off dirty energy. To claim some special status, when there have been many opportunities to change course, is unacceptable, especially when a small section of the industry has had the foresight to begin the transition to cleaner technologies e.g. British Petroleum now BP and Royal Dutch Shell – both now major producers of solar modules.

A feed-in tariff that will reward investors who choose to install solar technology as close to where it will be used is a crucial factor in moving to a low carbon economy. Distributed power plants linked with demand side management, provide opportunities that no centralised power stations and supply side management can match.

The proposed / allocated investment to achieve carbon sequestration is not only fraught, it is illusionary. As has been pointed out before, it was nature's sequestering of carbon that has allowed for the establishment of conditions conducive for the existence of human life as we know it. That we are inverting the processes and then deluding ourselves into thinking that we can mechanically do what nature in her wisdom did for free is arrogance in the extreme. There is no action without an opposite and equal reaction. I would only go down the path of attempted carbon sequestration if those involved were prepared to give a thousand year written guarantee and could show that they have the financial backing to be able to underwrite their documentation, and I would be seeking a bond equal to the damage that would ensue from any project gone wrong. Without these assurances the proposal is nothing more than an excuse for business as usual.

Ecology:

We desperately need a transition away from dirty energy sources to clean energy sources – commonly referred to as renewables.

Living within our ecological means must be one of the aims of future government policy if we are to stabilise and then reverse the current growth patterns, so that the next generation can have an opportunity of enjoying the standards of living we have come to expect.

We know from first-hand experience that it is possible to obtain base load power for all our needs from renewables. We are not alone in this.

Ray Anderson, Chairman of Interface, has publicly stated his aim to reduce his dependence on fossil fuels to zero. With 22 factories around the world, he has set his sights on "doing well by doing good". Interface is well on the way to achieving its goals. The Review could include profiles of companies that are doing more than talk about shifting to a carbon neutral way of doing business; they are in the process of implementing it, with little or no government assistance. Ray Anderson for example, says that to comply is to be as bad as the law allows. Whatever the Review recommends, therefore, in terms of legislation, will be exceeded by the likes of Interface.

Technology:

I hope you will base your findings on what is possible now, using existing technologies, as well as technologies that within the time frame we have set ourselves – 2020 and 2050 – there is a better than even chance will be available.

The Australian innovation scene is littered with good ideas that could not get a guernsey in this country. While you are looking at the potential for Australia to become a regional hub for the technologies and industries associated with global movement to low carbon emissions, so many opportunities have already gone overseas. Our brightest and best can't seem to get recognition and so Germany, China and others are now manufacturing products developed in laboratories in Australia.

Resolutions:

Price implies cost. It also implies that money is involved. But is focusing entirely on money ignoring some important things about price?

For example, it has been suggested that a price on carbon will mean an increase in the price of petrol, electricity, gas, etc and the services these products are attached to.

"No one likes rising prices, but the alternative of unmitigated climate change is far worse" according to Tristan Edis, Clean Energy Council Policy and Research Manager (writing in EcoGeneration Jan/Feb 2008, page 6)

The price rise is portrayed as being a bad thing.

But aren't we all a part of deciding what price to pay for goods and services.

We may prefer to pay:

- More for food because we may prefer to purchase organic fruit and vegetables;
- More for air travel because we may prefer the luxuries of business class;
- More for a hotel room, because we may prefer to have an ocean view;
- More for clothes, because we may prefer to buy designer labels;
- More for meals, because we may prefer to eat out three nights a week;
- More for water, because we may prefer to buy bottled water rather than drink water from the tap;
- More for a gym membership, because we may prefer to get trim, taut and terrific using this method rather than walking or bike riding, or some other less expensive exercise regime;
- More for beauty treatments, because we may prefer to have pretty nails, etc

There are scores of instances where we pay more than we perhaps need to because we choose one particular product over another. We think that product is better, that we'll be healthier or more attractive or whatever.

This is especially evident in the case of vehicle purchases.

Thousands of people now pay thousands of dollars more to buy large four wheel drive vehicles because they perceive them to be safer and their passengers will be better protected in the event of a crash. Yet

when it comes to safer air to breathe and a climate that will be better protected from the fluctuations of rising temperatures we reject the ideas of paying for it.

We don't seem to be able to make the connection that the large car that caused the problem is the reason scientists are calling for controls to the way we live so that our kids will be safe.

On those occasions when we do make the connections, we seem not to want to cramp our style, but we seem to be happy to cramp the style of our children and grandchildren, so that we can go on living what they will surely conclude were unsustainable lives – unable to see the massive contradictions between our principles and our practices.

Having at your disposal people of high regard who are able to carefully craft scenarios that can portray the stark differences noted above, I encourage you to include in your report solutions based on human experience, ingenuity, commitment and courage, of which price is one component, but kept within the greater context of benefits for the common good.

The price adjustment that will be made when a price is put on carbon is nothing more than a case of price catch-up. It is a correction that is long overdue and essential for the long term health of the economy, since it should reflect all of the 'ingredients' of bringing a carbon based product to market and include all of the detrimental impacts caused by its use. This is no different to the banking sector making adjustments and passing on costs associated with the prime lending crisis in the US.

When sound science is clearly illustrated and explained and when it is grounded in an ethical setting, most people respond positively.

Concluding points:

I wish to conclude my remarks by asking that you consider the following points:

1. Subsidising fossil fuels with the taxes of wage and salary earners should not continue;
2. New coal fired power stations will only serve to make matters worse and must be replaced with energy conservation and renewable energy alternatives;
3. The transition from dirty to clean energy supplies for those companies, like BP and Shell, who have taken the first steps to moving in the direction of cleaning up their act, need to be given incentives to continue down this path;
4. Small businesses and householders who wish to shift to renewables deserve a financial incentive for choosing this course of action;
5. Clean coal or carbon sequestration needs to be seen for what it is – a costly distraction from taking positive action to avert dangerous climate change;
6. The switch to clean energy supplies needs to be treated with more urgency – with powers given to the Minister for Climate Change to assess the viability of projects according to their detrimental impact on the atmosphere and associated ecosystems.

I would appreciate your acknowledgement of my remarks.

Thank you for your time and consideration of my submission.

Stuart Carter

