

Dear Professor Garnaut,

I live in the inner-west of Sydney and have watched with increasing concern the lack of firm action being taken both here and abroad with respect to threats posed by climate change.

I am particularly concerned about how many individuals seem unable to either make the connection between their consumption habits and the GHG emission impact that might have, or else simply don't care or are resigned to the dark future the IPCC reports paint for us.

I feel that not only do we need strong emission targets for 2020, but also that individuals need to feel empowered and responsible in this process.

I would like to suggest that in designing a carbon emission limitation scheme, we need to ensure that the reduction strategies encourage frugality and personal responsibility while not encouraging the sort of resource speculation that has in large measure contributed to situations as we see in the housing industry, where affordability is at its lowest point in history.

I want to propose a sort of Carbon Credit Card (CCC) that is issued to each person or family in Australia. Personal emissions will be capped at some appropriate level per annum. The cap should only include activities that either directly emits GHGs (transportation e.g. cars, air travel) and energy consumption. Furthermore, I suggest:

- Taxpayers pay for their CCC through the tax system. The rate may be progressive and probably at least 2% of taxable income to start with. The government should use these funds to pay for activities aimed at encouraging cleaner energy use.
- Unused carbon credits for one year can be "banked" for up to 3 years, allowing those who might want to, say, travel overseas more to save for that by being frugal now. Some allowance for trading consumer carbon credits on the market could be provided, but such credit is only valid for the current year (perhaps financial year).
- If a consumer exceed their annual allowance and does not have a bank of extra credits (either through their own savings or having purchased them on the market) they are required to pay a fine (whether they pay tax or not). The rate should be so set to make over-emission an expense infringement. I also suggest that re-infringement in subsequent years should warrant a larger penalty rate per unit of GHG exceeded.

There are many complexities to be worked out, particularly how to handle the transfer of credit in activities that are shared amongst many consumers.

My goal is that any system introduced will make everyday consumers responsible and encourage awareness and engagement, while discouraging the worst elements of the financial industry from exploiting the scheme for personal gain.

I would appreciate your acknowledgement of receipt of this email.

Yours Sincerely,
Henry Lebovic
Haberfield, NSW