



Australian Student Christian Movement Inc.

Committed to social justice, peace, ecumenism and dialogue

www.ascm.org.au

Association no.: A0044795G

The Hon. Kevin Rudd MP, Prime Minister,
and Senator the Hon. Penny Wong, Minister for Climate Change and Water.
Parliament House
Canberra ACT, 2600

24 February 2009

**Re: The Department of Climate Change White Paper, 15 December 2008:
*Carbon Pollution Reduction Scheme: Australia's Low Pollution Future***

Dear Prime Minister Rudd and Senator Wong,

We, the Australian Student Christian Movement (ASCM), commend your government for recognising the immense problems caused by human induced climate change, for providing global leadership on this issue, for taking action to reduce Australia's greenhouse gas emissions and for adopting measures to assist those with low incomes or pensions to survive the transition to a low carbon economy. The ASCM would like to express our support for the Government's three pillared approach.

However, we the ASCM, are highly concerned that the approach outlined in the White Paper does not adequately address the urgency or the scale of the global challenge posed by climate change and is yet to get the balance right between maintaining stable economies and preparing for the future. As this is a complex problem affecting all of us, we outline our concerns about Australia's response to climate change and make suggestions for its improvement.

SUMMARY

- High carbon emitting industries are being over compensated to the detriment of low carbon industries, and research and innovation.
- The 5% carbon emission target will not sufficiently reduce the human impact on global temperatures to avoid catastrophe.
- Ecosystems must be enabled to adapt to the changing climate through conservation.
- Australia must act as a global citizen by setting a strong and immediate example to the global community, particularly by preparing to assist refugees of climate change.

PILLAR 1: REDUCING AUSTRALIA'S CARBON POLLUTION

The ASCM is very concerned that the measures adopted by the White Paper are not only insufficient, but in some cases likely to severely hinder the realisation of Australia's target of 60% reduction in carbon emissions from 2000 levels by 2050. Urgent and significant action is needed if we are to avoid the worst effects of climate change, as is stated in the White Paper, but Australia's action needs to be consistent with the now immense body of

scientific knowledge and the economic imperatives.¹ Neither appears to have been adequately addressed in the current White Paper. We outline our concerns below.

Over compensating polluting and “trade-exposed” industries and activities

The ASCM is alarmed about the extraordinary proposal to provide substantial financial assistance to Australia’s top pollution emitters with the expressed intention of promoting growth in Australia of these high pollution emitting industries. Our reasons are as follows:

1. *Promoting growth in industries with high carbon pollution is fundamentally opposed to the stated ethos of a scheme to reduce Australia’s carbon emissions.* It is bizarre that a scheme to reduce carbon pollution would actively promote growth in highly polluting industries. In a low carbon global economic environment, many of these industries will be replaced or substantially transformed. Employment patterns need to shift workers from high to low-emission industries. Moreover, the success of this cap and trade scheme depends on a broad based market approach² which cannot be realised with the proposed compensations.

2. *There is little incentive for industries with high emissions to invest in and develop cleaner technologies if they are highly compensated.* The first European carbon trading scheme failed because they compensated high emitters. We do not want Australia to make this same mistake. We are also concerned that this policy is unjustified and highly risky for both the environment and Australia’s economy, as argued by Professor Garnaut.³

3. *There is no need to compensate households and businesses for increases in petrol.* In a similar way compensating users for increases in fuel does not encourage the use of alternative transport or reducing travel which is required if Australia is to achieve necessary reductions in carbon emissions. An alternative strategy would be to subsidise travel for poorer households only. Middle income earners are likely to have the resources to weather fuel increases and adjust their lifestyles accordingly.

4. *Money gained via the carbon reduction scheme is better spent on promoting technological and lifestyle change in Australia and developing countries.* The ASCM applauds the Government’s proposal to use some of the revenue generated by the sale of pollution permits to assist those with low or no income adjust to the increase in living caused by the transition to the new scheme. However, to achieve the ultimate goal in reducing Australia’s emissions we feel the carbon permit revenue is far better used elsewhere. The ASCM commends the Government’s proposal to establish a climate change action fund. We argue that similar schemes should be initiated in order to fund:

- a) **Infrastructure:** The ASCM urges the federal government to use funds generated by the scheme to develop essential energy and transport infrastructure as recommended in the Garnaut report. The ASCM urges the Government to work with the states and territories to promote the essential lifestyle changes required for Australians to reduce their consumption of fossil fuels. These measures include improving public transport within and between cities, implementing mandatory “green” building and urban design codes, water conservation standards, “green”

¹ Ross Garnaut, 2008, *The Garnaut climate change review*.

² Ross Garnaut, 2008, *The Garnaut climate change review*, pg xxviii.

³ Ross Garnaut, *Australia counts itself out*, *The Age* 20 December 2008.

codes for new vehicles and strong financial and practical assistance for retrofitting existing buildings and vehicles to make them more energy efficient.

- b) Overseas development towards low carbon economies: The ASCM argues that Australia needs to provide financial and other forms of assistance to developing countries to promote sustainable, low carbon development. The ASCM urges your Government to use the substantial funds generated by the trading scheme to expand on the model of the International Forest Carbon Initiative and help developing countries move to low pollution and low deforestation economies.

Medium target for Australia's emissions reduction is too low

The ASCM is very concerned that the scheme's unconditional 5% reduction target by 2020 is low and inconsistent with scientific data outlining the severity of the climate change problem. It is well established that more action now will be cheaper than action in the future when the climate change problems are more pronounced.⁴ In addition, the ASCM is worried that this small target will set a poor international example, making it more difficult to achieve the substantial global changes that are required and that your Government is rightly promoting. As one of the world's wealthiest countries Australia well placed to weather the economic costs of action.

The ASCM is also surprised that the policy commits to only a 15% reduction in the event of an international agreement. This is substantially lower than reductions proposed by Europe and is likely to adversely affect Australia's economic interests and global reputation.⁵ The ASCM strongly urges the Government to adopt at least a 25% reduction target in the light of a global agreement.

The ASCM is concerned that even a global acceptance of a reduction of emission to 450 ppm that lead to a temperature rise of about 2°,⁶ will result in catastrophic climate change. In Australia this is likely to include substantial damage to the Great Barrier Reef and the Murray-Darling basin system. The effect in the wider Asia-Pacific is likely to be greater, with some predicting a disastrous global impact leading to the displacement and deaths of many people.⁷ The ASCM strongly urges the Australian Government do everything in its power to reduce global warming to 1 degree or less.

Deforestation

The ASCM is concerned that the proposed Carbon Emission Reduction Scheme does not include any measures for reducing Australia's greenhouse gas emissions generated through land clearing. The current monetary costs of deforestation vastly underestimates the environmental damage it causes including generating 11% of Australia's greenhouse gas emissions. Current legislation, while an important improvement on the past, is still insufficient to protect these areas. In addition, illegal actions continue to occur with the perpetrators suffering small or no penalties.

The difficulties in monitoring and implementing deforestation as outlined in the White Paper, are diminishing. There are now a number of satellite based programs worldwide which are used to monitor forests and detect illegal deforestation in remote and local

⁴ Ross Garnaut, 2008, *The Garnaut climate change review*, pg 245.

⁵ Ross Garnaut, Australia counts itself out, *The Age* 20 December 2008.

⁶ Ross Garnaut, 2008, *The Garnaut climate change review*, pg 43.

⁷ Nicholas Stern, 2006, *Stern review: the economics of climate change*, pg v.

areas. High penalties, including gaol terms, for company executives or individuals who undertake illegal clearing would lead to reductions in Australia's carbon emissions. Pre-emptive land clearing is a common problem faced by the implementation of all conservation legislation and past experiences from Australia and other countries is likely to provide guidance.

As the global climate changes, remaining native forests will become rarer and so increase in environmental and social value. The ASCM urges the Government to make the reduction of native ecosystem land clearing a priority in the Carbon Pollution Reduction Scheme.

PILLAR 2: ADAPTING TO UNAVOIDABLE CLIMATE CHANGE

The ASCM strongly urges the government to consider additional measures to adapt to climate change such as:

1. *Help Australia's unique wildlife survive and adapt to climate change by maintaining and restoring native habitats.* Species already experiencing stress due to both historical and ongoing habitat loss, and/or the effects of invasive species are less likely to cope with the increase in temperature, fire weather and intense storms predicted in Australia. Healthy, diverse populations are more likely to survive.

2. *Reprioritise foreign aid and prepare Australia to accept climate change refugees in preparation for the increases in displacement, homelessness, food and water shortages, human conflict and waterborne diseases predicted.* The countries least able to cope with rising sea levels and changing climate are those predicted to be the most affected. As a global citizen Australia must be prepared to help our Pacific neighbours.

PILLAR 3: HELPING TO SHAPE A GLOBAL SOLUTION

Australia has a paramount interest in securing the most ambitious global reductions target possible. To that end the ASCM is surprised by the actions proposed within the White Paper and expressed in the Government's public statements. The ASCM's view is that the Government's position has been undermined by actions that can be seen as defeatist or unilateral in nature. We need to approach global negotiations with confidence, hope and generosity if we are to achieve our common aims. We all lose if we fail.

The ASCM urges the Government to take a stronger and more convincing role in the implementation of global reductions in emissions by:

- Setting a strong, early example
- Recognising that as a developed country, Australia's role in reductions will need to be relatively large⁸
- Establishing a larger and more reasonable medium term reduction target
- Showing that Australia will not favour wealthy and influential stakeholders representing large emitters over the global demands of a low carbon economy
- Proving by our actions as well as our rhetoric that Australia will work towards a successful global outcome to the problem and not just in a narrow interpretation of Australia's interests.

We, the ASCM, are concerned that if the Government argues for reductions to be measured on a per capita basis, Australia will be seen internationally as adopting a policy

⁸ Ross Garnaut, 2008, *The Garnaut climate change review*, pg xvii.

that unfairly benefits our own country, with our current very high per capita emissions, while making it more difficult for developing countries, particularly those with large populations to achieve and importantly to gain credit for substantial emissions reductions. This policy is also likely to be counterproductive because the amount of global warming that will occur depends on the world's total emissions rather than per capita emissions.

For Australia to be a successful advocate for these major changes we must be seen to act with integrity.

Yours in peace,

[Sgd]

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cc Greg Hunt, MP, Shadow minister for Climate Change, Environment and Urban Water.
Senator Bob Brown
Senator Steve Fielding
Senator Nick Xenophon

The ASCM and why we care about climate change.

The Australian Student Christian Movement is an ecumenical movement of tertiary students, faculty and senior friends with a history in Australia dating back over a hundred years. It is an affiliate movement of the World Student Christian Federation (WSCF), an international federation of over 100 national movements spanning six WSCF regions: Africa, Asia-Pacific, Europe, Latin America and Caribbean, Middle East and North America.⁹ The WSCF “is a global community of Student Christian Movements committed to dialogue, ecumenism, social justice and peace.” Our mission is to empower students in critical thinking and constructive transformation of our world by being a space for prayer and celebration, theological reflection, study and analysis of social and cultural processes and solidarity and action across boundaries of culture, gender and ethnicity.¹⁰

SCM and the WSCF consider climate change to be one of the greatest challenges of our generation potentially causing catastrophic humanitarian and environmental crises throughout the world. Since most of us are young, tertiary students, we will be the first generation to witness the major effects of climate change. The protection of our environment; the source of our food, our livelihood and our identity, is part of our core concern as Christian students working towards social justice and peace for all people.

⁹ World Student Christian Federation, http://www.wscfglobal.org/who_r_v.php .

¹⁰ Ibid.