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**TITLE: Deep flaws in CPRS and so many devils in details**

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The scientific consensus is that climate change is an urgent problem; the economic evidence says that the costs of tackling climate change are trivially small compared to the costs of inaction; and polling shows that the vast majority of the Australian public wants to see real action.

So why has the CPRS stalled and why are the Liberals confident they can win a fight on the issue? How could the Government have failed to get its legislation through?

The CPRS is stalled in the Senate because the Coalition doesn't want it, the Greens don't want it, Nick Xenophon doesn't want it and Steve Fielding doesn't want it. While their objectives and their objections are all quite different, the Government has managed to unite them in their opposition to its scheme. While the parliamentary politics of the CPRS might have been explosive, it's hard to see the public caring quite so much. Can you imagine a rally in favour of the CPRS: "What do we want? Unambitious targets and a complex trading scheme! When do we want it? We want the legislation passed ASAP but we are OK with the scheme not commencing until 2011 with serious reduction targets to come into effect after 2020!"

Climate Change Minister Penny Wong has done a great job of getting the leaders of big environment organisations, big business groups and even some in the Liberal Party to support her so-called Carbon Pollution Reduction Scheme. Her challenge now is to convince the public to do the same. But recent polling shows that she hasn't been too successful in explaining her scheme to the public, or that there is any need to rush her legislation through the Senate.

This is hardly surprising as most people have no idea how the CPRS works. For example, do you know what the difference between 'targets', 'gateways' and 'trajectories' is? Do you know what an EITE is and what the related definition of 'trade exposed' is? Do you understand the relationship between emission reductions in the LULUCF sector and the CPRS cap setting process?

Relax. Virtually no one except the big polluters has the slightest clue what any of that means. And the only reason they care is because the billions they are receiving are concealed behind the complexity.

Rather than building a strong case for its scheme over the past twelve months the Government has focussed instead on defending it from those who would question it.

While the Minister has a reputation for never looking rattled, she certainly doesn't have a reputation for answering the hard questions. Like a tail ender blocking their way towards a drawn test match the Climate Change Minister has blocked question after question with indecipherable jargon. She has never really tried to score any runs as she has been more concerned to protect her wicket.

But ambitious change in an area as important, and contestable, as climate change will never make it through the Senate without a champion who is playing to win.

The Government has been walking both sides of the street, simultaneously trying to assure the public it is taking real action on climate change while nudging and winking at the big polluters to reassure them that it isn't.

When you hear the Government say, "We have to give business certainty," for example, it is simply code for "relax big polluters, you won't really have to do much".

Consider the way the Government likes to talk about how its scheme will 'transform' the economy.

Unfortunately the Government's own Treasury modelling shows that if the CPRS were introduced the aviation industry will grow by 592 per cent between now and 2050.

Similarly the coal mining industry is expected to grow by 66 per cent, iron ore mining by 234 per cent and road freight by 189 per cent over the same period. Not a single brown coal fired power station is, according to Treasury, expected to shut down until at least 2033. Is that the kind of 'transformation' you thought the Government was talking about?

The CPRS is a deeply flawed piece of policy. The emission reduction targets ignore the science, the level of compensation offered to the polluters is obscene and the cost and complexity of the scheme are entirely disproportionate to the (lack of) ambition of the whole project. Even the International Monetary Fund has said a carbon tax would be simpler, safer and more efficient.

The political argy-bargy will continue over the coming months: will the Government re-introduce its legislation in February; will Prime Minister Kevin Rudd debate the new Opposition Leader Tony Abbott; does serious climate change policy have to start with a carbon price? But one thing is clear – if the Government wants to bring the public with it on this issue, it needs to start talking in a language that we can all understand.

It's going to be a long hot summer.

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