

Media release

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Direct Action will need more public servants than the Department of Climate Change

The Australia Institute today called on Opposition Treasury spokesman Joe Hockey to outline how many public servants they will require to administer their 'direct action' climate change plan, in light of his comments about disbanding the Department of Climate Change and Energy Efficiency. Mr Hockey has said that the Coalition is considering disbanding the Department of Climate Change as part of its plan to slash 12,000 public servants.

The Institute has estimated that to achieve their emission reduction goal of 713 million tonnes by 2020 the Coalition's Direct Action Plan would need to process more than 150,000 highly technical grant applications requiring between two and four times the current staff of DCC to administer.

Using figures from the Australian National Audit Office and the Grattan Institute, The Australia Institute has estimated that if the average grant application was for 25,000 tonnes of carbon dioxide equivalent and if there were four unsuccessful grant applications for every successful one, then 150,000 applications would be required. Evidence from previous grant based schemes suggests that these figures are actually quite conservative.

"The Opposition has done a great job of raising doubts about the proposed carbon price but it has done an even better job of avoiding scrutiny of its own scheme," said Executive Director Dr Richard Denniss.

"They say repeatedly that they will fund their scheme by sacking public servants but they refuse to acknowledge that it will require far more public servants to evaluate and monitor thousands of grants of taxpayers' money than it would take to collect a tax on hundreds of big polluters.

"The Opposition Leader has also been highly critical of the potential for fraud associated with international emissions trading but he has been strangely silent about the CSIRO's concerns with his plan for soil sequestration," said Dr Denniss.

According to CSIRO "Trading changes in ecosystem C(arbon) stocks is replete with opportunity for fraudulent claims and financial transactions that are ineffective at securing permanently sequestered C(arbon). Being sure that the risk of fraud has been properly addressed is a major barrier to formulation of a successful C(arbon)-sequestration scheme

"If the Opposition is serious about rolling back the carbon price and introducing its Direct Action Plan they should answer some simple questions about it like how much will it cost to administer, how will they ensure that those who receive the grants are delivering what they promised and how much water will it take to grow the millions of trees they are relying on?" concluded Dr Denniss.

For media enquiries, please contact:

Richard Denniss 0419 222 511