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**TITLE: Wong must cap and slice**

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Joe and his wife Anne are very concerned about global warming. They have listened to the concerns of scientists and watched *An inconvenient truth* with mounting apprehension. They have become inspired to do as much as they can to reduce emissions, both for the planet itself and for their children and grandchildren whom they wish to have long, comfortable and happy lives.

So Joe has decided to invest heavily in solar panels and has vowed to take advantage of the government's insulation subsidy. After all, both the government and the Minister for Climate Change have assured him continually and often that every bit an individual does will help to lower Australia's carbon emissions.

Joe has read a media statement dated 3 February 2009 from the official website of the Australian Labor Party, which states that the Energy Efficient Homes investment will reduce greenhouse gas emissions by around 49.4 million tonnes by 2020, the equivalent of taking more than 1 million cars off the road.

And he is impressed by the website of the Department of Climate Change, which promises that *Global Warming Cool It* '... is a home guide to reducing energy costs and greenhouse gases. By doing things smarter and more efficiently within our own homes we can all help to reduce Australia's greenhouse gas emissions and save money at the same time'.

He was also comforted by Penny Wong's interview on the *7:30 Report* when he heard her say: 'What we will be able to do as we set our targets to [*sic*], in short, is to recognise the fact that a range of measures can contribute to those targets. So it is the case that voluntary measures can contribute to the target that Australia achieves'.

Imagine then Joe's concern as a result of the current debate, which demonstrates that any efforts Joe and his family make towards reducing their carbon footprint will merely free up capacity for big polluters to pollute more. In fact the harder Joe, and people like him, try to lower their emissions, the cheaper will be the permits that the big polluters are required to buy. Not only will there be no additional emissions reductions from Joe's

feverish efforts, there will not even be a price inducement to encourage big polluters to pollute less.

The question that needs to be asked is: Why has the government sought to obfuscate and mislead the Australian people? Rather than seeking to explain the strengths and weaknesses of her scheme to the Australian public, the Minister for Climate Change has instead sought to cover up and conceal the fundamental problem. And when the first glimmerings of realisation began to spread among the people of Australia, she worked hard to suggest, without actually stating, that individual action could indeed reduce emissions. This was in addition to accusing those who were attempting to blow the whistle that they were indulging in a little misleading of their own.

It is interesting to speculate on a deeply disturbing question. Why has the minister worked so hard to convince the citizenry that their efforts will be counted and that there is nothing amiss with the design of the CPRS? If only she and the government had put as much effort into examining and fixing the flaws as they have put into their disingenuous denials of the problems, both they and Australia would be a lot further ahead by now. Fixing the CPRS might be politically difficult but in practice it would be quite easy.

To begin with, the meaningless target needs to be revisited. A five per cent target will do nothing for Australia's environment and it is fixed until 2020. All Minister Wong's protestations that Joe's efforts will actually allow the government to adjust the target are so much whistling in the wind. This will not happen and if, by some miracle it actually did, the big polluters would receive vast amounts of money in compensation, another design feature of the CPRS we could really do without. Rather than basing its system on the polluter pays principle, the Rudd Government has embraced the pay the polluter principle.

However, in order to take advantage of every additional emissions reduction and allow every concerned citizen to make a direct contribution, the government needs to convert its 'cap and trade' scheme to a 'cap and slice' scheme, whereby the number of pollution permits are reduced each year directly in line with the amount of pollution saved by voluntary action. This will ensure that the efforts of people like Joe and the voluntary actions of all sectors of the Australian community are recognised and useful.

It is important to highlight that voluntary action doesn't just mean the efforts of individuals. One of the most exciting examples of collective voluntary action is the ACT Government's commitment to pursue an emissions reduction target of around 30 per cent by 2020. If the residents of the ACT are willing to pursue such a goal, and it can be shown that they are achieving it, why shouldn't the pollution cap be sliced accordingly?

The CPRS in its current form is deeply flawed. If the government wants to see the legislation passed, it is going to have to amend its proposal. The irony is that if the legislation is amended to fix the problems outlined above, the CPRS will end up working the way that most Australians thought it would work in the first place.

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