



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



## **THE SENATE**

### **BILLS**

**Clean Energy Bill 2011, Clean Energy (Consequential Amendments) Bill 2011, Clean Energy (Income Tax Rates Amendments) Bill 2011, Clean Energy (Household Assistance Amendments) Bill 2011, Clean Energy (Tax Laws Amendments) Bill 2011, Clean Energy (Fuel Tax Legislation Amendment) Bill 2011, Clean Energy (Customs Tariff Amendment) Bill 2011, Clean Energy (Excise Tariff Legislation Amendment) Bill 2011, Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment Bill 2011, Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment Bill 2011, Clean Energy**

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**(Unit Shortfall Charge—General) Bill 2011,  
Clean Energy (Unit Issue Charge—Fixed  
Charge) Bill 2011, Clean Energy (Unit Issue  
Charge—Auctions) Bill 2011, Clean Energy  
(International Unit Surrender Charge) Bill  
2011, Clean Energy (Charges—Customs)  
Bill 2011, Clean Energy (Charges—Excise)  
Bill 2011, Clean Energy Regulator Bill  
2011, Climate Change Authority Bill 2011**

**Second Reading**

**SPEECH**

**Monday, 31 October 2011**

BY AUTHORITY OF THE SENATE

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## SPEECH

**Date** Monday, 31 October 2011  
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**Questioner**  
**Speaker** Urquhart, Sen Anne

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**Senator URQUHART** (Tasmania) (20:03): The best scientific evidence shows that human-created carbon pollution is affecting the environment in ways that will damage our way of life. In fact, at a hearing of the Joint Select Committee on Australia's Clean Energy Future Legislation I asked the Chief Scientist of Australia, Professor Ian Chubb: 'What is your view of the scientific basis for the claims made by the self-proclaimed climate scientist Lord Monckton, when he recently visited Australia on a national tour entitled "A carbon tax would bankrupt Australia: the science does not justify it"?' Of course, only a simple answer was required. Professor Chubb said, 'There is none.' There is no scientific basis for the preposterous views espoused by the favourite sceptic of those opposite.

While the committee heard that the scientific evidence is well founded and points to humans as the cause of speeded up global warming, it noted that many unfounded and unwarranted attacks have been made on scientists in the course of this debate—a debate that has stretched decades, a debate in which the science is settled. NASA, the CSIRO, the Bureau of Meteorology, the Australian Academy of Science and 97 per cent of climate scientists agree that human-created pollution is changing our climate in harmful ways. Given the potential for disaster, we are not willing to ignore that advice. We are not willing to bet that they are all wrong and a few radio station shock jocks are right.

Reducing carbon pollution is good for our environment and important for our future. With this package we will reduce pollution and create new jobs while supporting households. It is time to act, and to act decisively. It is not time to continue to question the science with one hand, as those opposite do, and propose extremely costly abatement measures with the other. Those opposite say that this package of legislation will cost Australians. They yell and scream all sorts of misinformation about the cost. They pretend that they care for the long-term good of this great nation, and they forget one simple fact: the sooner we act, the cheaper it will be.

Acting now will cost money; no-one is arguing that it will not. We are seeking to make the 500 biggest polluters pay and assist households and industry through the transition. They are seeking to make every Australian pay by using general government revenue

to give subsidies to polluters. This legislative package—our plan—sets out a strategy to cut Australia's emissions by 80 per cent on 2000 levels by 2050. Simple examination of the opposition's plan reveals a massive problem. They have a costly plan to cut emissions by the bipartisan target of five per cent of 2000 levels by 2020. But they do not think it is necessary to have a policy to cut emissions beyond that level and that date, as though miraculously in 2020—after having repealed our efficient, effective abatement scheme and having wasted taxpayers' dollars on picking winners that are currently unproven—the problem of climate change will be solved. Somehow they dream that Australia's obligations will be met, that Australia's economy will have transitioned and that they will be able to move on to the things they enjoy best, like stripping workers' entitlements and giving tax cuts to those who need them least.

I want to be on the right side of history. I am proud to stand here today as we debate Labor's plan to cut carbon pollution and drive investment in clean energy technologies and infrastructure. It is a plan that will help build the clean energy that future generations deserve. In my first speech to this place, I spoke of my desire to achieve positive outcomes for future generations while I serve as a senator. This legislative package will achieve positive outcomes for my grandchildren and all of our grandchildren.

I was fortunate enough to be a member of the committee that looked at these bills, the Joint Select Committee on Australia's Clean Energy Future Legislation, which concluded that the bills should pass. At the hearings of this committee, members were able to hear from and question a variety of witnesses from government, industry, non-government organisations and academia. Many of these witnesses acknowledged the benefits that would flow from the range of reforms encompassed by this package, including the recently passed Carbon Farming Initiative, the Jobs and Competitiveness Program and the Household Assistance Package.

At the hearings, it was evident that there still exists a strong level of uncertainty, which is somewhat understandable given the misconceptions about the reforms that have been propagated by opponents to a price on carbon. I asked Mr Blair Comley, Secretary of the federal Department of Climate Change and

Energy Efficiency, if the claims made by the Australian Trade and Industry Alliance that Australians will pay a higher carbon price than that paid in the European Union were accurate. Mr Comley provided a detailed explanation as to how the ATIA did not compare like with like in their analysis and that, on a like-for-like basis, the EU scheme is more than five times the size of the Australian scheme. When I raised this answer with Mr Greg Evans, chief economist of the Australian Chamber of Commerce and Industry, who badged themselves as the ATIA for this campaign, and asked why the false ads were not promptly pulled after their error was discovered by the media, Mr Evans provided not much of an explanation. It appears that one of Australia's leading industry representatives is quite happy to spread falsities for political gain.

In fact, this was a general theme of the hearings, where there was a lack of detail in a lot of the reasoning by those opposed to a price on carbon. I contrast this to the enthusiasm and clear, rational contributions from witnesses who were in favour of a price on carbon. A highlight of the hearings was the enthusiasm from a number of witnesses about the government's Carbon Farming Initiative, which will give those in Australia's vast rural sector an opportunity to secure economic rewards from their continued strong management of their land. Credits generated under the Carbon Farming Initiative and recognised for Australia's international obligations under the Kyoto protocol on climate change will be able to be sold to companies with liabilities under the carbon pricing mechanism. This includes credits earned from activities such as reforestation, savanna fire management and reductions in pollution from livestock and fertiliser.

Putting a price on carbon is not an extreme or radical idea. To continue to say that we are acting ahead of the world is bewildering given the access to information in the year 2011. A simple online search can enlighten those opposite about the multitude of emissions trading schemes that are in development or in action across the world, emissions trading schemes that will one day link in with Australia's to provide for the lowest cost abatement.

At a hearing of the select committee, in response to a question from one of the opposition senators on the limits of international linkages, Mr Martijn Wilder, the head of global environmental markets at the law firm Baker and McKenzie, said:

One has to be a realist here. If we continue to wait forever for a global agreement that is comprehensive and to which everyone agrees we will never see emissions reduced.

... ..

We need to be working on all fronts to achieve reductions. We do not have time to wait around to see which one is going to be best.

That is exactly what the government, like many governments the world over, acknowledge and are moving to rectify.

The facts are that several states of America, many provinces of China and the entire European Union already have a price on pollution. Just last week, the California Air Resources Board, the regulator of the eighth largest economy in the world, unanimously adopted a set of cap-and-trade regulations. This landmark set of air pollution controls will address climate change and help the state achieve its ambitious goals to reduce carbon pollution to 1990 levels by 2020. The system will begin in 2013 and put a price on heat-trapping pollution by allowing California's dirtiest industries to trade carbon credits. It has been years in the making, overcoming legal challenges and an aggressive oil industry sponsored ballot initiative. A second phase of compliance begins in 2015 and is expected to include 85 per cent of California's emissions sources.

It is great to note that the former Governor of California, Arnold Schwarzenegger, a Republican, is a strong supporter of this system and of clean energy. Governor Schwarzenegger said last week:

... adoption of a cap-and-trade program is a major milestone for California's continued leadership on reducing the world's greenhouse gases. As I said both when we signed the legislation in 2006, and when we fought to protect it last year when Texan oil companies attempted to overturn it with Proposition 23, the most critical phase in the fight against climate change is diligently, aggressively, and correctly implementing this law.

It is a great tragedy that Australia's own self-proclaimed action man cannot bring himself to support a price on carbon like fellow conservative and action man Governor Schwarzenegger. It is a great shame that those opposite cannot put short-term political interests to one side and get on with the tough reforms needed for our nation's future, reforms that many on that side actually support. All we hear from those opposite is the politics of fear, from pledges in blood to threatening businesses to not hedge and buy permits because a coalition government would not refund them, to promising to abolish the household compensation. I am proud to stand here on the government side and say that we are pushing an agenda of hope. Day after day in this place, we push a positive agenda

for Australia's future that will cut pollution, support households, support jobs and grow renewable energy use in this great country.