



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

**CARBON POLLUTION REDUCTION
SCHEME BILL 2009 [NO. 2]**

**CARBON POLLUTION REDUCTION
SCHEME (CONSEQUENTIAL
AMENDMENTS) BILL 2009 [NO. 2]**

**AUSTRALIAN CLIMATE
CHANGE REGULATORY
AUTHORITY BILL 2009 [NO. 2]**

**CARBON POLLUTION REDUCTION
SCHEME (CHARGES—
CUSTOMS) BILL 2009 [NO. 2]**

**CARBON POLLUTION REDUCTION
SCHEME (CHARGES—
EXCISE) BILL 2009 [NO. 2]**

**CARBON POLLUTION REDUCTION
SCHEME (CHARGES—
GENERAL) BILL 2009 [NO. 2]**

**CARBON POLLUTION
REDUCTION SCHEME (CPRS
FUEL CREDITS) BILL 2009 [NO. 2]**

**CARBON POLLUTION
REDUCTION SCHEME (CPRS FUEL
CREDITS) (CONSEQUENTIAL
AMENDMENTS) BILL 2009 [NO. 2]**

**EXCISE TARIFF AMENDMENT
(CARBON POLLUTION REDUCTION
SCHEME) BILL 2009 [NO. 2]**

**CUSTOMS TARIFF AMENDMENT
(CARBON POLLUTION REDUCTION
SCHEME) BILL 2009 [NO. 2]**

**CARBON POLLUTION REDUCTION
SCHEME AMENDMENT (HOUSEHOLD
ASSISTANCE) BILL 2009 [NO. 2]**

Second Reading

SPEECH

Wednesday, 28 October 2009

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Wednesday, 28 October 2009
Page 15
Questioner
Speaker Bird, Sharon, MP

Source House
Proof Yes
Responder
Question No.

Ms BIRD (Cunningham) (10.21 am)—I thank the member for Groom for acknowledging that as a representative of the coal industry I was in House during this debate. I also point out to him that the member for Throsby actually spoke when this bill was first introduced into the parliament. So we are both more than happy to talk on this bill with regard to how it affects our own particular region. As a follow-on from that, obviously this is the second time that the bill has been introduced to the House after it was first defeated in the Senate. I want to acknowledge that the opposition has provided the government with some proposed amendments to the bill and that the negotiations are currently underway in order to see if we can find a sensible, mature and agreed solution within a time frame that allows us to start taking action and not just talking about the issue.

The Carbon Pollution Reduction Scheme Bill 2009 [No. 2] establishes a framework under which Australia's carbon emission reduction targets can be achieved. It is important to acknowledge that it is time for action now. We have debated this for a long time. There have been a number of discussion papers out in the community and there have been extensive consultations across Australia with all the affected sectors. We should realise that we are one of the driest continents on earth. Our environment and our economy will be one of the hardest and fastest hit by the reality of climate change if we do not act now. To some extent I thought this was a debate that we had settled in this country. Climate change is projected to increase the severity and frequency of many natural disasters. Indeed, over recent years, people only have to watch the news cycle to understand that the impacts of bushfires, cyclones, hail storms, flooding and drought are already increasing in their severity and frequency and require this parliament to take action.

It is important to identify that the CSIRO and the Bureau of Meteorology produced *Climate change in Australia: technical report 2007* in which they particularly identified this issue. They said that the projections for Australia include increases in the frequency of heatwaves; the frequency and length of drought conditions, especially in the south-west of the nation; hail risk over south-east coastal areas; and that the proportion of intense tropical cyclones and substantial increase in fire weather risk in south-east Australia all were issues of concern. That was the

CSIRO in 2007. Here we are at the end of 2009. I think it is important that we at least acknowledge that the costs of inaction are serious and real to this nation and require us to get on with the job that we gave commitments to in the 2007 election campaign.

I see the member for Throsby has joined me. I will assure her that I defended her against the member for Groom's claims that she had not participated in this debate and told him that she had in fact debated this previously in this House—and that neither of us were afraid of this debate in our local communities.

Ms George—Absolutely not.

Ms BIRD—It should be noted that at the last election the current opposition actually did endorse an emissions target for 2020, irrespective of the actions of other countries. Indeed, the Howard government at the 2007 election proposed the establishment of a 2020 target and proposed that an ETS should be used to achieve those objectives. So one is a bit surprised sometimes to get to this point, after two years in the cycle, to hear that we still have some on the other side—not all, I will acknowledge—arguing about the science and about the solutions that we put in place.

It is important to also acknowledge in terms of the need for action that the business community is sending the same message. In particular I want to acknowledge that a range of senior business organisations and individual businesses have been saying this. Indeed, there are very few in the industry sector who claim that the science is not proven or that action does not need to be taken. Russell Caplan, the Chairman of Shell Australia, in only August this year said:

... we believe a far greater risk is that Australia misses the opportunity to put a policy framework in place to deal with this issue. This would create a climate of continuing uncertainty for industry and potentially delay the massive investments ... required ...

Heather Ridout, the Ai Group CEO, in May this year said:

Business also needs to be making some very big decisions if we're going to be able to make the transition to the CPRS, and to do so they need certainty. Uncertainty is death for business.

Finally, Katie Lahey, from the Business Council of Australia, in May of this year said:

To drag on the debate whilst we have got this global financial crisis is just one more complexity that business has got to factor into its planning cycle, and for some businesses it could be the straw that breaks the camel's back.

So the industry sector itself understands the importance and challenges that this nation faces and understands that in the globally competitive industry environment they are not immune from action being taken at a global level. They understand that that requires businesses and industries across the globe to be taking affirmative action in terms of putting in place the amendments they need to the means of production and to actually be able to do that within a settled environment in the nation in which they are established.

I also want to acknowledge that other members, in opposing or expressing concerns about these views, talk about the impact on jobs. First of all, I want to point out that there actually is great opportunity in the job sector arising from taking action on climate change. The Treasury estimate was that 1.7 million jobs would be created at the same time that we are reducing carbon emissions. Indeed, there has been much evidence of new and emerging industries. Indeed, on a parliamentary delegation to the United States only a couple of weeks ago we met with several significant businesses, such as Chevron, Google and some other major business organisations, who were very keen to show us some of the advancing and new technologies that they are ready investing in. We also met with research and venture capital organisations that indicated they were searching for new opportunities both in terms of new energy sources, new energy management techniques and efficiency measures. I think it is important that we recognise the globe is moving towards those new developments and that we need to be part of that.

I want to keep my comments fairly short because I understand that many people want to speak on this debate and we have some time limits—quite reasonably, since we want to get this thing actually moving and have it in place. I want to take the final few minutes to talk about my own local area of the Illawarra. It is an area which has a diversified economy but there is no doubt that a significant part of that economy is the coal and steel industry.

I want to point out that the member for Throsby and I have had significant numbers of emails from local people as part of the Australian Coal Association campaign. On the website the campaign gives people the opportunity to put their own paragraph of comment within the email that is predeveloped by the Australian Coal Association. I have reviewed those—there have been about 220 come into my electorate office—and the vast majority of people have quite clearly said, 'I want action on climate change. I just want you to do it

in a way that provides protection for jobs.' My response to them has been that that is exactly what we are doing. In the process that we are going through many of these companies are discussing with the government the best ways to utilise and provide the protections that they need. Certainly in an area like my electorate with a significant number of underground mines that are quite gassy we are very determined to get that targeted assistance right so that mines elsewhere do not get windfall profits at the expense of providing support to our mines. We have been in discussions with the government on behalf of the industry and the workers about that.

The industry associations are quite rightly pressing a case on behalf of themselves and their shareholders, and that is a legitimate interest. But I get a bit annoyed when they claim their major interest is jobs. I do not think that is actually what they are on about. We had the national president of the mining division of the CFMEU come to our region and he made it quite clear that, if you wanted to talk to somebody whose major concern was protecting jobs, then you would talk to the union. The union's view is that we do need this scheme in place and that we do need to be taking action. He said:

... the ACIL Tasman Report, commissioned by the Australian Coal Association, and the Concept Economics Report, commissioned by the Minerals Council of Australia—generated headlines proclaiming the loss of 20,000 or more mining industry jobs.

... ..

... in the context of ongoing negotiations for compensation it is a little less alarming. Yet that is little comfort for those workers ... and their families reading the papers and wondering what will become of them. Such doomsday reports model growth forgone not a decline. In mining, they are the difference between staggering growth and extremely good growth. They are not job losses.

I think it is important that, whilst advocating to provide quite reasonable consideration to the views of companies in our area, we do that within a settled and sensible environment, not in one of scaremongering. Jennie George, the member for Throsby, and I have made our views very clear on that.

I just want to finish on this: the reality is that Australians understand climate change. They understand the impacts of climate change. They understand it whenever they see the increasing ferocity and regularity of bushfires, droughts, hailstorms, thunderstorms and all of those things that we increasingly see on our news. They want us to take action. It is quite understandable that we have to get those details right. For the coalition to be constantly delaying and delaying and setting new goalposts saying

that we cannot do it until this or that happens is not what the Australian people expect. We need to get this bill through this parliament and get on with taking action.