

# An environmentally effective and economically responsible Emissions Trading Scheme (a double oxymoron)

A response to Malcolm Turnbull's email on the Emissions Trading Scheme  
by John McRobert

Dear Malcolm,

An 'environmentally effective' and 'economically responsible' emissions trading scheme could best be described a double oxymoron, and the sooner this rhetorical nonsense is erased from your policy book, the sooner you will be respected by people who take the trouble to look at the facts.

Environmentally effective??? No emissions trading scheme will have any effect on the climate whatever, and I look forward to any proof you may have of the mechanism by which you expect this to work.

Economically responsible??? What a sick joke. To attempt to measure, regulate, trade, audit, police, and penalise (tax) emissions of a trace gas in the atmosphere, a gas which is essential to life on earth, will drive up the cost of providing electricity, drive down living standards, and make this country even more uncompetitive in manufacturing, while leaving free rein to China, India and all of the other countries not stupid enough to destroy their own economies. The evidence is strong that carbon dioxide levels in the atmosphere follow global temperature fluctuations, they do not lead.

Regarding your 9 Specific Issues:

1. An Australian Emissions Trading Scheme (ETS) should offer no less protection for jobs, small business and industry than an American ETS which is being developed and is presently in the form of the Waxman Markey Bill which has been approved by the House of Representatives but is yet to pass the US Senate. The final form of any legislation may be materially different from Waxman Markey and will not be known until later in the year.

[RESPONSE: An Australian ETS is irresponsible and will destroy our economy in whatever form it is introduced.](#)

2. To that end there must be an effective mechanism, such as a regular review by the Productivity Commission or a similar expert independent body, to ensure that the Australian ETS does not materially disadvantage Australian industries and workers relative to American industries and workers. The legislation must bind the Government to correct any disadvantage identified by the review process.

[RESPONSE: Assuming you have an ETS is like the old economist joke - assuming we have a can-opener.](#)

3. In order to ensure that an Australian ETS does not simply result in futile carbon and production leakage – exporting the emissions and the jobs – Emissions Intensive Trade Exposed industries (EITEs) should at least be on a level playing field with the United States and other advanced economies and should therefore receive full compensation for higher energy costs until the bulk of their competitors (measured as in Waxman Markey by global market share) face a similar carbon cost.

**RESPONSE:** This is as dopey as all of the other arguments - who pays for all of this compensation? It doesn't come from a crippled economy. Ah well, let's just print some more of that magical money stuff.

4. Fugitive methane emissions from coal mining should be treated in the same way as they are in the United States and Europe.

**RESPONSE:** What a ripper idea, track and destroy those fugitive emissions. But haven't these been emitting since the dawn of time? There is a current theory, which is probably correct, that our oil reserves are not fossil fuels, but have been formed by the abundant reserves of methane from deep within the Earth. Methane is a useful fuel, as opposed to the useful fools recruited by Al Gore to subvert politics in this country using that litany of lies in the dreadful scaremongering movie 'An inconvenient truth' which deserves to be renamed 'Convenient lies'.

5. As in the Waxman Markey legislation agricultural emissions should be excluded from the scheme and agricultural offsets (eg. biosequestration or green carbon) should be included. Australia's greatest near term potential of reducing its CO2 emissions are to be found in the better management of our own landscape.

**RESPONSE:** Australia's best use of CO2 emissions is to put them to work in the fields to grow bigger and better crops to help feed the world.

6. The scheme design must ensure that general increases in electricity prices are no greater than comparable countries to minimise the impact on all trade exposed industries, to reduce the need to compensate for households and to avoid a needlessly high increase in taxation.

**RESPONSE:** And again, where does the money come from if we have stuffed the economy?

7. In order to ensure continuity of electricity supply, electricity generators should be fairly and adequately compensated for loss of asset value to ensure capacity to invest in new abatement technology and to fund maintenance of existing facilities for energy security purposes.

**RESPONSE:** Yup. That money must be out there somewhere. Who pays? And how?

8. Effective incentives and/or credits must be established to capture the substantial abatement opportunities offered by energy efficiency, especially in buildings.

RESPONSE: That's a matter of supply and demand. This grotesque distortion of the economy subsidising roof insulation and solar panels, has brought out the usual scamsters, the hanger-on-ers of any government subsidy scheme, underwritten by - you guessed it, taxpayers who have no control over how their money is being spent.

9. There must be adequate incentives for voluntary action which can be added to Australia's 2020 target.

RESPONSE: Nothing like a few more thumbscrews in the Tax Department to incentivise the masses to pay a few shekels more to feed the new army of carbon police and their cohorts.

Malcolm, please dump this load of ETS trash and clear the decks for a proper choice at the next election.

Cheers  
John McR

John McRobert BE (Civ)  
Managing Director  
CopyRight Publishing  
Postal address: GPO Box 2927 Brisbane Q 4001  
Street address: Ground floor 95 William Street Brisbane  
Phone 61 (0)7 3229 6366  
Email: [info@copyright.net.au](mailto:info@copyright.net.au)  
Web: [www.copyright.net.au](http://www.copyright.net.au)

## Malcolm Turnbull's ETS Plan

On 28/07/2009, at 11:02 AM, Malcolm Turnbull wrote:

Dear John,

The Coalition supports, and supported when in Government, an environmentally effective and economically responsible emissions trading scheme (ETS) as part of a coordinated global response to climate change.

Indeed the first legislation to establish an ETS was introduced by me as Environment Minister in 2007.

However, it is vital that we get the design right. A well designed ETS will achieve substantial reductions in emissions and at the same time ensure that we do not sacrifice

jobs and industries to other countries which do not have a comparable price on carbon.

Right now, every party and interest group except the Rudd Government agrees that Labor's ETS legislation is flawed and must be improved.

Despite our view the ETS should not be finalised until after the US Congress has determined the shape of America's ETS and the Climate Change Summit in Copenhagen in December has determined the global community's next steps, the Prime Minister is determined, purely for political purposes, to force an earlier vote on this legislation.

So the Coalition has examined what changes would be needed for us to consider supporting the legislation prior to the end of this year.

So in that practical context, I have set out nine issues of principle which must be addressed in Labor's scheme. First and foremost is that an Australian ETS should offer no less protection for jobs, small business and industry than an American ETS which is presently in the form of the Waxman Markey Bill approved by the House of Representatives but yet to pass the US Senate.

In addition, an Australian ETS should enable us to take advantage of the full range of agricultural offsets ("green carbon) which will enable much greater reduction in our overall CO2 emissions.

To read the full release and list of issues which need to be addressed in the Rudd ETS, click [here](#).

You can also watch my interview with Barrie Cassidy on Sunday on the ABC Insiders program [here](#).

All the best,



Malcolm Turnbull  
Leader of the Opposition  
Federal Member for Wentworth