



BREAK THROUGH

National Climate
Restoration
Forum 2014

BREAK AWAY SESSIONS 2 - POLICY SETTINGS FOR A SAFE CLIMATE TRANSITION

Economic Opportunities and Barriers

Dr Brett Parris

Economic Opportunities & Barriers

- Opportunities: Transforming Australia's export profile.
- Barriers: Three forms of denial

Global Damage from Australian Coal

THE CONVERSATION

AU

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13 September 2013, 6:51am AEST

Expanding coal exports is bad news for Australia and the world



We need to look at the economic and social cost of our coal. Beyond Coal and Gas.

Australia's black coal exports in FY2013-14 will be 372 million tonnes (Mt). Combustion will release around 889 Mt CO₂-e. (Germany's CO₂ emissions in 2011 were just 807 Mt). Based on conservative US Government estimates, **our current coal exports are causing between A\$12 billion and A\$110 billion of damage globally each year** (in 2014 dollars).

By 2018-19 BREE predicts our coal exports will rise to 438 Mt, producing around 1045 Mt CO₂-e, which will cause **between A\$15 and A\$153 billion in damage** (in 2014 dollars) for expected revenues of only \$49 billion (profits much less).

This damage is not included in the coal export price.

Sources: <http://theconversation.com/expanding-coal-exports-is-bad-news-for-australia-and-the-world-17937>

BREE, (2014) "Resources and Energy Quarterly: March Quarter 2014", Canberra, Australian Government: Bureau of Resources and Energy Economics, March, iv + 206 pp. <http://www.bree.gov.au/publications/resources-and-energy-quarterly>, pp. 48 & 70.

United States Government, (2013) "Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis - Under Executive Order 12866", Washington DC, Interagency Working Group on Social Cost of Carbon, May, 21 pp; p. 18.

http://www.whitehouse.gov/sites/default/files/omb/inforg/social_cost_of_carbon_for_ria_2013_update.pdf

Transforming Australia's Exports

1. Ensure that coal and LNG export prices better reflect the environmental and social damages caused by the resulting emissions. E.g. Export tax.

2. Initiatives to expand more sustainable service-oriented industries such as:
 - *Tourism*, including eco-tourism, indigenous tourism, arts exhibitions, music & cultural festivals, and sporting events
 - *Higher education* including specific initiatives to expand higher education around sustainable futures: agriculture, energy, transport, urban design, governance, green manufacturing etc.
 - *Renewable energy* - e.g solar energy via high voltage DC cables to Indonesia and PNG (Blakers *et al.* 2013) and renewable jet-fuel and heavy logistics fuels (Godfrey *et al.* 2013).
 - *Sustainable agriculture*
 - *Sustainable manufacturing*
 - *Eco-design services*

Andrew Blakers*, Joachim Luther and Anna Nadolny

Asia Pacific Super Grid – Solar electricity generation, storage and distribution

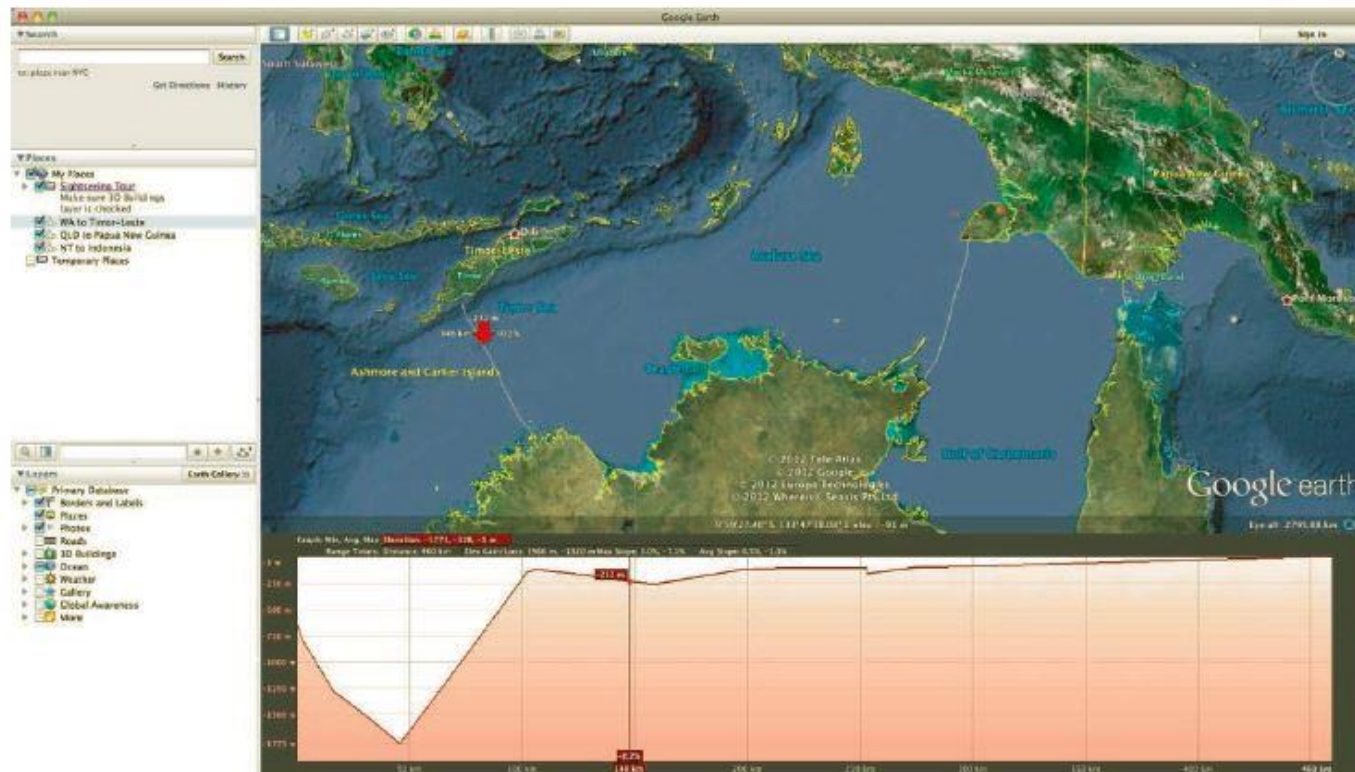


Fig.6: Potential pathway for HVDC line modelled in Google Earth.

Tourism & Advanced Biofuels



“If price-point competitiveness and reliable high-volume supply can be achieved, sustainable liquid aviation fuel production represents a tangible and major Green Growth opportunity for Australia”

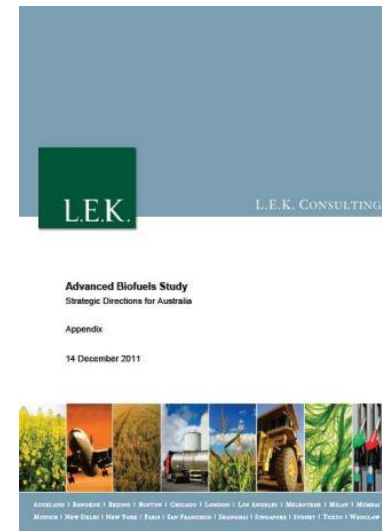
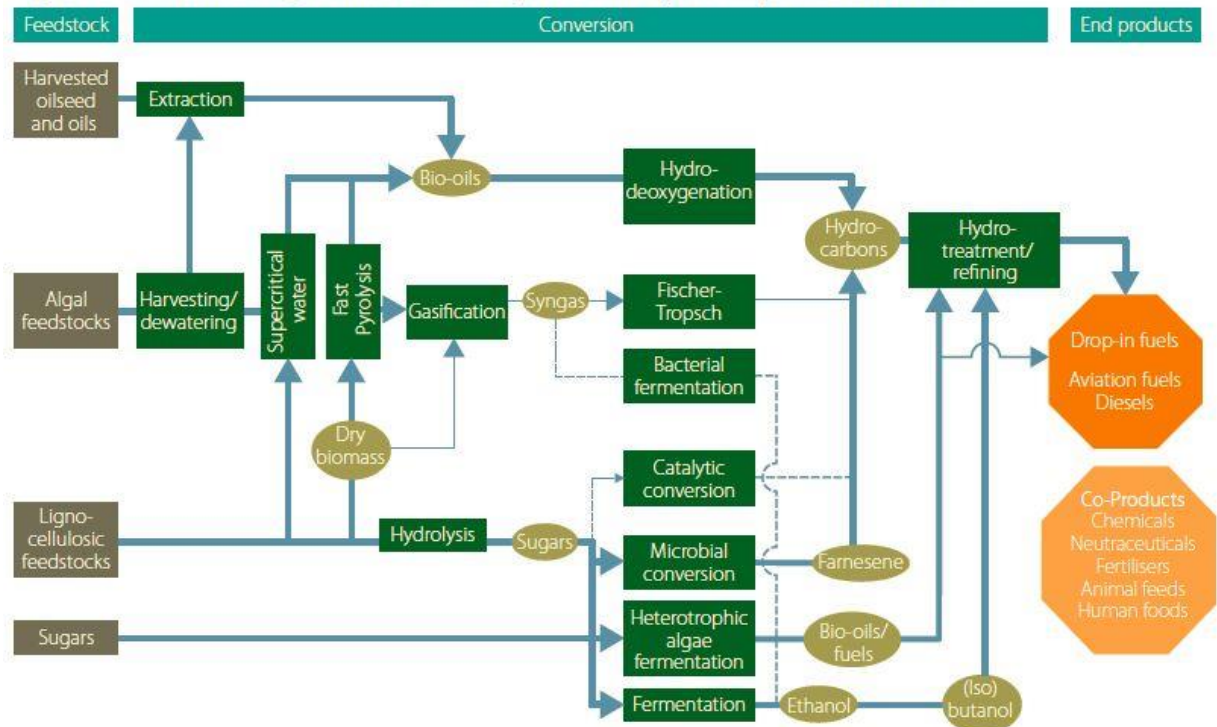


Figure 10 Promising biomass to drop-in fuels pathways for Australia⁶⁹



Godfrey, B., Sargent, M. and Pond, S., (2013) "Green Growth - Energy: Industry Opportunities for Australia", A Report of a Study by the Australian Academy of Technological Sciences and Engineering (ATSE), Australian Research Council, Australian Government, April, xiv + 66 pp. http://www.atse.org.au/atse/activity/energy/reports/atse_green_growth_report_2013/content/activity/energy-content/atse_green_growth_energy_report_2013.aspx

Key mechanisms

- **Finance: Elimination of fossil fuel subsidies** estimated at \$10.1 billion annually and a **coal and LNG export tax**, proportional to emissions from combustion, used to help fund:
 - Australia's climate finance obligations and the UN's 'Energy for All' initiative
 - Weather-related disaster recovery costs (cyclones, bushfires, floods, etc)
 - Assistance to the poor with clean energy and incentives to landlords to insulate rental properties.
 - National parks expansion, operation and maintenance to ensure continental-scale connectivity which will help open up species migration routes to assist with climate change adaptation.
 - Research and pilot projects on renewable aviation and heavy logistics fuels and renewable electricity.
- **Major investments in:**
 - **Public transport infrastructure**, such as inter-city high speed rail, rail links to airports, to enable expansion of tourism without causing increases in congestion
 - **Tourism infrastructure**, especially with regard to eco-tourism, indigenous tourism, Asian language training, information & signage
 - **Higher education** facilities

Political economy

Fossil fuel lobby is enormously powerful in Australia, BUT numerous other sectors of the economy which employ significantly more people, would benefit:

- **The university sector** – universities are major exporters of education services, and have been hit hard by funding cuts and the high dollar
- **The tourism industry** – a major creator of labour-intensive, dispersed jobs, also hit hard by the high dollar
- **Airlines** – which are seeking renewable jet-fuel and more tourist traffic
- **The clean energy sector** – especially solar thermal, wind and biofuel (e.g. algae & alcohol to jet fuel)
- **Farmers groups opposed to coal seam gas** mining and which are wanting the protection of aquifers and more off-farm employment opportunities in rural communities
- **Aid agencies** – wanting to see funding for Australia's international climate finance obligations
- **Welfare agencies** – wanting to see the poor of Australia given more job opportunities, assistance with disaster recovery and climate adaptation.

Three Forms of denial


- **1. Outright denial of the scientific link between greenhouse gases and climate change**
 - Rampant in conservative politics and right wing think tanks and blogosphere, Murdoch press
 - Obvious. Frustrating. *Relatively easy to deal with.*

1990 Liberal Campaign Pledge

Millennium Milestones

The specific goals and targets of a Liberal Government to the year 2001 include:


- The area of land to be rehabilitated under our Soil Conservation Strategy
- Plants and animals to be safeguarded until they can be taken off the Endangered Species List
- The amount of new forest lands and land for Priority and National Parks
- A date for uniform national standards on air and water pollution
- A complete phase out of CFCs and halons by 1995, and a ban on their export
- An achievable level of energy use from 'alternate' fuel sources
- A tax review to promote sound environmental practices in industry
- A reduction in 'greenhouse gas' emissions of at least 20% by the year 2000
- Reduced salinity in the Murray Darling River Basin
- A goal of 20% reduction in energy use by government authorities
- A set date for a national facility for the disposal of intractable wastes
- Specific reductions in vehicle and power station 'greenhouse gas' emissions
- Tax rewards for industries that take steps to protect the environment, and those that do not
- Waters of rivers and waterways in need of rehabilitation, including urban waterways
- A Recycling Programme to identify amounts of paper, oil and other products that can be recovered on a national scale



SENATOR CHRIS PUPPLICK
Shadow Minister for the Environment and the Arts

"We embrace the philosophy of sustainable development – we reject the false dichotomy of jobs versus the environment. We can have both, at the same time pursuing strategies of ecologically responsible development which improves our standards of living while promoting responsible conservation policies which improve our quality of life.

We will work with all Australians to achieve these goals and with the States, the conservation movement, industry, scientists and all concerned citizens. We seek a co-operative federalist approach to the solution of environmental problems but we will never resile from a willingness to act in the genuine national interest wherever that is required."




ANDREW PEACOCK

Andrew Peacock

A reduction in 'greenhouse gas' emissions of at least 20% by the year 2000

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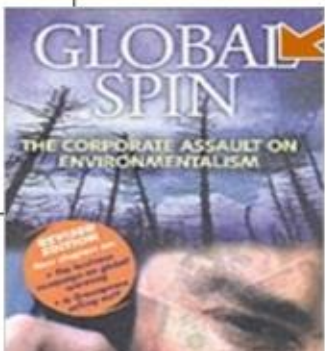
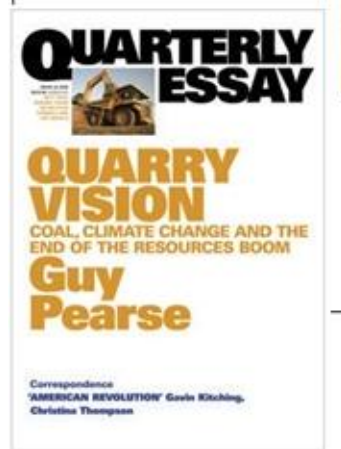
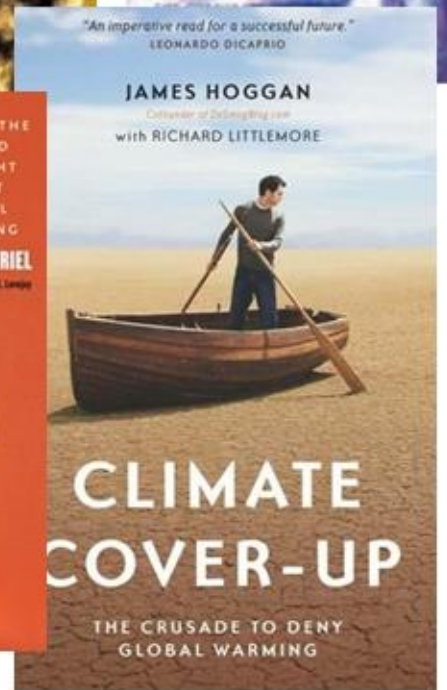
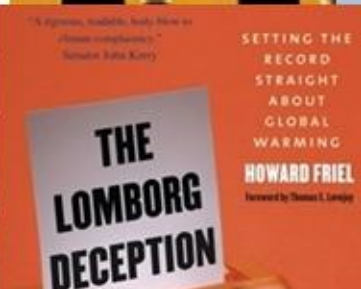
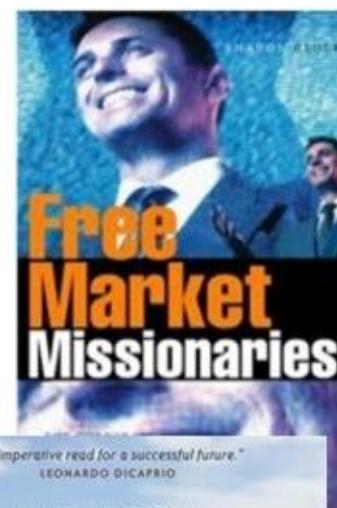
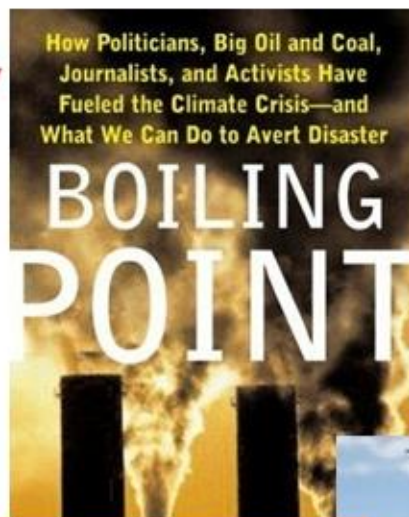
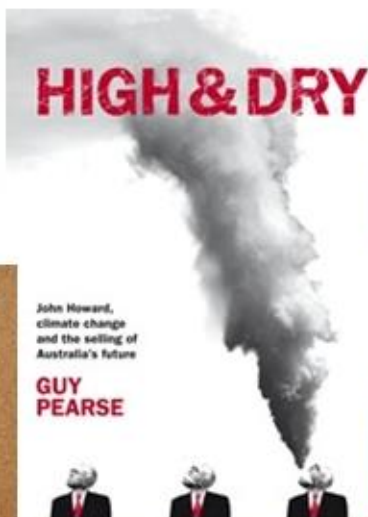
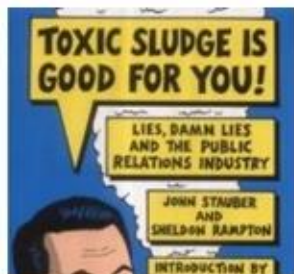
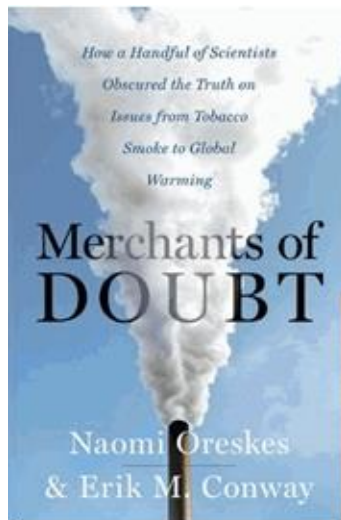
A fair go for the environment



➤ Liberal leader John Hewson took the same policy to the 1993 election

Source: Guy Pearse, <http://www.crikey.com.au/2007/11/16/what-turned-the-liberal-party-off-climate-change-action/>

Backlash



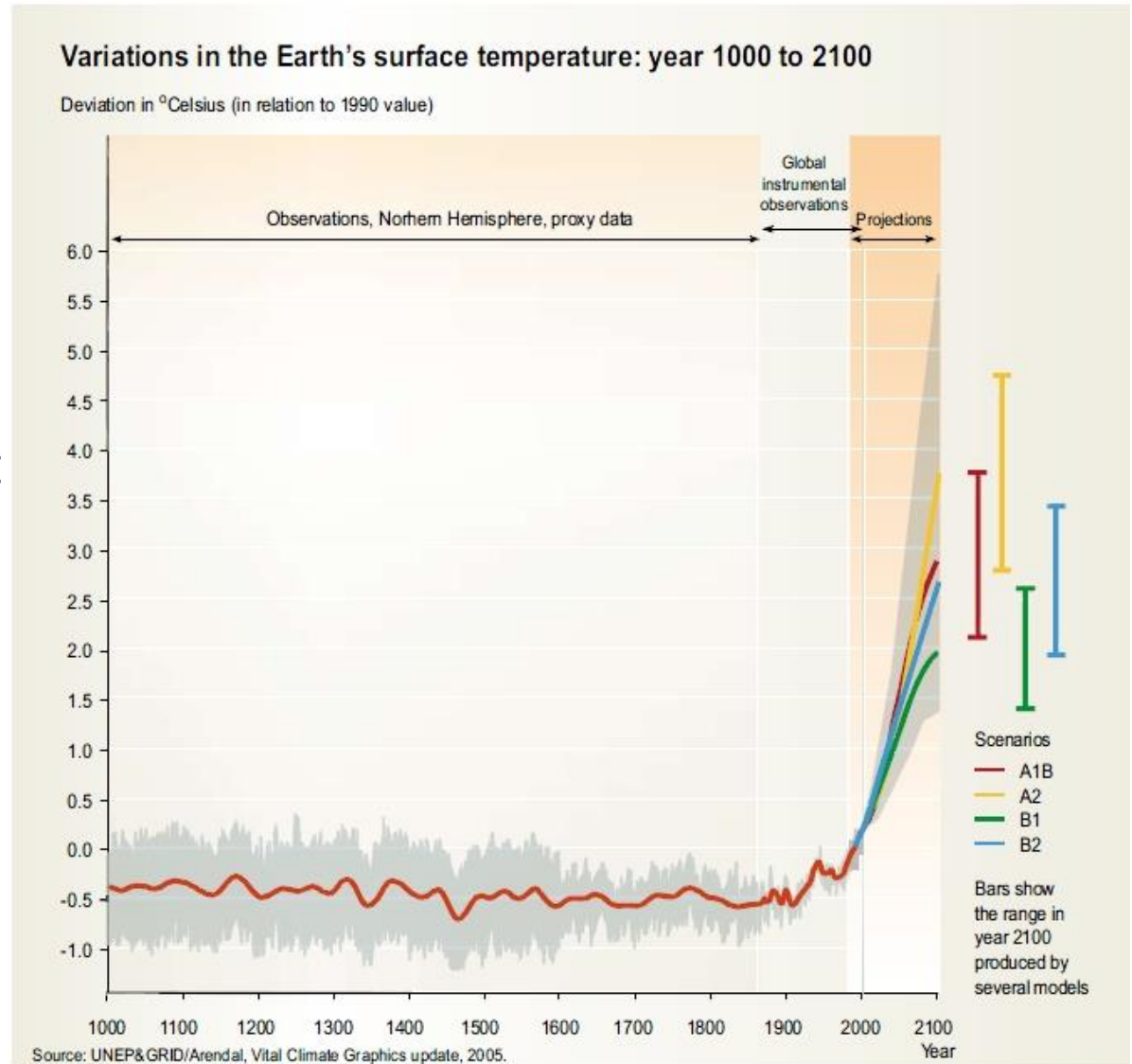
Three Forms of denial

- **2. Agree humans causing climate change, but no real understanding of the scale or urgency of the threat or notion of ‘window of opportunity’**
 - Most of general public, business & union leaders, ALP, media
 - *Much harder to deal with* – framing of ‘sensible’ vs ‘extreme’

Temperature Projections 1000-2100

Two separate considerations for risk management:

1. **Scale of the threat**
 2. **Urgency of the threat**
- *Earlier: Window of opportunity to prevent impacts.*
 - *Later: Actual impacts*



Three forms of denial

➤ 3. Environmental movement's resource allocation & strategy

- Resource allocations of money, staff & time reveals real balance of priorities
- Entrenched structures, interests, personalities & legacy issues
- Desires to be 'inside the tent'
- Lack of strategic sequencing (e.g. Greens: broad left agenda on multiple fronts *now?*)
- *Hardest of all to deal with.*

Great policies, but ...

Photo: NASA/GSFC/Jefferson Beck

**THE ABBOTT GOVERNMENT KNOWS
THE WEST ANTARCTIC ICE SHEET IS
FACING IRREVERSIBLE COLLAPSE**

**THEY RESPOND BY GUTTING
OUR CLEAN ENERGY PROGRAMS**

 **#BUSTTHEBUDGET**

white markets ...
It's abolition would cost taxpayers up to
\$200 million a year in lost revenue.
- Australian Financial Review, 27 November 2013

**CLEAN ENERGY
FINANCE CORPORATION.
MAKING MONEY.
REDUCING EMISSIONS.**

TAKE ACTION. LET'S STOP THE ABBOTT WRECKING-BALL.

grns.mp/defend-climate-action

**BREAKING NEWS:
TOGETHER
WE DID IT!**

- CLEAN ENERGY FINANCE CORPORATION — SAVED AGAIN**
- DOUBLE DISSOLUTION ELECTION TRIGGER**



Dear Tony Abbott,
**AUSTRALIA'S RENEWABLE
ENERGY TARGET IS
REDUCING POWER PRICES.
WHY MESS WITH IT?**



Authorised by C. Milne, Parliament House Canberra ACT 2600.

... building alliances?

HIGH COURT DECLARES CHAPLAINS PROGRAM INVALID

Hey Tony Abbott,

THE TIME FOR IDEOLOGY IS OVER.

**REPLACE CHAPLAINS
WITH QUALIFIED
MENTAL HEALTH PROFESSIONALS.**

TAKE ACTION -- <http://grns.mp/student-mh>

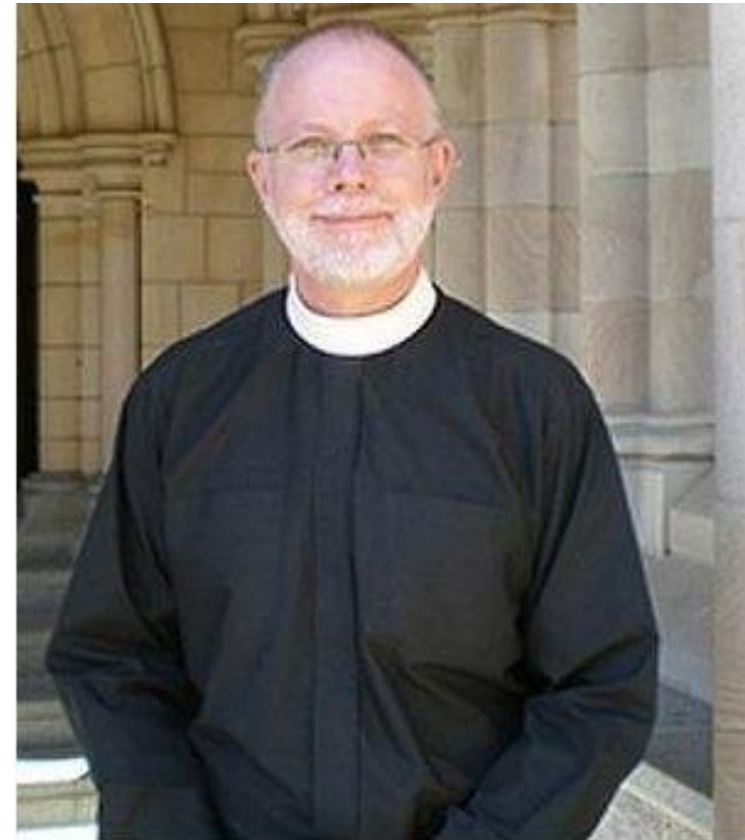
THE GREENS

Authorised by P Wright, Parliament House, Canberra, 2010.

Church leaders call for G20 environmental focus

June 16, 2014

☆ Read later



Dean of St John's Anglican Cathedral, The Very Reverend Peter Catt, says the government doesn't understand "how the economy and the environment are deeply linked". Photo: Supplied

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Greens push for Euthanasia bill

Posted Thu 2 May 2013, 2:55pm AEST

The Greens say the state's politicians are out of step with the views of the community over the issue of euthanasia.

MAP: [Wagga Wagga 2650](#)

Compare WWII Allies

- * US "Europe First" *despite* Pearl Harbour
- * US & British Commonwealth allied with Soviet Union despite differences.

- **Coalition, ALP and Greens all involved in broad 'culture wars'.**
- **Greens have best climate policies. That is not enough.**
- **What else you do matters.**



Winston Churchill, Franklin D. Roosevelt & Joseph Stalin at the Tehran Conference 1943