

[Edit note: This is the English text that was translated into Chinese for a Chinese language newspaper.]

[HEAD]

Climate change: the heat is on

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Australia's attempts to curb global warming have degenerated into political fighting and public confusion. Yasmin Ghahremani explains what's going on – and how you can benefit.

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December's UN Climate Change Conference in Copenhagen was so eagerly awaited it was dubbed "Hopenhagen" – but for many environmentalists it has now become a symbol of frustration. Bitter exchanges, walkouts and stonewalling dominated the event, which produced a non-binding accord devoid of anticipated government guarantees, firm emission targets and deadlines.

Australian Prime Minister Kevin Rudd and Climate Change Minister Penny Wong came back vowing to press on with plans to battle climate change. They have indeed formalised the country's international pledge to reduce emissions by five percent from 2000 levels by 2020, a target that could rise as high as 25% depending on what other industrialized nations promise.

But otherwise, the rancour at home has made Copenhagen look downright convivial. The vast majority of Australians believe in global warming and want government to do something about it. But they are increasingly divided on just what.

The Labor government's Carbon Pollution Reduction Scheme would cap carbon emissions and make polluting companies pay. Those who pollute less could sell credits to those who pollute more, based on market-determined prices.

The bill passed in the lower house earlier this month with the help of former Liberal leader Malcolm Turnbull, who crossed the floor to support it.

"Is an emissions trading scheme, this CPRS, at a general level, the best policy to achieve the desired outcome?" Turnbull asked in a speech before Parliament. "Now believing as I do, as a Liberal, that market forces deliver the lowest cost and most effective solution to economic challenges, the answer must be yes."

But the Government faces strong opposition in the Senate, where Coalition members this week refused to even debate the measure until May. The delay effectively rules out Labor's hopes of triggering a double dissolution – where the entire government is dissolved if a bill is blocked twice by the Senate. The Government only has until August

11 to call such a measure and there is not enough time for the Senate to defeat the CPRS a second time between May and then.

Resistance to the CPRS comes in several forms. For one, the plan will raise costs for businesses and households. But subsidies intended to offset the higher prices are included for low- and middle-income families. (See <http://www.climatechange.gov.au/government/initiatives/cprs/who-affected/households.aspx> for compensation tables).

On the other hand, environmentalists complain that handouts for Australia's biggest polluters raise doubts about whether the plan will work at all.

Opposition leader Tony Abbott, who has previously called the science behind climate change "absolute crap," dismisses the CPRS as "one big tax on everything." He has come up with his own plan, which relies on government incentives to get industry to reduce emissions voluntarily.

His proposal also includes carbon sequestration, a method of capturing carbon in soil by enriching it with organic matter. But there are questions about whether carbon sequestration would work on the massive level needed to achieve Australia's targets.

The industrial emissions scheme is seen by many as too soft. "There's no confidence that the government is actually the body setting the targets for reducing greenhouse gas emissions," says Tony Mohr, Climate Change Program Manager at the Australian Conservation Foundation.

"Ultimately there will be sooner rather than later a new round of international obligations for Australia to meet and they will be hard targets. So we're going to have to have confidence that we've got the tools to deliver them."

In an effort to break the deadlock, the Green Party has proposed an interim solution based on the CPRS framework but with a fixed carbon price of \$23 per tonne for two years, vs. the Government's proposed \$10. But so far, the Greens' plan has gained little traction.

The stalemate has been complicated by an uproar over the Environment Ministry's bungling of the \$2.45 billion home insulation scheme, which resulted in dozens of fires, four deaths and Senate hearings this week in which Environment Minister Peter Garrett was called on to resign. The Senate ultimately censured the Government for failing to adequately deliver climate change programs, the first time a censure motion has passed since 2005.

[BOX ONE]

China wields power on climate change

The disappointing outcome at Copenhagen prompted charges from all corners, with the West repeatedly blaming China for the deadlock. Beijing refused any hard emission reduction targets in the agreement. China's economic growth means its emissions will rise by 50% to 100% by 2020. But merely painting China as obstructionist oversimplifies the situation.

Ever since the 1972 UN Conference on the Human Environment in Stockholm, developing countries have complained that developed nations are using environmental issues to keep them from advancing. In Copenhagen, China wielded its emerging superpower status to turn the tables.

In the view of many developing countries, rich nations have prospered for decades under their own polluting industrial framework, and now want the poorer nations to essentially give up development just when they're getting started.

Developing nations wanted much more stringent targets for the West before they put any firm commitments on the table.

"In many ways Copenhagen signaled a geo-political sea change," says Stephen Healy, a senior lecturer in the School of History and Philosophy at the University of New South Wales. "It was the first time that basically the developed world didn't get its way."

That doesn't mean that the world's largest greenhouse gas emitter is sitting by idly watching the mercury rise. China aims to have renewable energy make up 15% of its total consumption by 2020.

Soon after Copenhagen, Beijing amended its 2006 renewable energy law, forcing state-owned electric grid companies to buy all the electricity generated from renewable sources even if it is more expensive than electricity from coal-fired plants.

It's already got a good start. The country will soon become the number three wind generator in the world, and is the leading manufacturer of photovoltaic solar panels.

"Australia has a lower uptake of solar water heating per household than China," says Tony Mohr, Climate Change Program Manager for the Australian Conservation Foundation "We're supposed to be the solar country, but China's well ahead on basics like that."

The Australian government is helping establish opportunities for local companies to join the China green rush. An Australian Trade Commission program called Wanwu provides marketing support for Australian firms interested in Chinese eco-projects.

Robert Richardson, senior advisor in clean energy at Austrade, says China is a top priority not only because of its size and emissions but also its technology emphasis.

“Countries are in a race to develop and apply green technologies, and China’s now got a leading position in the field,” he says.

Total Energy Solutions used the Wanwu program to land contracts with the Shanghai Hospital Development Center (SHDC), a group of 23 facilities whose goal last year was to reduce its energy consumption 20% by 2010. TES started with a RMB 2 million (AU\$ 325,900) project at Yue Yang Hospital. Through improvements like increased lighting efficiency, reformulation of a long steam distribution system and an automated control system for split air conditioning units, the hospital cut its energy consumption by more than 10% and is saving RMB 1.8 million (AU\$293,000) a year. TES has already completed another hospital project for the SHDC, and is planning for another half dozen in the coming year.

For more on the program, check out www.austrade.gov.au/Wanwu/

[BOX 2]

Beating global warming one family at a time

Statistics about melting icecaps and scorching earth can make climate change news feel overwhelming. What difference can one person make? Plenty. Simply by keeping your house one degree colder in winter and one degree hotter in summer you can save the atmosphere 900 kg of carbon dioxide. Installing a low-flow showerhead will save both water and electricity. What’s more, you’ll save money. Other measures can even increase the value of your property.

Bridget Kennedy got serious about lifestyle changes after attending a workshop a couple of years ago. She bought an energy meter and devised a carbon credit game which offers prizes to the family member who is best at switching off lights or getting out of the shower quickly.

Using government rebate programs, the Kennedys invested in a rain water tank, a solar water heater and a grey water system that irrigates a vegetable garden. Four chickens fertilize the garden, eat vegetable scraps and provide eggs.

There have been sacrifices: no more clothes dryer, beef or general goods that are not second-hand. And they now make most of their own cleaning products. But Kennedy finds satisfaction in growing vegetables and knowing she’s doing her part to help the environment. “I used to work in IT for a high profile investment bank. I earned a lot of money, spent a lot of money, and ultimately, it was soul destroying.

“I live this way because I love my children and our planet - which we only have one of.”

[BOX 3]

Green government subsidy programs

Federal subsidy programs for ceiling insulation and solar hot water heaters are in a state of flux amid the controversy over faulty insulation instalments.

But the NSW government provides home owners rebates on rain water tanks, energy-efficient hot water heaters, hot water circulators, dual-flush systems and energy-efficient washing machines. <http://www.environment.nsw.gov.au/rebates/>

It also has energy-efficiency programs for small businesses that use up to \$20,000 a year in electricity or that employ up to 10 people.
<http://www.environment.nsw.gov.au/sustainbus/smallbusenergy.htm>