

Our Plan

The science is clear – world climate is changing fast. Globally, June was the hottest month on record. There are particularly dire consequences for Australia. If Australia - the biggest per capita emitter and major exporter of coal - does not take urgent action, how can we expect others to do so?

Greenhouse emissions must be reduced across the economy using a multitude of measures. With the right strategy, meeting big reduction targets won't cost jobs overall and the extra consumers pay for clean energy can be affordable.

Former Prime Minister Rudd let us down badly on what he claimed to be the most significant moral issue of our time. His government targets would result in runaway climate change and temperature rises of 5 to 6 degrees by 2100 with disastrous consequences. The now abandoned CPRS, with its \$16b in compensation and free permits, would have been ineffective in meeting even these modest targets. Prime Minister Gillard will not consider a price on carbon for another two years and then not without 'community consensus'!

The Coalition just says 'no' to any action and the Greens failed to negotiate a more effective scheme.

The Democrats, with a long history of action on climate change – we initiated the first ever Senate inquiry into greenhouse – and we can be the stimulus needed in the parliament to deliver responsible action. We could support a carbon tax instead of emissions trading but we are not confident that this government will resist the pressure from vested interests to weaken its effectiveness.

•An **emissions trading scheme** with:

- All the watering down changes negotiated with the Coalition reversed
- All permits auctioned by 2015
- Compensation for trade-exposed industries provided only to the extent of their verified competitive disadvantage until 2015
- Imported carbon credits limited to 10% of target
- Money raised in selling permits re-invested in
 - major **solar, wind and geothermal power** generation and extending the power grid to reach these new projects
 - a **home insulation program** with strict safety standards, ramped up over the next 8 years, allowing sustainable industry growth
 - doubling the **solar hot water heater** 'Bonus Scheme' to \$2000/unit
 - public transport** infrastructure
- A prohibition on new **coal-fired power generators** and closure of the worst polluting generators over next 5 years using tight emissions standards
- A **carbon tax of \$20/tonne** until emissions trading commences
- A **tax on coal exports of \$5/tonne**, using revenue (\$600m) to fund 60,000 household PV grants/year
- 6-star energy performance standards** for appliances by 2012, 10-star by 2017 and a target of **overall energy efficiency of 30% by 2020**
- National feed in tariffs** set to allow the cost of household solar PV panels to be recouped within 5 years
- Compliance with European standards of **energy efficiency in vehicles**, and grants for natural gas and electric vehicle refueling infrastructure