

“Snippets Plus”

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15th Edition

Compiled by collating (cutting & pasting) information sourced from various media from all Australian States, the **Australian Water Association** Weekly News, **FarmOnLine** Daily News, **Murray Darling Association**, via the Internet and various other sources that are available.

From printed media only date – source – headline.

My comments for what they are worth are in **red**.

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SA climate action plan

The State Government will not cut registration fees and stamp duty for energy efficient cars - but it has committed to a raft of strategies to reduce greenhouse gas emissions. Premier Mike Rann ruled out giving special treatment to energy efficient cars, which goes against one of the 10 recommendations in the report by Adelaide Thinker in Residence Professor Stephen Schneider.

The "Cars on a diet" idea called for preference to be given to efficient cars through a suite of measures including differentiated registration and stamp duty. The Premier chose to release the long-awaited report at the same time as South Australia's Greenhouse Strategy (2007 - 2020).

"While our Greenhouse Strategy supports the principle of encouraging the purchase of more fuel-efficient cars and has committed to reviewing Government incentives to purchase lower emission cars, the Government does not support providing green number plates that would afford certain privileges," Mr Rann said.

"I believe that would be unfair to tradespeople, large families and others who must by necessity rely on larger vehicles.

"This is the only recommendation in the report not supported by Government."

He said he was delighted with Professor Schneider's work and his contribution to both documents.

"There are a few areas where we disagree, but not many," he said.

"There are some things that it would be hard for a state to do, and there's some things - in terms of the licensing of cars - that we think would be hard at the state level.

Professor Schneider also advocated an Adelaide-based international network of states, provinces and cantons to discuss climate change developments and technologies.

He called for mandates on energy efficient standards for buildings and appliances, and a major push towards renewable energies.

The State Climate Change and Greenhouse Emissions Reduction Bill is still before parliament and will be again debated in the Upper House this afternoon.

Rann attacks Howard on climate change

Mr Rann said Prime Minister John Howard has had to be dragged kicking and screaming to accept climate change and must now catch up with the states.

Mr Howard today will receive a long-anticipated report on climate change and is poised to announce a long-term target for cutting greenhouse gas emissions and a carbon trading scheme.

Mr Rann said Mr Howard had apparently changed his tune on global warming after last year denouncing a plan by SA, NSW and Victoria to launch a trading scheme.

"The prime minister said that an emissions trading scheme would wreck the Australian economy but what a difference a few polls make," Mr Rann said.

"What we have seen now, of course, is the prime minister suddenly go from being a climate change denier to now accepting that climate change is a problem and that global warming could effect a continent like Australia.

"He is now being dragged, kicking and screaming, into embracing an emissions trading scheme."

Mr Rann has committed to cut 60 per cent of the state's greenhouse gas emissions by 2050 and produce 20 per cent of all its power needs from renewable energies.

Mr Rann said without a substantial but achievable target to cut emissions, people would be "flying blind".

He called on the prime minister to join the states to create a national carbon trading scheme.

"We have a situation where the states have had to lead because we have had a national government that refused to sign the Kyoto agreement," he said.

"So, in the absence of national leadership, the states decided to go out on our own.

"We will go it on our own if the national government doesn't embrace a decent emissions trading scheme."

The Australian

Howard warms to greenhouse gas targets

The Coalition has signalled its willingness to accept a long-term target for cutting greenhouse gases as John Howard readies today to receive a task force report on emissions trading.

As Labor attempted to trump the Prime Minister yesterday by promising to create an emissions trading system by 2010, Mr Howard last night gave his strongest indication yet that the Government was prepared to adopt a target to cut emissions.

"If we move towards an emissions trading system, that will as a necessity involve a long-term target of some kind," Mr Howard said.

However, in his address to the Mineral Council of Australia, the Prime Minister said he would protect the "powerhouse of the Australian economy". "We do not intend to embrace a target plucked out of thin air," he said.

The Coalition has long resisted setting targets for cutting greenhouse gases, criticising Labor for adopting its target of a 60 per cent reduction in emissions by 2050 without detailed analysis of its likely effect on the economy.

Kevin Rudd yesterday announced a Labor government would create an emissions trading system by 2010, foster an Asia-Pacific carbon credit scheme to stop deforestation, and direct commonwealth departments to buy clean energy.

The Opposition Leader has also ordered his own hybrid car, which runs on electricity and petrol.

The Prime Minister, armed with recommendations from his taskforce report, is likely to commit Australia to an emissions trading scheme but had been expected to defer any decision on a long-term emissions target. Australia's top 100 companies yesterday released a report saying a credible long-term emissions reduction target was at least a year away because it would require detailed analysis of the costs and benefits before being implemented.

Mr Howard's signal that he was now prepared to adopt a longer-term emissions target came only hours after playing down the prospect in parliament. He said he was "preaching to the converted" at the annual dinner of Australia's mining companies, and would not impose a greenhouse policy that damaged the economy or the mining industry.

But Mr Rudd last night told Canberra's Belconnen Labor Club that the Coalition had squandered the opportunity to act on climate change since 1997 and could no longer be trusted. "The challenge of climate change requires a fundamental shift in our political thinking - it demands a response premised entirely on the future but with steps taken now to get there," Mr Rudd said.

While the Howard Government has allocated \$200 million to help develop a strategy to stop clearing forests, primarily with Indonesia, and will make deforestation a central part of the APEC discussions, Mr Rudd said more should be done to have the issue at the centre of the post-Kyoto global climate change agenda.

He said the World Bank had estimated \$25 billion was needed to reduce global deforestation - responsible for a quarter of all emissions - by 10 to 20 per cent.

"But \$200 million won't be enough to establish a global initiative - particularly with just one member: Australia," Mr Rudd said. "If deforestation is included as an activity that can create offset credits, there are immediate incentives to halt deforestation."

The emissions trading report is expected to suggest an emissions trading system could be up and running by 2011. It is also expected to say revenue from the sale of emission permits to polluters should be used to assist low-income households with higher power bills as well as to accelerate development of new low-emission technologies.

Treasury is expected to be given the job of co-ordinating the detailed design work for the trading scheme, with enabling legislation to be ready by 2009, trials and permit allocations in 2010 and a notional 2012 start date to coincide with the start of any post-Kyoto agreement.

The task group includes representatives of big companies such as BHP Billiton, Xstrata, Qantas, Alumina and National Australia Bank. They are members of the BCA, which is strongly pushing for a "cap-and-trade" system.

The cap-and-trade system allows business to emit a certain amount of carbon without cost, but it has to pay or earn credits for any emissions above that. The approach is seen as crucial to limiting the immediate economic harm of any emissions trading system.

Mr Rudd last night released five principles for any emissions trading system.

He said a cap-and-trade system must be internationally consistent, economically responsible, fair, it must reduce emissions and recognise the need for immediate action.

A Labor government would lead by example by using its purchasing power to "provide a market for new efficient technologies", he said.

As part of the push, Mr Rudd announced the creation of a \$50million Australian Solar Institute in the heart of coalmining territory, Newcastle in NSW, and the same amount to study sourcing power from the planet's internal heat, known as geothermal drilling.

Despite his promises on a trading scheme, the BCA produced a report directly at odds with Labor's target of a 60per cent reduction in greenhouse gas emissions by 2050.

The report paves the way for a deferred target and signals the start of a protracted debate over the detailed design and development of the seemingly inevitable creation of an emissions trading market in Australia. The likely auctioning of a significant tranche of emission permits will generate a multi-billion-dollar income stream for government, which could trigger debate about reform of the existing tax system in Australia. The BCA report says Australia should introduce a three-tiered regime of emissions targets set by a new Reserve Bank-styled emissions agency, which would set fixed five- to 10-year targets, further interim gateway emissions targets and then a long-term target of at least 30 years in the future.

The targets would need to be reviewed and changed according to changes in the climate science, technology or international policy settings.

The report, by Port Jackson Partners, says a trading scheme should replace specific renewable energy targets, but still allow schemes that directly address market failures, including research and development into new technologies such as solar and clean coal and assistance for energy efficiency.

In parliament yesterday, Mr Howard called for a pragmatic international pact on climate change to succeed the "deeply flawed" and "Euro-centric" Kyoto Protocol.

PM ridicules Labor emissions plan

Labor's proposal to dramatically reduce greenhouse gas emissions would damage the Australian economy, John Howard has said.

Challenged over the coalition's green credentials, the Prime Minister told parliament his Government had taken many positive steps over the past 10 years.

But he ridiculed Opposition environment spokesman Peter Garrett, who has called on the Government to reduce greenhouse gas emissions by 20 per cent by 2020.

"I don't think the member for Kingsford Smith has the faintest idea of the damage that would do to the Australian economy," Mr Howard said.

Mr Howard admitted emissions had risen, but that denied his Government had failed to act on the issue, listing several initiatives and policies implemented during its time in office.

Labor has pledged to reduce greenhouse gas emissions by 60 per cent by 2050.

AAP

APEC climate pact up to Australia, says Arroyo

Australia would have to initiate any climate change agreement out of APEC, Philippines President Gloria Macapagnal-Arroyo said today.

The Asia Pacific Economic Cooperation (APEC) forum, to be held in Sydney in September, will bring together the leaders of 21 member countries from Asia and North and South America.

Global warming is expected to be the main focus of this year's gathering, including the possibility of a regional emissions trading scheme.

Ms Arroyo said it was not up to the Philippines to decide whether an agreement on climate change would be made at the forum.

"It is up to the chairman of APEC, which is Australia," she told reporters in Canberra today.

Ms Arroyo said Australia had displayed real leadership on the issue and held the trust of the island nation.

"We laud the leadership of Australia on the issue of climate change," she said.

In comparison with other nations, the Philippines has very low carbon emissions, she said.

"Our emissions are similar to the emissions of very clean countries like New Zealand," she said.

The Philippines' own contribution to stop global warming was through reforestation.

"We just want to go by what we learned from grade school biology - we breathe in oxygen, we breathe out carbon dioxide," Ms Arroyo said.

"You need the trees to breathe in the carbon dioxide and breathe out the oxygen for us."

She said Australia had made a significant contribution to the Philippines' efforts.

"We are very thankful for Australia for its initiative of \$200 million support for reforestation projects for developing countries." *AAP*

We may be small beans in global warming, but the rest of the planet can harm us

Theebate over global warming in Australia is not so much phony as unreal. It may hurt our egos to say it but nothing that Australia does, to reduce greenhouse gas emissions or to increase them, will matter much in the context of worldwide emissions.

If we want to have a fruitful debate that leads to useful action, we will have to accept that Australia's contribution to greenhouse gas emissions and to efforts to reduce them can be only relatively insignificant. This doesn't mean that we don't have to take action. However, it does mean that we should think carefully about why we should act.

It is proper and wise for much of the debate about the mechanics of global warming and of the costs and benefits of greenhouse gas abatement to be conducted by experts.

But it doesn't require any expertise to recognise that Australia's economy is so small and our production of greenhouse gases is so minuscule compared with the rest of the world that our actions will have little effect on global warming. Australia's National Greenhouse Gas Inventory for 2005 reports on data obtained from the International Energy Agency and the Inter-Governmental Panel on Climate Change that Australia's share of world greenhouse gas emissions that year was 1 per cent.

Just think about that. If we radically reduced greenhouse gases and if the US, Europe, Japan, China, India and Brazil did not, we would not have done much to reduce global warming. Similarly if we did nothing, but those countries savagely cut greenhouse gas emissions, our failure to act would not affect their actions much.

However much it hurts our national pride, we must accept we are too small to matter when it comes to global warming. Does this mean we can avoid action? Does it mean we should make a killing by producing cheap energy that avoids costs imposed by carbon taxes or expensive greenhouse gas reduction targets?

I think that would be the wrong (and dumb) thing to do for three reasons. First, we should do the right thing. Let's just not get unreal about what impact that will have.

Second, if, as seems likely, a large part of the world moves to significant greenhouse gas reductions, we may miss out on good business opportunities if we don't move in the same direction.

Third, and I suspect, most significant, although nothing we do will have much influence on whether the world gets warmer or on how quickly this happens, we are open to retaliatory action from more powerful countries that may not be impressed by cynical inaction on our part.

In other words, if other countries or the consumers in other countries were to be annoyed by our lack of action to the threat of global warming, we could be very quickly damaged.

Just imagine it. What would a boycott of Australian wine by American or British wine drinkers do to our wine industry? What if Japanese or Chinese power companies refused to buy Australian coal because we failed to do our (little) bit to reduce greenhouse gas emissions? It would take little for the rest of the world to think that a free-riding Australia should be penalised for avoiding the tough and costly measures that everyone else is undertaking.

The debate over global warming in Australia is unreal because it assumes that what we do matters when the reality is that global warming is out of our hands. But the perception that the rest of the world has of us may matter very much indeed.

I suspect that we will need to be at the forefront of efforts to control greenhouse gas emissions not because our efforts will count but because we will suffer if we are not seen to do our bit (however irrelevant that may be).

The reality about global warming is that we can't do much about it but that the rest of the world can damage us so very easily if we are seen to be taking a free ride.

John Gava is an associate professor of law at the University of Adelaide.

Cut CO2 now 'or Australia will burn'

Unless action is taken now to reduce carbon dioxide emissions, Australia will be unable to manage future catastrophic bushfires, leading climate scientists have warned.

The co-director of the University of New South Wales's climate change research centre, Andy Pitman, says there will be a 100 to 200 per cent increase in bushfire risk by 2100 if Australia continues on its path of high emissions. Professor Pitman said the nation's governments would be at a loss to adapt to such a scenario.

But if Australia was able to meet the low emission guidelines set by the inter-governmental panel on climate change, the increase in bushfire risk would be just 20 to 30 per cent by 2100, he said.

Prof Pitman told the Bushfire in a Heating World Conference in Sydney today the low emission regime would allow governments to adapt to the increased risk by introducing new planning regulations, building codes and education programs.

"However, if we continue to track a high emissions future I don't believe the increase in bushfire risk would be adaptable to," he said.

Prof Pitman warned it was now "certain" global warming would cause temperatures to rise and it was "very likely" it would result in a drier environment.

"You don't need to be a rocket scientist or even a climate scientist to figure out that those two things together would drive increased likelihood of severe bushfires," he said.

Bushfires would also contribute, in a vicious cycle, to global warming by burning trees and releasing more carbon dioxide into the atmosphere.

Prof Pitman said it was a "very open question" as to whether governments understood the scale of the risk, and he was eagerly awaiting the release of the Federal Government's carbon emission targets tonight.

Nature Conservation Council of NSW vice-chair Rob Pallin said people in Australia's major cities, especially on the urban fringes, would be affected by the increase in severe bushfires – not just rural dwellers.

Mr Pallin said by 2100 Sydney could face 30 to 60 days of extreme fire danger every year, compared to the current five or six days of very high fire danger.

"So the risk of someone dropping a match and starting a fire is much higher, and therefore the risk to development on the fringes is much higher," he said.

PM gets emissions report

Prime Minister John Howard today received his much-anticipated report on emissions trading which is understood to recommend a national scheme start in four years time.

The report is also believed to recommend a start-up carbon price of \$20 a tonne, Network Ten reported today.

Mr Howard is expected to set up another taskforce to encourage regional emissions trading, the network said.

The Prime Minister, who would not comment on the contents of the report today, touted it as a benchmark document on climate change.

"This report will make a massive contribution to the debate on climate change in Australia," Mr Howard said at a formal handover of the inch-thick document in Canberra.

"It will become, in my opinion, the benchmark document for climate change issues in many ways into the future."

Emissions trading schemes are designed to encourage industry to adopt cleaner energy practices by making them pay a price for the carbon emitted above a fixed limit.

Mr Howard would not reveal when the report would be publicly released but is expected to respond to it at the weekend's Liberal Party conference in Sydney.

The Prime Minister in Parliament went on the attack against Labor environment spokesman Peter Garrett over a media comment two years ago favouring a 20 per cent emissions reduction target for 2020.

"I don't think the member for Kingsford Smith has the faintest idea of the damage that would do to the Australian economy," Mr Howard said.

Labor has only committed itself to a 2050 target of 60 per cent and ruled out setting a shorter-term target before this year's federal election. The Prime Minister indicated this week his Government would set a long-term target if a trading scheme was established. The Australian Greens today called on both major parties to set a 2020 target before the election.

"(The) 2050 target is aspirational, but 2020 you actually have to put the frameworks in place now if you're going to get to your aspirational goal," the party's climate spokeswoman Christine Milne said.

Labor frontbenchers said Mr Howard's turnaround on setting a target was poll driven, asking if a government-commissioned survey had shown a massive rise in concern about climate change between 2003 and 2006.

"Isn't it the case that the only thing the Prime Minister is concerned about is the change in political climate, not climate change itself?" Mr Garrett told Parliament.

The Prime Minister said he was unaware of such polling.

Labor leader Kevin Rudd criticised Mr Howard for rejecting a trading system four years ago.

"Why did the Government sit on its hands for the last 11 years and do nothing about the introduction of an emissions trading scheme?" Mr Rudd said. South Australian Premier Mike Rann said Mr Howard had once claimed such a scheme would wreck the economy.

"What a difference a few polls make. He is now being dragged, kicking and screaming, into embracing an emissions trading scheme," Mr Rann said.

The Prime Minister found support for his efforts today from visiting Philippine President Gloria Arroyo.

"We laud the leadership of Australia on the issue of climate change," Ms Arroyo said in Canberra.

"We're very thankful for Australia's initiative of \$200 million support for various reforestation projects of developing countries."

She said the region was looking to Australia, as this year's Asia-Pacific Economic Co-operation (APEC) chairman, for climate changes initiatives at September's summit in Sydney.

Murray-Darling inflows up but not by much

Heavy rain this week bolstered monthly inflows to the parched Murray-Darling Basin, but the result was still far below historic averages.

The result ended a series of all-time record low months for inflow, Murray-Darling Basin Commission executive director Wendy Craik said today.

The river system received 100 gegalitres for May, half of which came from downpours in the past few days. That was a better result than the record low for May of 75GL recorded in 1902 during the Federation drought.

The previous four months of this year were all-time record lows.

But the inflow for May was far below the long-term average for the month of 600GL.

"What we've done is broken out of the record lows every month, so that's good news," Dr Craik said.

"(But) we shouldn't get too excited."

Prime Minister John Howard warned last month that irrigation farmers in the southern part of the basin would receive no water allocations from July unless heavy rain fell.

No confirmation of zero allocations by state governments has yet been made.

Courier.mail**Rates pain for water guzzlers**

Brisbane ratepayers who cannot meet the Queensland Water Commission's target 140 will be stung with much higher water bills under Lord Mayor Campbell Newman's upcoming budget.

Cr Newman today released plans to increase water charges by about 23 per cent ahead of the Brisbane City Council budget next month. Under the plans, an average family of five who meets target 140 won't face a higher bill, however the same average family who use about 180 litres of water a day per person could expect to pay \$109 more for water per year. Cr Newman said the price hikes were needed to fund the huge cost of council's drought projects, which will consume \$240 million next year.

Mt Everest climate crisis

A new picture of Mt Everest reveals the devastating effects of climate change on one of the world's most ecologically sensitive and important regions.

The image, taken last month, portrays a dramatically different landscape to shots taken in the 1960s.

In a picture taken in 1968, the Middle Rongbuk glacier skirts through the mountain valley with the peaks above thickly covered with snow.

But almost exactly the same shot taken this year by a Greenpeace team reveals much barer peaks and a scarcely visible glacier.

And the environmental pressure group is in no doubt that the radical changes to the area are due to the effects of climate change.

"The degradation of the Everest environment and glacial retreat is, Greenpeace believes, a direct result of climate change," a spokeswoman said.

A team travelled to Everest last month to see the Middle Rongbuk glacier and compare its current state to how it was according to pictures taken in 1968.

But the rapid deterioration and collapse of the mountainside meant the group could not even reach the same point the original photo was taken from to make an exact comparison.

The picture had to be taken approximately 1km away from the 1968 viewpoint instead because the glacier has retreated so much in the past 40 years.

Greenpeace estimate it has moved back by 2km, raising fears millions will soon be at risk because of the Rongbuk glaciers' important role as a water source to China and India's rivers.

Other images released by the group show the state of a glacial lake on the Tibetan Plateau, which formed between 2005 and 2006 when the glacier there collapsed and melted.

Rising temperatures caused a huge snow avalanche in April 2004, blocking the valley river and creating a dam against which the lake developed.

Images taken in June 2005 show the full lake with the pressure building on the dam.

Less than a year later, it had grown so much that the dam burst and pasture and farmland below was flooded leaving the lake bed brown and the water dried up to a trickle.

Another two pictures show how the Halong glacier in the A'nyemaqen mountains one of the Yellow River source glaciers has shrunk between 1981 to 2005.

The Greenpeace team found that the glaciers of the Yellow River source have shrunk by 17 per cent in the past 30 years and warns that this trend could leave the region without glaciers by the end of the century.

The Yellow River is called China's "mother river" and provides water to more than 120 million people, as well as catering to agricultural, industrial and electrical demand.

PM, Bracks talk water on Monday

Victorian Premier Steve Bracks will meet with the Prime Minister John Howard on Monday to discuss Victoria's ongoing concerns over the national water plan.

Mr Bracks called on Mr Howard to intervene last week, warning the powers sought by the Commonwealth were unacceptable and if the Government did not significantly revise draft legislation for its \$10 billion national water plan, Victoria would not sign.

In its current format, the State Government says the draft water Bill is effectively a grab for full powers which would give the Commonwealth control over allocations, water rights, pricing and extraordinary step in powers.

Guarantees made by the Federal Water Minister, Malcolm Turnbull, in discussions with the State Government and Victorian Farmers' Federation that irrigators' rights would not be impacted are not reflected in the legislation as it now stands.

Victoria is the only one of the four Murray Darling Basin states not to sign up to the plan and has refused to sign up to a plan that would involve full referral of powers.

National Farmers Federation president, David Crombie, said last week the organisation supported the intent of the Prime Minister's national water plan on the basis that it accelerated the implementation of the National Water Initiative.

But he told the Rural Press Club of Victoria that NFF support was conditional on the Commonwealth assuming specific rather than broad powers.

By that he meant only those powers that enabled whole of basin management.

"We believe the State and regional organisations must continue to be responsible for regional management and for future reviews for water sharing arrangements," Mr Crombie said.

"We believe the Commonwealth should not have the powers carte blanche.

"They should have only those powers that allow them to provide overall management of the system and local and regional powers should be left with State and regional organisations."

In response to a question on the water plan, Mr Crombie said the NFF expected to be engaged in implementing it and that water rights would be respected.

"But the development of the legislation is between the federal and state jurisdictions, he said.

Mr Turnbull said on Friday the Commonwealth was prepared to accept input into the legislation and he remained confident a deal could be struck which would secure Victorian support for the plan.

SOURCE: Extract from full story published in *Stock and Land*, Victoria,

First Qld river caps set

Water diversions from rivers in Queensland that fall within the Murray Darling Basin will be capped for the first time, after limits proposed by the State Government for four river valleys were approved by state premiers in Adelaide last Friday.

The Murray Darling Basin ministerial council meeting approved annual diversion limits totalling 89.6 gigalitres a year proposed for the Paroo, Warrego, Nebine and Moonie rivers.

Until now no cap figures have been set for Queensland valleys in the basin making it impossible to compare diversions with annual targets adjusted for climate and trade, or the long-term cap and leaving the state open to accusations by southern states of systematically taking more water than it should.

Murray Darling Basin Commission chief executive Wendy Craik said the new caps were a step closer to having caps in place across all basin valleys.

"What this means is that we now have formal limits on diversions from those four rivers, which can be audited," she said.

"It continues the process of trying to make sure that we manage our water resources properly."

Caps are yet to be set on the Condamine/Balonne and Border Rivers valleys in Qld, but Dr Craik said it was expected these would be put to the commission by the end of the year or early 2008.

NSW is also yet to set caps for the Border Rivers and there have been no caps set in the ACT.

An audit of diversions from the Basin in 2005/06 released by the council last week revealed that 9119GL was diverted during the year, the sixth lowest annual diversion since 1983/84.

Of this, 4987GL (54.7pc) was diverted by NSW, 3222GL (35.3pc) by Victoria; 573GL (6.3pc) by South Australia; 305GL (3.3pc) by Queensland and 32GL (0.4pc) by the Australian Capital Territory.

Contrary to popular perception, most NSW valley diversions were within cap limits, with the exception of the Barwon-Darling/Lower Darling, which breached its cap for the third year running, diverting 6GL more than its 193GL 2005/05 target.

Diversions are monitored on a cumulative basis and Dr Craik said the repeated breaches had left the valley 143GL over its cap, triggering a special audit of the system.

The audit report reveals there are currently issued entitlements in the combined Barwon/Darling of 524GL against a current cap of 173GL. Dr Craik said the NSW Government had committed to scaling back entitlements by two thirds to reflect the cap target from July 1 this year in an attempt to address the ongoing over-diversion. Diversions from the Goulburn/Loddon/Broken system also breached the annual trade-adjusted cap of 1539GL for the system in 2005/06 by 10GL, but are cumulatively well within the cap. Whether current cap limits are sustainable has been the subject of considerable debate.

Dr Craik said the both the MDBC and the CSIRO were looking at the sustainability of extractions from the basin.

"We should have more of an idea by the end of the year," she said. SOURCE: *Stock and Land*, Vic.

The Australian PM not in emissions hurry

* Howard won't rush introduction of emissions target.

* PM's taskforce says country needs to act "at once."

* Pro-nuclear protestors disrupt Sydney conference.

Prime Minister John Howard today warned against rushing the introduction of greenhouse gas emission targets, as his climate change taskforce called for work to begin on a "cap and trade" system.

Dr Peter Shergold, chair of the Government's task group on emissions trading, said the taskforce had come to the conclusion Australia should "start at once" to introduce an emissions cap and trading system.

Mr Howard said the country needed a trading scheme, but warned against rushing the introduction of a target to reduce overall emissions.

If the wrong target was set, it could greatly damage the economy and leave households burdened with high electricity prices, he said.

Health Minister Tony Abbott said Australia was establishing itself as a world leader with the introduction of a trading scheme, pre-empting a formal announcement from Mr Howard expected later today.

"Certainly there are very few countries that have developed carbon trading schemes and we are, I think, going to be up there and joining the leaders in this area," Mr Abbott said.

Dr Shergold said it would take three and a half years to establish a cap and trading system and carbon emissions trading could begin in 2012.

Protests in Sydney

Protestors supporting nuclear power today disrupted a gathering of energy companies and climate change experts at an emissions trading conference in Sydney.

"We are here because the people attending the conference... are here to build a carbon trading system based on a false idea of human-induced global warming," said protestors Kundan Imsra.

Representatives of energy companies debated the issue of carbon trading versus a carbon tax inside the building, while protestors used megaphones to yell slogans and distributed pamphlets outside.

Mr Imsra said the sun and cosmic radiation caused global warming and criticised scientist and writer Dr Tim Flannery as being "un-Australian".

Bush's climate change plan

Australia is one of 15 countries US President George W. Bush hopes to include in his strategy to address climate change unveiled overnight.

Mr Bush plans to gather some of the most-polluting countries and together set a long-term goal to reduce greenhouse gas emissions. About 15 countries would be invited, including China and India.

Critics have dismissed the plan as a diversion and delaying tactic, but some European leaders and a UN official have expressed hope it might be the first step to the US taking decisive action.

The Australian Conservation Foundation said the plan was an excuse for the US not to commit to reducing greenhouse pollution at next week's G8 summit.

Don Henry from the ACF said holding more talks was inexcusable when urgent action needed to be taken and Australia should align itself with G8 nations that are serious about introducing strong targets to cut emissions. *With AAP*

Greenhouse target comes with a cost: PM's report

Australia should start work at once to establish a "cap and trade" emissions trading system, a government climate change task group has recommended.

Dr Peter Shergold, chair of the prime minister's task group on emissions trading, said it would take three years to establish such a system in Australia.

Mr Shergold released the group's eagerly awaited report today, recommending work should start "at once" on developing a cap and trade emissions trading system to achieve a target within five years.

"Australia should commit to an emissions target for post 2012 ahead of any comprehensive global response, and it should do that with an emissions trading scheme based upon cap and trade," he said.

But he said Australians should know a carbon emissions target would come at a cost to economic growth, business and households.

"What we are doing by seeking to prudently manage risk is bringing forward costs from the next generation, costs that we impose on ourselves," he told reporters in Sydney.

"While there are these costs, which need to be understood in acting now, the consequences of inaction are potentially larger."

Prime Minister John Howard says any decisions on climate change must be taken with great care to ensure future generations are not left to pay for our mistakes.

However, Mr Howard would not set a date on when any scheme might start.

"The decisions taken about climate change will be the most critical and far-reaching economic decision this country will take in a decade," he told reporters in Sydney.

Climate Institute chief executive John Connor has called on Mr Howard to act immediately to introduce the system by 2010, two years earlier than the task group recommends.

Emissions trading, or cap and trade, is an administrative approach used to control pollution by providing economic incentives for achieving reductions in the emission of pollutants.

Dr Shergold said it would take three-and-a-half years to establish a responsible "cap and trade" system in Australia, and carbon trading could begin in 2012.

About 900 firms emitting more than 25,000 tonnes of carbon a year will be targeted for participation in the scheme, accounting for three quarters of Australia's emissions, he said.

Agriculture and waste industries will be exempt from emissions regulation.

The task group has not set any specific emissions targets or prices for carbon, which would become the critical levers for the emissions trading system.

However, Dr Shergold said the market should be allowed to set the price on carbon for trading.

"The report includes all the key settings for what we think should be the 'cap and trade' system but it does not set or conclude what we think the targets should be at this stage," he said.

"And the reason is an acute awareness that you can't just set a target and say we are going to achieve that if one hasn't even thought through if it's technologically feasible."

Dr Shergold said work should begin now on setting targets, establishing emissions monitoring systems, creating legislation, setting up an independent regulator, allocating permits and engaging international partners.

Dr Shergold added that the Kyoto Protocol was fundamentally flawed because it lacked a pathway for developing nations to cut emissions.

"We need to move beyond Kyoto," he said.

But he said Australia needed to commit to reducing emissions ahead of any comprehensive global response.

The task group has concluded that there is not likely to be a comprehensive global climate change agreement in the near-term.

Australia contributes 1.5 per cent of world emissions. - *AAP*

Set targets now, says Labor

The federal Government is further delaying Australia's action on dealing with climate change and needs to set emissions targets now, the federal Opposition says.

A government emissions trading task group recommended today that Australia should start work at once to put in place a "cap and trade" carbon emissions trading system which would take three and a half years to establish.

Labor's environment spokesman, Peter Garrett, said Prime Minister John Howard had waited more than a decade to act on climate change and was now driven by poll results.

"Mr Howard didn't want to get involved with the states when they began the work of examining a national emissions trading scheme which could start by 2010," Mr Garrett said.

"Mr Howard wanted to look at a national emissions trading scheme which was only going to operate within Australia and wasn't going to take the rest of the world into account."

He said the prime minister did not want to set long-term emissions targets or ratify the Kyoto protocol.

Opposition economic spokesman Wayne Swan said the task group report was not comprehensive because it did not contain essential Treasury modelling at its core.

He said climate change was the biggest single threat to Australia's long-term prosperity and to job security.

"We don't need delay, that's why we need to be ambitious in our plans, which is why Labor has set a target of a 60 per cent (emissions) reduction by 2050," Mr Swan said.

He said Mr Howard was playing clever politics with the release of today's report.

"But he doesn't have the urgency and he doesn't have the conviction that's required to protect our prosperity and to secure our jobs well into the future," Mr Swan said. *AAP*

The Australian Greens have criticised today's report by the emissions trading task force as providing only weak recommendations that won't address the immediate problem of climate change.

The task force recommended the federal Government establish a "cap and trade" emissions trading system, with carbon trading to begin in 2012.

Greens senator Christine Milne said the report called for weak and delayed action with no mention of an emissions target.

"It's avoiding completely recommending a target, which means that it is not a report based on the science and urgency of addressing climate change, it's a report based on the prime minister recognising he has to do something or be seen to do something," Senator Milne said.

"But all he's prepared to do is what the coal industry is prepared to bear."

She said the fight against climate change can't wait a few more years.

"Slow start to emissions trading, with a low price and lax targets means that the next government will have no choice but to impose major shocks and dislocation on the economy in order to meet more stringent targets even faster.

"He's (Prime Minister John Howard) setting up the economy for major shocks in future, he's putting a big injection of uncertainty right through the Australian economy, and he's also condemning the rest of Australia to worse impacts of climate change because we're not going to adapt soon enough."

She said the report simply aimed to please the big polluters.

"It sends a dog whistle to the large emitters saying vote for me (Mr Howard) and there won't be any action for five years, and when I do act, you the big emitters ... will be sheltered and compensated."

Timetable for scheme

TIMETABLE for implementation of a national trading scheme for greenhouse gas emissions:

2007

- Begin analysis and modelling of greenhouse gas targets and trajectories

2008

- Announce long-term target for emissions cuts

- Decide detailed scheme design

- Create credits for early action and offsets for use when trading begins

2009

- Pass legislation

- Establish independent regulatory body

- Trial information systems and structures

2010

- Announce short-term caps on carbon emissions

- Allocate or auction permits

2011

- Start full-scale trading

The task group recommends deferring start to 2012 if global developments suggest benefit to Australia of doing so.

Source: Report of the Prime Ministerial Task Group on Emissions Trading. *AAP*

Australia's key role in global forum on climate change

Australia is to be at the heart of a global effort to combat climate change, with the US announcing plans early today for a 15-nation forum to reduce emissions and share technology.

The strategy is based on an expansion of the Asia-Pacific Partnership on Clean Development and Climate, also known as AP6, on which John Howard has based much of his strategy for tackling climate change.

Australia, India, Japan, China, South Korea and the US joined forces in July 2005 but the plan announced today envisages an enlarged grouping of 15 of the world's biggest carbon emitters, with a focus on the Asia-Pacific region, but also including European nations. The Prime Minister had been briefed on the move before the announcement.

Government sources said it dovetailed neatly with Mr Howard's climate change strategy, which he will detail at the weekend.

Coming a week before a G8 meeting in Germany of the world's richest nations, the strategy also called for consensus on long-term goals for reducing greenhouse gases, but not before the end of 2008, a senior White House official said.

The Australian understands the plan will be ratified at the Asia-Pacific Economic Co-operation forum meeting in Sydney in September. Success at APEC is crucial to Mr Howard's bid to see off Labor leader Kevin Rudd, who holds a commanding lead in the opinion polls.

The US announcement came as Mr Howard's expert climate change taskforce backed his measured approach to tackling the issue, saying greenhouse targets and an emissions trading scheme should be introduced

cautiously and slowly.

The taskforce, which handed its report to the Prime Minister yesterday, said Australia must consider nuclear power and the creation of a carbon trading scheme as part of its strategy to tackle climate change.

It also proposed a modest carbon price of about \$20 for every tonne emitted as a way of helping Australian business prepare for a trading system.

But it stressed that Australia's response must conform with international practices, yet not be so radical as to damage the resource export industry that underpins the economy.

The panel, led by the nation's most senior bureaucrat, Peter Shergold, said Australia must carefully model the impact on the Australian economy and international competitiveness before selecting its strategy for cutting greenhouse gas emissions.

Its report recommends that cuts to emissions start moderately, progressively stabilise and then move towards deeper cuts over time. There is also a warning in the report about the premature introduction of an emissions trading scheme - at least before 2012 - damaging the economy and Australia's energy-intensive industries.

The Labor states have urged the introduction of a national trading scheme by 2010 but the Prime Minister's taskforce report warns against rushing into a global scheme.

The report reinforces the Government's view that flexibility has to be maintained to allow post-Kyoto plans to be implemented cautiously and without the need for change later.

All low greenhouse emissions technologies have to be considered as part of the efforts to cut carbon emissions, including nuclear energy, clean coal, wind, solar and hydro-electricity. The group, whose report was commissioned last year, included prominent mining, transport and finance leaders.

The report came as Kevin Rudd sharpened the pre-election assault on climate change, taking direct aim at the rise in greenhouse gas emissions, primarily from the electricity generators, which are mostly state-government-controlled.

A day after announcing his own 10-point plan to combat climate change, including a national emissions trading system by 2010, the Opposition Leader asked Mr Howard why the Government had failed to act on the gross increase in emissions.

"In 1996, Australia's greenhouse gas emissions were 510 megatons, in 2005 Australia's greenhouse emissions were 559 megatons and in 2020 Australia's greenhouse emissions are projected to be 702 megatons - an increase of 27 per cent on 1990 levels?" he asked in parliament.

"Why has the Government not acted to reduce greenhouse gas emissions over the last 11 years?"

Labor has been reluctant to criticise the gross increase in emissions, accepting the credit from restricting land clearing by state Labor governments, particularly Queensland.

The Prime Minister denied that nothing had been done, listing taxpayer-sponsored initiatives, including pouring \$3.5 billion into renewable energy.

"All of the experts that I talk to on this subject say that any action taken now in relation to greenhouse gas emissions will take years into the future to produce a reduction in the growth of greenhouse gas emissions," he told parliament. "I think it would logically follow that action taken over the last 10 years would not begin to show up for some years into the future.

"If the Leader of the Opposition has some magical alternative to that piece of reasoning, I would be interested to hear it."

Mr Howard conceded on Thursday that a target on cutting greenhouse gas emissions would be needed if Australia adopted an emissions trading system.

While electricity generation was a state issue, Mr Rudd took aim at Mr Howard for failing to show leadership by refusing to sign the Kyoto Protocol.

But Mr Howard said the agreement on controlling emissions remained fundamentally flawed.

The Treasury Department is gearing up to manage the policy challenge of climate change, with almost 20 people diverted to the task in the past few months.

The head of Treasury's budget group, David Tune, said the department had established a climate change modelling unit about six weeks ago, while a greenhouse and energy office was established in February.

Mr Tune said Treasury did not intend to calculate the effect of climate change on the economy, but was looking at the possible cost of carbon trading plans.

He acknowledged that Treasury had yet to calculate the effect of a carbon trading scheme.

"We haven't at this stage. We think the impacts are going to be a fair way out. They don't come into the budget period."

And he said the department had not conducted any examination of the macro-economic consequences of a measures to stem greenhouse emissions.

Mr Tune said the department was still in the early stages of tackling climate change, and was investigating models developed by Monash University, Australian National University and the Government's resource industry adviser, ABARE.

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Plastic bags could soon be banned

Plastic bags could be banned from supermarkets after government ministers said the industry has not done enough to faze out their use. ACT Environment Minister Jon Stanhope said the State and Territory Governments would work together to eliminate one-use plastic shopping bags following a meeting of environment ministers in Cairns today. Mr Stanhope said an inter-jurisdictional working party has been set up to get rid of plastic bags because the voluntary industry-led scheme was not progressing fast enough. The working party, due to report in November, will look at options open to the states and territories to phase them out.

"It is disappointing that yet again the states and territories have had to take matters into their own hands on an environmental and resource efficiency issue that could have benefited from Commonwealth leadership, Mr Stanhope said.

"We saw this on carbon trading and now we see it on the issue of plastic bags.

"Industry has unfortunately failed to meet it's own self-imposed targets for reduction, so governments have no alternative but to pursue other methods."

Mr Stanhope said the working party will examine an outright ban as well as mechanisms like forcing retailers to charge for bags.

"The hope is that a more effective scheme of one kind or another will be in place by the beginning of 2009," he said.

Mr Stanhope said although there was dispute over the extent of the environmental impact of plastic bags, reducing their use would be symbolic and practical.

"We can argue about how many tonnes of landfill are accounted for by plastic bags, or how many seals and dolphins suffer a slow and painful death after ingesting bags, but we cannot avoid the conclusion that if we want to live in a society that generates as little waste as possible, we must act in areas where we are able to act," he said.

"I believe that plastic bags are a product of our consumerist society that we can well do without, particularly since they are produced using scarce fossil fuels."

Mr Stanhope said since 2002, Australians have reduced their use of plastic shopping bags from almost 7 billion to about 4.5 billion, but industry codes of practice, which aimed for a 50 per cent reduction, had not been met.

The Australian
Howard closes gap on climate

John Howard will commit to the creation of a national carbon trading scheme from 2011 as part of a pre-election drive to outflank Labor on climate change. But families face the likelihood of higher electricity and petrol prices as the Government moves to establish abroad-ranging emissions scheme aimed at cutting greenhouse gases. As he tries to rein in Labor's commanding lead in the polls, the Prime Minister will embrace the findings of his emissions trading taskforce when he addresses the Liberal Party's federal council tomorrow. The taskforce's report, which was released yesterday, recommends an urgent start in cutting greenhouse gases and envisages a scheme involving companies responsible for 75 per cent of total emissions. It urges the Government to introduce a "cap and trade" scheme, under which permits would be issued -- and in some cases auctioned off -- as part of a long-term campaign to establish a carbon market to cut emissions. An independent regulator -- a carbon tsar -- would be appointed to rule on the number of permits for carbon emissions to be granted to ensure the mistakes of the European Union's system were not repeated. In Europe, the number of permits was found to be ahead of emissions. The taskforce recommendations go further than those introduced under other national schemes and encompass transport and large-scale electricity consumers as well as aluminium and cement producers. But the taskforce, which included senior business representatives, left it to the Government to commit to a firm carbon reduction target, a move that pits the Coalition against Labor.

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Opposition Leader Kevin Rudd has already committed his party to a 60 per cent reduction by 2050. The taskforce also provides an initial exemption for agriculture and waste industries because of the difficulties of monitoring emissions from farms and landfill sites. Chaired by Peter Shergold, the head of the Department of Prime Minister and Cabinet, the taskforce has also warned of dire economic consequences --

such as taking every car off the road and shutting down every coal-fired power station -- if an over ambitious short-term target were adopted.

In a preview of tomorrow's keynote address to the Liberal Party Federal Council, Mr Howard said he was committed to cutting greenhouse gases over time. But with Labor firmly in his sights, the Prime Minister warned there was a "lot at stake" if governments got it wrong.

"This is a hugely burdensome and responsible decision. If we get this wrong, if we embrace a target that will increase electricity prices more than they should go up, then we will do enormous damage to Australian households and to the broad economy," he said.

He is hoping to win back voter support by adopting a "cautious and careful" climate change action plan that is designed to work with other nations but protect Australia's energy-intensive economy.

Mr Howard also welcomed an announcement by President George W. Bush that he would commit the US, the world's biggest greenhouse gas emitter, to set a long-term goal for reducing emissions and encourage 15 other nations, including Australia, to follow suit.

Mr Bush also said the 16 nations, largely from the Asia-Pacific but including European members, would set their own national targets according to their own energy sources and needs.

As the host of the APEC meeting in September, Mr Howard is hoping to further a framework of regional plans to reduce greenhouse gases.

"The US approach recognises that to deal with climate change a multi-pronged strategy is required, including areas such as energy efficiency, technology development and transfer -- including nuclear power -- and forestry, as well as ways to adapt to changes in the climate," Mr Howard said yesterday.

The adoption of a longer-term "aspirational emissions abatement goal" and flexible shorter-term targets, sets the Coalition's policy directly against the ALP's favoured climate change plan.

But Mr Howard is also picking another fight with the states by pushing ahead with a scheme without mandatory targets for renewable energy sources.

Last night Victoria and NSW vowed to press ahead with their mandatory renewable energy schemes despite the taskforce recommendation to let the market establish the best clean technology.

Dr Shergold said yesterday it was essential that the proposed trading scheme be "national" and not fragmented by the different requirements of each state.

With climate change emerging as a key election issue, Mr Rudd will today criticise the Government's failure to embrace a specific emissions reduction target.

Mr Rudd, in a speech to be delivered to the West Australian ALP, says the report's "core failure is its lack of a specific long-term emission reductions target".

Paul Kelly: An emissions blueprint for the world to follow

The essence of John Howard's belated response to climate change is to commit early, think global and implement slowly.

After years of dispute and scepticism, Australia now has a strategic blueprint for action -- a blueprint superior to the defect-ridden European emission trading regime.

This is the start of Australia exerting serious influence on the global debate. In substantive terms, it closes the gulf between Howard and Kevin Rudd on climate change.

It insists that Australia must act now and not wait for global agreement. It makes the timetable for emission trading almost bipartisan -- Howard in 2011 and Labor by 2010.

While Howard's report does not specify a target -- in response to Rudd's 60 per cent cut by 2050 -- its entire "cap and trade" scheme depends upon a long-term target to be finalised next year after more analysis. Labor, equally, wants the scheme's design finalised "by the end of 2008".

This report, inspired by Treasury and the business community, opens a new era for Australia. It is the first federal government strategy to combat climate change.

It ends the debate between believers and sceptics. It starts a new debate between those favouring a market solution and those wanting government to pick energy winners. This is where the report will be extremely contentious.

The new battle that now opens is between the Treasury view that only a modest pace of adjustment is needed in the early years and the radicals who demand early and deep cuts in emissions by 2020. The report is utterly unforgiving on this tactic -- it depicts such early and deep cuts as a disaster for Australia's economy. While Rudd has avoided any 2020 targets, the rhetoric of his environment spokesman, Peter Garrett, has been different.

The report argues the big adjustments should come down the track after the technological innovation that enables such cuts with minimum harm to the economy.

Certain to become Howard's policy, the taskforce report rests upon three pillars -- a national strategy run by the federal Government requiring the states to abandon their own schemes; the view that Australia cannot

wait upon a global regime; and a comprehensive market-based approach to trading that encompasses 75 per cent of total emissions, including fuel use in transport.

This is far more comprehensive than the European model.

Australia's model is likely to appeal more to developing nations because of its exemption mechanisms for the trade-exposed sector where many companies now operate on world's best practice.

The report offers a sober appraisal of the realities. Climate change is a global problem. It cannot and will not be solved by Australia.

To this point debate on a post-2012 global framework has been "disappointingly slow". The current Kyoto arrangements are "inherently flawed". But Australia's creation of its own scheme gives it credibility in the emerging debate about the post-2012 system.

Trading scheme to hit hip pockets

Families face higher energy and transport costs as the price for business of a national emissions trading scheme is passed on to consumers.

Industry experts yesterday hesitated to estimate the additional cost for consumers, but John Howard admitted higher petrol prices were unavoidable if Australia was to cut greenhouse gas emissions.

The price of travel is also set to rise as the Government prepares to embrace a broad-ranging carbon emissions trading system.

Peter Shergold, the chair of the Prime Ministerial Task Group on Emissions Trading, yesterday conceded the price of cutting damaging greenhouse gases would flow through to higher everyday costs.

But he said the Government was hopeful that households would adjust their behaviour "and start to use energy more efficiently".

"It will flow through into energy and fuel," Dr Shergold said, after releasing the 160-page report.

The precise costs for households and business will not be known until a price is set for carbon. Energy Users Association executive director Roman Domanski said the impost would be felt across the economy.

"Energy is pretty pervasive," Mr Domanski said.

"It will mean higher electricity prices. That is inevitable."

For average households spending up to \$800 a year on electricity, the extra costs could amount to about 20 per cent or \$160 a year. However, the cost of meeting the carbon emissions target is likely to reduce over time as new low-emissions technologies come on stream.

Dr Shergold suggested the Government should try to reduce the burden on households by providing them with information on how to use electricity more efficiently.

"I think it is entirely open to government to provide to households support through information and measures that will help them to reduce consumption," the Secretary of the Department of Prime Minister and Cabinet said.

"What you don't want to do of course is simply subsidise increased power bills in a way that means there is no incentive for people to change their behaviour, whether it's businesses or whether it's households."

While the price of petrol will also rise, industry experts yesterday said the Government would have to deliver much more information -- including setting a price for carbon -- before this could be properly evaluated.

As he prepared households for price rises, the Prime Minister said it was necessary to ensure this was a "manageable cost".

"Equally, this involves an acceptance of a sufficient cost to bring about a change in human behaviour, because if there is no appreciable cost there'll be no change in human behaviour and there'll be no reduction in the greenhouse gas emissions contributing to continued global warming," Mr Howard told the Liberal Party's federal women's committee in Sydney.

Permits for emitters from 2011

About 900 power stations and other major industrial sites will from 2011 need permits for all their greenhouse gas emissions to comply with a proposed national emissions trading scheme.

The front-line sites of a market-based response to climate change will include aluminium smelters, steel mills, cement works, oil refineries and large factories, each of which generates more than 25,000 tonnes of greenhouse gases a year and comprise about 80 per cent of Australia's non-farm emissions.

The Prime Ministerial Task Group on Emissions Trading has proposed legislation be ready by 2009, with the first allocation of permits to emit greenhouse gases a year later. The cost of these permits will depend on the setting of a series of emission targets, which will be finalised next year by a Treasury-managed economic analysis of the costs and impacts.

The scheme proposes an initial generous allocation of these permits to minimise any price shock while companies adjust to how they will manage emissions reductions.

Permit allocation and compliance would be managed by an independent national Reserve Bank-styled regulatory body, with a second independent panel to conduct reviews and set short-term targets and

gateways. Permit levels will then reduce according to an emissions-reduction trajectory that will be constantly reviewed in line with global developments, and changes in technology and climate change science.

The rising cost of these permits is expected to be passed on to consumers through small but steady rises in the price of electricity, petrol and energy-intensive goods and services.

Initially only agriculture will be exempted from the scheme because of the difficulty of accurate reporting over such a diverse sector, although there are plans to include the sector at some unspecified time in the future.

As the number of permits decreases major emitters will have the option of either reducing their energy consumption, switching to low-emission energy sources or buying more permits at increasingly higher prices. This is expected to deliver the lowest cost transition to a low-carbon economy by encouraging emission reductions from those sites that can make the cheapest cuts.

Big emitters will also be able to buy permits generated from forestry and other offsetting schemes, with the value of these operations increasing over time as the price of permits increases.

The scheme proposes some permits be auctioned every year while the rest would be allocated to emissions-intensive and trade-exposed firms to compensate them for the falling value of their multi-billion-dollar investments and help prevent them shifting offshore. Revenue from the auctions will initially be redirected towards accelerated development of low-emission technologies -- including clean coal, renewables and nuclear -- with further capacity to compensate households and business.

The scheme highlights the role of government to push through technologies at the start of the innovation cycle, with a strong emphasis on where Australia can enjoy a comparative advantage, especially clean coal, solar and geothermal energy.

"The Task Group believes the key to success is to begin at once, but to proceed with care on the basis of considered and informed decisions," the report released yesterday says.

Feature: Climate managers

First he doubted it, then he tried to marginalise it. Now John Howard has decided to harness the terrifying power of climate change. When he has been in a tight spot before, fear has been his preferred political weapon of choice. In 2001 he used it to devastating effect, playing up the threat of an influx of asylum-seekers following the Tampa incident. In 2004 he helped swing the election by making its central issue the electorate's growing fear of being governed by former Labor leader Mark Latham.

Now, in the darkest hour of his 11-plus years as Prime Minister, he is going for an even more remarkable spin: to turn the electorate's mounting unease about climate change to his advantage.

Labor to date has benefited from climate change as it emerges as a key issue in national politics. The Opposition continues to enlist voter anger and frustration at the Howard Government's slowness to action over what it casts as a global emergency. Voters are spooked by prolonged drought and increasingly worried about warnings from scientists of the emerging danger of living on a warming planet. Most of them don't profess to understand the detail but they expect governments to fix the problem. Howard is betting they are more afraid than angry and wants to link the threat of a dangerously warmer future to the threat of economic wreckage due to getting the policy response horribly wrong. The report from his hand-picked emissions-trading task group released yesterday is suitably sombre on the size of the threat of climate change and the complexity of the suite of measures that will be needed to address it. Made up of an A-list of business and government leaders, the taskforce has carefully cast climate change as an environmental threat requiring a substantial economic solution. This is the cornerstone of Howard's political strategy and the key point of difference he is seeking to drive between himself and Kevin Rudd. Labor has already committed to a 60 per cent reduction in greenhouse gas emissions by 2050, based on climate change science. Howard will commit Australia to a future target based on the economics. He has started setting the scene, talking up the scale and significance of the policy response while painting Labor's approach as economically irresponsible.

"This is a hugely burdensome and responsible decision," the Prime Minister said yesterday. "If we get this wrong ... if we embrace a target that will increase electricity prices more than they should go up, then we'll do enormous damage to Australian households and the broad economy."

The task group report is the penultimate step in committing Australia to one of the most significant economic reforms in its history, on a scale much bigger than the introduction of a GST or the floating of the Australian dollar.

It depicts the greenhouse gas market solution of emissions trading as a complex and difficult task, one that requires immediate action tempered by a strong analytical basis, a looming economic storm that needs a steady hand on the tiller.

Enter Howard. The Prime Minister has been working on casting villains for his political play. He has begun to single out Opposition environment spokesman Peter Garrett. Howard is trying to cast him as the face of

Labor's management team on climate change policy. Garrett is popular, intelligent, passionate, but do you really want a former rock star and president of the Australian Conservation Foundation in charge of the greatest economic challenge of a generation? In parliamentary question time this week, Howard repeatedly referred to comments made by Garrett in 2005 as a backbencher when he urged the Government to cut emissions by 20 per cent by 2020.

Neither side of politics has formally backed such short-term targets because of the risk of unpopular economic pain that comes with them. "I do not think the member for Kingsford Smith has the faintest idea of the damage that would do to the Australian economy," Howard gleefully told parliament.

The task group report is a remarkable policy about-face by Howard. In his 2004 energy white paper, he all but ruled out emissions trading to cut greenhouse gases unless it was part of a global regime. That was three years ago. The task group chaired by Prime Minister's Department head Peter Shergold has warmed to the idea, concluding that Australia "should not wait until a genuinely global agreement has been negotiated". Given the closeness of the task group process to the Prime Minister's office, it is safe to bet that the direction and intent of its report will be closely reflected by the Government's looming policy response on climate change. This will be flagged in a speech by Howard in Sydney tomorrow and could be delivered as soon as Tuesday when cabinet meets in Canberra. Curiously, this is also World Environment Day.

A national emissions-trading scheme means setting an ever-decreasing limit on Australia's greenhouse gases, which most of the scientific mainstream regards as the prime cause of global warming. The nation emits about 575 million tonnes a year, or 1.4 per cent of total global emissions, mainly from burning fossil fuels in power stations and vehicles, industrial processes such as steel milling and cement processing, gases escaping from coalmines, waste sumps and farming activities including methane from livestock and changed land uses.

The task group's proposed scheme will target about 900 relatively large facilities that contribute about 80 per cent of national emissions, excluding agriculture. Farmers and other smaller emitters will be excluded for now because of the difficulty of accurately measuring emissions from thousands of properties across the country. But there are plans to include them once these considerable practical difficulties can be ironed out. These sites will then have to acquire emissions permits that will be licences to emit greenhouse gases. Every year the number of permits will decrease slightly. Some will be auctioned, the rest allocated to specific industries. Because there will be a lot of them, initially the cost of these permits will be low. So household power bills will trickle up slowly, as will petrol prices.

Big emitters will have two choices: change their operations to save energy or use technologies that emit fewer greenhouse gases, or buy more permits.

The logic behind this is simple: those sectors that can reduce their emissions at the lowest cost will do so, while those that find it more difficult will pay more and more for the permits needed to stay in business. At certain price points, power stations will start switching from coal to gas, then to lower emission energy sources such as clean coal, wind, geothermal, nuclear and solar. Other sectors such as airlines will have few options for the immediate future: they will need to buy permits. There will also be considerable scope to generate permits from activities that reduce greenhouse gases in the atmosphere, notably planting trees. The value of these plantings will increase through time as the value of the credits they generate also increases. This is a marathon, not a sprint, a reform across the entire economy of ever-increasing consequence and impact. The power industry alone will spend \$75 billion during the next 30 years to reorganise its business. It will trigger a new trading market complete with its own complex set of derivatives and brokers. The scheme will act as a giant consumption tax, slowly but relentlessly driving up prices for a range of goods and services, with commensurate effects on inflation and interest rates.

The revenue stream generated by this scheme will be big and get bigger each year. It could reach \$10 billion a year by the early 2020s. Initially this will be reinvested in accelerated development of low-emission technologies, but will eventually become too large for this to be sustainable.

The revenue has been earmarked to support low-income households and businesses, although it will need to be indirect: tax cuts, not rebates on power bills. Logically this will prompt substantial tax reform across households and business.

The task group's proposal is to start immediately on the detailed economic analysis to establish a long-term target by next year, submit enabling legislation by 2009, trials by 2010 and trading thereafter.

In August last year the National Emissions Trading Taskforce set up by the Labor states delivered a 200-page discussion paper on possible designs for such a scheme. There is little difference in most of the technical detail between this and the 200-page report released yesterday.

Both schemes generally concur on granting a tranche of free emission permits to emissions-intense sectors such as power generation, aluminium, steel and the cement industries, to help compensate them for the increased cost they will bear from a rising price on greenhouse gas emissions, and to stop them from fleeing

to countries without a constraint on their emissions, which would do Australia and the environment no favours. Both agree on the need to set a range of targets during the 40-plus years of the scheme's operation to adjust to changes in science, technology and global negotiations. These gateways will steer the economy through a regime of slow but steadily descending levels of greenhouse gases, avoiding shocks to the economy and giving business certainty in the transition to a more expensive carbon-constrained economy. The differences are few but significant. The task group emphasises that emissions trading works only if it is delivered by the federal government, not the states. It sets a 2012 start date compared with Labor's 2010, to reinforce the scale of the planning challenge and the need for some heavy lifting before a scheme is finalised, not after. The more Labor talks about the urgency of the response, the more Howard will try to paint the Opposition as hasty and reckless, playing to the logic of the electorate. In a 40-year strategy, what is a couple of years?

The task group has pointedly made its scheme as wide as possible to include all sectors and try to appear comprehensive and responsible against Labor's scheme being partial and hasty. Of course, Howard will still not sign the Kyoto climate agreement because it is too flawed and symbolic.

The task group paper has divided observers, but so far it has the general strong support of big business and the main energy industry sectors as well as the cautious support of the renewable energy industry.

Environment groups are siding with Labor. It is exactly the wedge Howard wants.

Whether it will be enough to get a response from the electorate is another matter entirely. Flat-line polls suggests voters have switched off from the political debate over industrial relations and union power. Fear is a great motivator, as much for governments as voters. If this doesn't catch, it's hard to see what will.

Editorial: The free market way to save the world

Beyond politics, the task group makes a lot of sense

John Howard's task group report on emissions trading sharpens the difference between substance and style when it comes to tackling the frontier issue of the time, global warming. It puts forward a market-based solution that is ambitious in its reach but measured in how it should be applied. The real test will be whether politicians of all kinds and at all levels can resist weighing down the core framework put forward by the task group with popular but unhelpful and sometimes silly ideas of their own.

In political terms, the report allows the Opposition to claim that the Government, by not setting a firm target or price and delaying a start to carbon trading for more than three years, is half-baked and behind the times. But it also allows the Government to respond that big, early cuts put forward by Labor are unachievable. The task group says a 20 per cent reduction from 1990 levels by 2020, as previously advocated by Labor environment spokesman Peter Garrett, would require replacing Australia's entire existing fossil-fuel-fired electricity generation capacity with electricity from nuclear energy while at the same time removing all existing vehicles from our roads.

But away from the political contest, the task group has outlined a framework that business can understand. It will spawn a new world of financial products and derivative markets to trade carbon credits and offset risk. If adopted, it can give the long-term security necessary for forward investment planning. Importantly, it limits the impact on Australian industry and the economy should the rest of the world fail to act. As task group chairman and Howard Government insider Peter Shergold said when releasing the recommendations, this is an "eyes-wide-open report". It makes clear that cutting emissions will impose costs on economic growth, businesses and households. But it supports the business calculation put by British climate change economist Nicholas Stern that the financial consequences of not acting are potentially larger. This said, there is no point in Australia engaging in empty gestures. To put this in context, the task group emphasised that Australia was now responsible for 1.4 per cent of global carbon emissions, which was forecast to reduce to 1 per cent by 2050. The developing world, now responsible for 50 per cent of global emissions, will grow to 75 per cent of emissions over that period. This means that by 2050, carbon emissions by China and India, at 32.1 per cent of the world total, will exceed the emissions of the US, Europe, Russia, Japan, Brazil, Canada and Australia combined.

The challenge for Australia is to help develop a template that best suits Australian industry and can be integrated with a global scheme that is likely to evolve through a series of regional, bilateral and multilateral actions and agreements. The key to getting it right, according to Dr Shergold, is to aim high, commit early to taking action, and implement cautiously.

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Above all, it should be a job of risk management rather than the politics of catastrophe.

The task group has recommended a market-based scheme that has the fewest possible exceptions and seeks a balance between certainty and flexibility. Rolling targets will be set, rather than a commitment to definitive mandates on day one. Businesses will be able to buy their way out of trouble cheaply in the early years to stop the system blowing up as it gets going. The cost penalties of not meeting targets will grow as the system develops. Global industries, including aluminium and cement, will be protected from unfair competition through special permits to allow them to operate at world's best practice. Once under way, the

scheme will be regulated by an independent body to ensure it is free of the political horse-trading that has dogged the Eurocentric Kyoto model, where polluters have successfully pressured national governments for favourable treatment, corrupting the process.

Ultimately, the sting in the Australian task group plan is that it will involve real costs for real people.

By putting the onus on power generation, big transportation firms, fuel distributors and industry, the cost impact will automatically flow through to consumers. The task group recommends that all money raised be initially put back into research and development into ways to reduce carbon emissions. And that consumers should not be compensated for higher electricity or fuel prices, because this would remove the incentive for them to change their behaviour. The task group also warns the Government against attempting to pick technology winners. Rather, it should help set the price signal and let the market work it out.

The Weekend Australian believes that the task group, by holding firm to core principles of a market-based solution driven by price signals, has made a compelling case for a post-Kyoto model that deserves serious consideration. It certainly offers a more level playing field than that offered by the Kyoto agreement and puts saving carbon emissions, not politics, where it should be, at the centre of the plan.

Complaints that the task group is a knee-jerk response overlook the work that has been undertaken and the rapid change that has taken place in community and business attitudes over a relatively short period of time as the science of climate change has become more widely known and better understood. There are political obstacles ahead, however. Consumers must be prepared not only to save the world, but also to pay the bill. And it is always easier to sell a feel-good project, like inefficient solar panels for private rooftops, than finance-based solutions that have the potential to really make a difference. It is also foolish to believe that Australia can achieve anything by going it alone. On this score the global signs are at last heartening. With US President George W. Bush this week making a new pledge to get serious about global warming through an expanded AP6, the stage is set for real attempts on a post-Kyoto framework in which Australia, through work such as the task group report, will be at the centre.

Our own quagmire

The future of Aborigines requires passionate answers

FORTY years after the referendum to include indigenous people in the census, there was little good news in this week's report on the indigenous disadvantage by the Productivity Commission. The indigenous imprisonment rate increased 32 per cent between 2000 and last year and Aborigines are 13 times more likely to be jailed than other Australians. Even more disturbing was the increase in notifications for child abuse. In 2005-06, indigenous children were nearly four times more likely than other Australian children to be the subject of abuse or neglect. Long-term health issues also far exceeded the rates for non-indigenous people. Close examination of the 900-page report supported the findings of Professor Helen Hughes, whose report, "Lands of Shame", found that most of the worst problems were concentrated in the most remote communities cut off from jobs, education, health services and hope. There was a depressing familiarity about some of the debate prompted by the referendum anniversary, which was laden with the rhetoric of blame, guilt and symbolism. Despite this however, a consensus is emerging that a fresh approach is required if we are to begin to close the 17-year life expectancy gap between indigenous and non-indigenous Australians. As the Productivity Commission report noted, life expectancy is related to income, education, health care, sanitation and the consumption of tobacco and alcohol. Closing the gap will be achieved by step-by-step improvements in each of these areas, not by a grand national statement of regret for historical wrongs.

It is worth remembering that spending on Aboriginal issues rests largely with the states rather than the federal government – and the states, particularly Western Australia, Queensland and NSW, have a disgraceful record in this area. Coastal land grabs and deals between Aboriginal land councils and developers have done little or nothing for the indigenous community as a whole.

Perhaps the most successful programs for Aboriginal advancement in recent years have been implemented by private enterprise, particularly in WA's mining regions. The role of private enterprise was downplayed or ignored altogether in the ambitious schemes for social engineering that followed the 1967 referendum. Yet as *The Weekend Australian* noted last week, the corporate sector has a much better record of fixing problems than government departments. Where corporate Australia has taken on the challenge of overcoming indigenous disadvantage, such as in the NSW town of Moree, the results have been impressive.

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The real future of indigenous Australians may lie in state and federal governments recognising the value of private-sector involvement and seeking the assistance of private enterprise in bringing jobs, training and health services to both remote areas and to urban Australia. The future of indigenous Australians is not just a problem for someone else. It is our problem – and our solution.

Herald Sun

PM's emissions mission

Howard is expected today to set out the details of his Government's plans to fight climate change in a bid to resurrect the Coalition's electoral prospects. The Prime Minister will spell out his plans to reduce greenhouse emissions and create a carbon trading scheme to the Liberal Federal Council meeting in Sydney. It is expected he will embrace a report prepared by the Task Group on Emissions Trading, a panel hand-picked by Mr Howard.

The report calls for an emissions trading scheme -- where industry is able to buy carbon credits to offset its pollution -- to be established by 2012.

Mr Howard is unlikely to commit to a specific emission reduction target.

But the states and territories yesterday voted to create a historic plan that would name and shame polluters. They want to introduce mandatory reporting of greenhouse gas emissions.

Under the states' plan, companies emitting more than 25,000 tonnes of greenhouse gases each year would be forced to disclose how much they emit from July 1 next year.

The plan, which would create a carbon trading scheme by 2010, was put to environment ministers by Victorian John Thwaites in Cairns yesterday.

Mr Howard told the council's formal breakfast Australia needed to be cautious about setting carbon emission reduction targets, warning the wrong decision would hurt families and cripple business.

"If we get the targets wrong, if we get the pace of change wrong, if we get these decisions wrong and we burden the Australian community with higher electricity prices than would otherwise be the case, we will do enormous damage to Australian industry and inflict great pain on Australian households," he said.

"We can't avoid this. We can't think that we can have some nice, costless response to climate change."

Labor Leader Kevin Rudd said Mr Howard still failed to recognise a specific target for cutting emissions was essential.

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PM slammed for missing targets

Prime Minister John Howard today refused to set an immediate target for reducing greenhouse gas emissions, drawing condemnation from environmentalists and the Labor opposition for his lack of action. Outlining his government's response to a top-level report on carbon emissions trading, Mr Howard today announced a national "cap and trade" scheme will be set up and operating within five years.

But he has put off a decision on a goal for reducing emissions until next year, following detailed economic modelling.

"We must get this right," Mr Howard told the Liberal Party federal council in Sydney.

"If we get this wrong, it will do enormous damage to our economy, to jobs and to the economic wellbeing of ordinary Australians, especially low-income households."

Election with no targets

The decision means Australians will go to the polls this year without knowing the government's target for cutting emissions.

Australian Greens leader Bob Brown accused Mr Howard of being under the thumb of the coal industry, while Labor frontbencher Wayne Swan said the prime minister was being tricky.

"If Mr Howard was really serious about climate change, he would be frank and tell the Australian people what his carbon reduction target is before the election, not leave it until after the election," Mr Swan told reporters in Brisbane. Mr Howard said climate change was an economic challenge, not just an environmental one, and the decision was the most momentous one the country would take in the next decade.

Significantly reducing emissions would mean higher costs for businesses and households, he said.

"There is no escaping that and anyone who pretends to do otherwise is not a serious participant in this hugely important public policy debate," he said.

Labor proposal

Mr Howard attacked federal Labor leader Kevin Rudd and his environment spokesman Peter Garrett for their proposal to cut emissions by 60 per cent by 2050.

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Mr Howard said Mr Garrett had floated the prospect of cutting emissions by 20 per cent of 1990 levels by the year 2020.

But to meet that target, every coal- and gas-fired power station would have to be replaced by a nuclear plant and every car, truck and motorbike would have to be removed from the roads, he said.

"Can I say that again, removing all vehicles from our roads," he said to laughter from the floor.

"A 20 per cent cut from 1990 levels from 2020 would be the recipe for a Garrett recession. That is not a

recession which Australia has to have.

"Labor wants to approach the biggest economic challenge of our time with a policy framed in Europe for European conditions, as if Australia were a small densely populated nation with high winds somewhere east of Denmark."

Mr Howard said Australia could not stop climate change alone as it accounted for less than 1.5 per cent of global emissions.

No credibility without targets

But the Climate Institute said Mr Howard's policy had no credibility without targets.

"The Australian public, Australian investors and the Australian environment need some certainty and security about what the policies are for both political parties," Institute head John Connor told reporters. Industry Minister Ian Macfarlane said the government was being responsible by not setting a target before the election.

Environment Minister Malcolm Turnbull said the economy had to be the priority in any trading scheme.

"Yes, we have to act, but we have to act in a way that respects our economy, that doesn't unduly or unfairly damage our economy and above all, engages in international action," Mr Turnbull said.

Beattie outlines \$400m climate strategy

Queensland will cut its carbon emissions by over 30 per cent by 2020 under a \$414 million climate change strategy unveiled today by Premier Peter Beattie.

Mr Beattie told a gathering of energy experts, environmentalists and business representatives in Brisbane the plan was to have 18 per cent of the state's power generated by natural gas and 10 per cent of energy coming from renewable sources by 2020.

The wide-ranging Climate Smart 2050 report is designed to reduce emissions by 34 per cent by 2020 and by 60 per cent by 2050, based on 2000 levels of emissions.

The focus of the strategy is the creation of a \$300 million Queensland Climate Change Fund, which will be used to develop new green technologies such as hydrogen fuel cells.

The fund will be set up by the sale of the Queensland government's wind farm assets around Australia and the remaining gas assets of Enertrade, which include the Moranbah to Townsville gas pipeline.

"This is about a balanced approach," Mr Beattie told reporters.

"This is a total package. It is a package that will protect jobs, protect the Queensland economy but also save the environment."

Mr Beattie said the interest from the climate change fund, expected to be about \$20 million annually, will see ongoing investment in the future of climate change initiatives.

The premier said one of the biggest challenges facing the state was balancing lower emissions with the growing demand for energy due to population growth, while also supporting the local coal industry.

The next power station to be built in Queensland will use clean coal technology, Mr Beattie said.

"The reason for that is very simple, we are going to clean up our own industry base, and we are going sell this technology to the world," Mr Beattie told the gathering.

"I know that not everybody here is going to agree with it."

Also included in the report is a \$55 million energy savings program, which will be set up to help businesses which use large amounts of energy implement energy saving measures.

A \$50 million renewable energy fund will also promote research and development and assist in meeting the government's renewable energy goal of 10 per cent by 2020.

For Queensland residents, Mr Beattie intends to phase out all electric hot water systems from 2010, by mandating that all faulty or broken hot water systems are replaced by energy-efficient gas powered systems after 2010. New planning standards will also be implemented by 2010, requiring commercial buildings to meet four star efficiency ratings.

As part of that plan, all government buildings will be carbon neutral by 2020.

Mr Beattie said some of the strategy outlined today, particularly the targets set for renewable energy, may need to be changed to fit any future national emissions targets.

"We'll need to have a look at what he (Prime Minister John Howard) does," Mr Beattie said.

"To be perfectly honest we're not sure there'll need to be any change at all."

Mr Beattie called on the prime minister to adopt the Queensland targets and put them in place nationally.

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The climate change strategy will be open for comment from the community, business and industry for one month before it is presented to parliament.

'Howard doesn't understand climate change'

Prime Minister John Howard does not understand climate change and the threat it poses to the nation, Australian Greens leader Bob Brown says.

Mr Howard delivered a speech on climate change to the Liberal Party's Federal Council today but he failed to announce what many observers and Labor see as a fundamental, a target for carbon emissions.

Instead Mr Howard said he would, if still in power after the election later this year, announce a target in 2008 followed by implementation of a trading scheme by 2012.

Senator Brown attacked the speech as "stunningly devoid of any description of the impact of climate change".

"John Howard simply doesn't understand climate change," Senator Brown said in a statement today.

"His comment that it would be foolish indeed to ignore the evidence on climate change condemns his own foolishness for the past 11 years in failing to tackle climate change.

"Climate change is not going to wait for the Liberal Party.

"Keeping global temperature rises to two degrees Celsius or less requires rigorous action now and it is Prime Minister Howard who has been missing in action and who is steeped in recklessness and symbolism."

Mr Brown said Mr Howard's refusal to set targets proved he was incapable of tackling climate change.

"We're going to get no action out of this prime minister while ever he's prime minister - he's got to go," Mr Brown told reporters in Sydney this afternoon.

He said that waiting until 2008 to set targets was like announcing new corporate taxes but saying "we'll tell you after the election".

The Greens leader also accused both the coalition and the ALP of failing big business by withholding information needed to plan for the future.

"(Opposition Leader) Kevin Rudd says we'll tell you (emission targets) after the election, John Howard says we might tell you after the election, the Greens say here are the targets we put forward now," Mr Brown said.

"In this sense the Greens are being responsible to business in Australia with the big parties failing."

The Greens want the government to set a target of a 30 per cent reduction in greenhouse gas emissions by 2020 and an 80 per cent reduction by 2050.

Mr Howard's claim that nuclear technology was crucial to cutting emissions was rubbish, Mr Brown said.

"It's not the answer, it's not cheap and it's not safe," he said.

2008 emissions target

Australia will have a domestic carbon emissions trading scheme up and running by 2012, with an emissions reduction target to be set next year.

Prime Minister John Howard today outlined the Government's response to a top-level task group report on emissions trading, telling the Liberal Party's federal council that it was the most momentous economic decision facing the nation for the next decade.

"It must be built to last, not five or 10 years, but the whole of the 21st century if Australia is to meet our global responsibility," Mr Howard said.

The domestic trading scheme would be up and running no later than 2012, with a long-term "aspirational" goal for reducing carbon emissions to be set in 2008.

"This is a great economic challenge for Australia as well as an environmental challenge," he said.

"Australia should not pay higher energy costs than necessary to achieve emissions reductions."

Mr Howard said the trading scheme would be more comprehensive, more rigorously grounded in economics and with better governance than similar schemes in Europe.

"Australia will continue to lead internationally on climate change, globally and in the Asia-Pacific region – not in a way that lectures and moralises but in a way that builds support for global action to tackle this enormous global challenge," he said.

Mr Howard attacked Opposition Leader Kevin Rudd and Labor environment spokesman Peter Garrett for their proposal to cut emissions by 60 per cent by 2050.

Mr Howard said Mr Garrett had floated the prospect of cutting emissions by 20 per cent of 1990 levels by the year 2020, which the task group said was unrealistic.

"To meet such a target, the emissions trading task force... concluded that it would require, and I quote, replacing Australia's entire existing fossil fuel fired electricity generation capacity with electricity from nuclear power while at the same time removing all vehicles from our roads," Mr Howard said.

"Can I say that again, removing all vehicles from our roads," he said to laughter from the room.

"A 20 per cent cut from 1990 levels from 2020 would be the recipe for a Garrett recession, that is not a recession which Australia has to have."

Reducing carbon emissions was not just an environmental challenge, but also a great economic challenge, Mr Howard said.

"Significantly reducing emissions will mean higher costs for businesses and households," he said.

"There is no escaping that and anyone who pretends to you otherwise is not a serious participant in this hugely important public policy debate.

"If we get this wrong it will do enormous damage to the economy, to jobs and to the economic wellbeing of ordinary Australians, especially low income households."

Mr Howard said Australia could not stop climate change alone as it accounted for less than 1.5 per cent of global emissions.

The Australian

Paul Kelly: An emissions blueprint for the world to follow

The essence of John Howard's belated response to climate change is to commit early, think global and implement slowly.

After years of dispute and scepticism, Australia now has a strategic blueprint for action -- a blueprint superior to the defect-ridden European emission trading regime.

This is the start of Australia exerting serious influence on the global debate. In substantive terms, it closes the gulf between Howard and Kevin Rudd on climate change.

It insists that Australia must act now and not wait for global agreement. It makes the timetable for emission trading almost bipartisan -- Howard in 2011 and Labor by 2010.

While Howard's report does not specify a target -- in response to Rudd's 60 per cent cut by 2050 -- its entire "cap and trade" scheme depends upon a long-term target to be finalised next year after more analysis. Labor, equally, wants the scheme's design finalised "by the end of 2008".

This report, inspired by Treasury and the business community, opens a new era for Australia. It is the first federal government strategy to combat climate change.

It ends the debate between believers and sceptics. It starts a new debate between those favouring a market solution and those wanting government to pick energy winners. This is where the report will be extremely contentious.

The new battle that now opens is between the Treasury view that only a modest pace of adjustment is needed in the early years and the radicals who demand early and deep cuts in emissions by 2020. The report is utterly unforgiving on this tactic -- it depicts such early and deep cuts as a disaster for Australia's economy. While Rudd has avoided any 2020 targets, the rhetoric of his environment spokesman, Peter Garrett, has been different.

The report argues the big adjustments should come down the track after the technological innovation that enables such cuts with minimum harm to the economy.

Certain to become Howard's policy, the taskforce report rests upon three pillars -- a national strategy run by the federal Government requiring the states to abandon their own schemes; the view that Australia cannot wait upon a global regime; and a comprehensive market-based approach to trading that encompasses 75 per cent of total emissions, including fuel use in transport. This is far more comprehensive than the European model.

Australia's model is likely to appeal more to developing nations because of its exemption mechanisms for the trade-exposed sector where many companies now operate on world's best practice.

The report offers a sober appraisal of the realities. Climate change is a global problem. It cannot and will not be solved by Australia.

To this point debate on a post-2012 global framework has been "disappointingly slow". The current Kyoto arrangements are "inherently flawed". But Australia's creation of its own scheme gives it credibility in the emerging debate about the post-2012 system.

Solar city sets sights on ending pollution

It sounds like an environmentalist's dream: a rural idyll that generates its electricity from nothing more polluting than sun, wind and hay. But that is exactly what the Spanish region of Navarre, on the border with France, hopes to achieve within a few years. The fiercely autonomous region gets close to 70 per cent of its electricity from renewable sources. It hopes to achieve 75 per cent by 2010 and, soon afterwards, become a net exporter of clean energy. Navarre's sudden leap to becoming a world leader in renewable energy is drawing international interest. The region has received delegations from Britain and Ireland -- and as far afield as Tasmania. "Renewable energy has become one of the things Navarre is known for," José Javier Armendáriz, Industry Minister for the regional government, said. Among the other things are the bull run through the streets of the capital, Pamplona, and a type of gem lettuce known in Spain as cogollo.

As Britain and other countries debate how to meet the increasing demand for electricity while cutting back on greenhouse gas emissions, many people are looking at Navarre for inspiration.

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It is a sparsely populated region of 600,000 people in an area half the size of Wales. It is connected to the Spanish national grid and able to draw on gas, coal and nuclear generators when the wind does not blow or the sun fails to shine.

The regional government says that its switch to renewable energy could, and should, be copied by entire nations. "I think the model we have here in Navarre -- a decisive bet on renewable energy -- is perfectly transferable to the level of a country," Mr Armendáriz said.

There are 1,100 windmills in this region of just over 10,000sq km (6,000sq miles). More than 55 per cent of the region's electricity comes from wind power alone.

Navarre is also developing other technologies. It has built several photovoltaic solar farms, which turn sunlight into electricity, has a biomass plant that generates power from straw, and has "solar thermal" plants that use the sun to heat water and to drive a generator.

The region has mini hydro-electric plants that make use of rivers, and "co-generation" plants to recover energy from industrial sites that would otherwise be wasted. And it has a biofuels plant that transforms vegetable oils into diesel, with motorway service stations being built to sell it.

Some environmentalists worry that the presence of so many windmills is spoiling the landscape and killing birds. "What they are doing is absolutely unsustainable and completely illegal," says Antonio Munilla, of Gurelur, an environmental group. "We have taken this matter before the Congress and European Union." Other environmental groups, such as Greenpeace, strongly support the experiment.

Acciona Energía, the company that has built most of Navarre's renewable energy projects, says that its surveys have traditionally found that less than 5 per cent of people were in opposition. The first wind farm was built in full view of Pamplona's 200,000 residents. "We wanted to show that there was nothing to hide," says José Arrieta, a spokesman for Acciona.

More than 70,000 schoolchildren have visited renewable energy installations as part of the local government's education campaign.

"I think it is very positive," says Mikel Larumbe, a 28-year-old resident of Pamplona. "They say oil is running out, and it certainly pollutes. So I like the fact that where renewable energy is concerned, Navarre is a model to follow."

Amid the vineyards of the nearby town of Milagro, hundreds of solar panels turn to face the sun like huge robotic sunflowers in what Acciona says is the world's largest solar field. Under the "solar allotment" concept, each panel is owned by an individual investor, who pays the €48,000 (£32,500) needed to set it up. The company arranges the loan, operates the panel and collects the revenues from the grid operator. The panel is guaranteed for a minimum of 25 years, and Acciona expects the original investment to be paid off in ten. The rest is profit. As impressive as it looks, the installation at Milagro provides a meagre amount of electricity. The solar panels, which occupy an area equivalent to 50 football pitches, generate 9.5 megawatts of peak power, the same as six wind turbines.

Spain is a world leader in renewable energies – it produces more than 21 per cent of its electricity from such sources and plans to reach nearly 30 per cent by 2010. By contrast, Britain generates just over 4 per cent of its power from renewables and has a target to reach 10 per cent by 2010.

Festival town

— Navarre is perhaps most famous for the 16th-century "Running of the Bulls" festival in Pamplona, where bulls are released in the cobbled streets of the old city centre and men try to prove their mettle by running alongside them. Thirteen people have died in the festival since 1924

— Although overshadowed by nearby Rioja, Navarre is famed for its Garnacha rosé. However, in recent years production has shifted to reds – cabernet sauvignon, merlot and tempranillo

— The region has a rich history, changing hands between various empires as well as existing as an independent kingdom during the Middle Ages

— The region also provides the setting for *Love's Labour's Lost* by William Shakespeare

The Times

The Sunday Telegraph

Greens burn Howard's plan

Environment experts have slammed Prime Minister John Howard's climate change policy announced today, saying it lacked credibility. Mr Howard delivered a speech on climate change to the Liberal Party's Federal Council today but he failed to announce what many observers and Labor see as a fundamental, a target for carbon emissions. Under the policy, Australia would have a domestic carbon emissions trading scheme up and running by 2012, with an emissions reduction target to be set after the federal election in 2008.

The Climate Institute says the policy will have no credibility until targets to reduce carbon emissions are set. "Today the Prime Minister declined to add any sense of credibility or urgency to his climate change policy," Climate Institute chief executive John Connor said.

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"We've seen no targets or no measures.

"The Australian public, Australian investors and the Australian environment need some certainty and security about what the policies are for both political parties."

Mr Connor urged the prime minister to take immediate and decisive action to address the threat of climate change.

"A policy of delay is a policy of economic risk," he said.

Mr Howard said he would, if still in power after the election later this year, announce a target in 2008 followed by implementation of a trading scheme by 2012.

Greens leader Bob Brown attacked the speech as "stunningly devoid of any description of the impact of climate change".

"John Howard simply doesn't understand climate change," Senator Brown said in a statement today.

"His comment that it would be foolish indeed to ignore the evidence on climate change condemns his own foolishness for the past 11 years in failing to tackle climate change.

"Climate change is not going to wait for the Liberal Party.

"Keeping global temperature rises to two degrees Celsius or less requires rigorous action now and it is Prime Minister Howard who has been missing in action and who is steeped in recklessness and symbolism."

Mr Howard today played down Australia's role in the global effort to combat rising temperatures.

He said Australia could not stop climate change alone as it accounted for less than 1.5 per cent of global emissions.

"That's why the Australian government has been at the forefront in efforts to build a new consensus for global action on climate change," the prime minister said.

He said maintaining economic strength was the key.

"We will only tackle climate change successfully if we maintain our economic strength," Mr Howard said.

"We will only tackle climate change successfully if we know the economic consequences of any emissions target for Australia.

"And we will only tackle climate change successfully by marrying creativity and innovation to the market and the tools of economic

The Australian Conservation Foundation urged Government and Opposition to take the politics out of the debate on emission reduction targets.

"It's important we don't lose sight of the purpose of emissions trading – to play our part in helping avoid dangerous climate change," said ACF Executive Director Don Henry.

"Science-based 2050 and 2020 targets to cut emissions are essential to get us on the right track.

Mr Henry call on the federal Government to listen to the science and business communities, who support legally-binding, science-based emissions targets.

"CSIRO recommended to the Prime Minister's task group that developed countries, like Australia, need to adopt targets to cut emissions by 60–90 per cent by 2050," he said.

"In May last year the Business Roundtable on Climate Change report showed Australia can substantially cut emissions without damaging the economy and urged legally binding 2020 targets."

Meanwhile, the Queensland government today announced a \$414 million strategy to counter the impacts of climate change. Queensland will cut its carbon emissions by over 30 per cent by 2020 using renewable initiatives such as hydrogen fuel cells. Mr Beattie told a gathering of energy experts, environmentalists and business representatives in Brisbane the plan was to have 18 per cent of the state's power generated by natural gas and 10 per cent of energy coming from renewable sources by 2020.

The wide-ranging Climate Smart 2050 report is designed to reduce emissions by 34 per cent by 2020 and by 60 per cent by 2050, based on 2000 levels of emissions. Climate clash ...Greens leader Bob Brown says Howard's climate plan shows he doesn't understand the problem. / The Daily Telegraph

Herald Sun

Feds consider nuke law change

The Federal Government is considering repealing laws that prevent a nuclear energy industry in Australia, Industry Minister Ian Macfarlane said today. The establishment of commercial nuclear power reactors, which the Government favours as a way of reducing greenhouse gas emissions, requires changes to laws governing the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) and the environment.

Mr Macfarlane said that if Australia were to have a public education campaign, as planned, it should also have the legislative ability to put a nuclear industry in place.

"We're certainly looking at whether or not that's do-able in the sense that I'm currently involved in four work plans and I'll report back to cabinet by September in terms of that," he told Network Ten.

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"It does require amendments both to the ARPANSA Act and also to the EPBC (Environment Protection and Biodiversity) Act, and that is our goal.

"It is to say okay, we're going to have a public information campaign, we're going to ensure that on the basis of a debate we are able to step forward from that debate with confidence and therefore ensure that these laws are repealed, so if the Australian people say 'Yes' we can, in fact, move forward in the nuclear cycle."

Prime Minister John Howard, in his address to the Liberal Party's federal council in Sydney today, again stressed the need for a nuclear industry to counter climate change.

"Australia should not pay higher energy costs than necessary to achieve emissions reductions," he said.

"In other words, governments need to let the market sort out the most efficient means of lowering emissions with all low emissions technologies on the table, and that of necessity must include nuclear power."

Meanwhile, Western Australian Premier Alan Carpenter today said nuclear power stations would be banned in his state by legislation aimed at thwarting the prime minister's nuclear push.

Mr Carpenter said the legislation would prohibit the construction or operation of a nuclear facility, the transportation of certain material to a nuclear facility site and the connection of nuclear generation works to electricity transmission or distribution systems.

He said new technology was the answer to climate change challenges, not nuclear power.

"We are confident that new technology, such as geothermal, can be the future for this state," Mr Carpenter said.

"I'm absolutely certain John Howard's nuclear future is not for WA.

"I totally reject the argument that nuclear power is the Australian answer to the climate change challenge."

AAP

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FarmOnLine

Farmers left in the dark on emissions trading

Farmers are no closer to learning how they will be affected by a proposed new national carbon trading scheme.

Prime Minister John Howard yesterday received a landmark report into the idea from a specially convened taskforce of senior bureaucrats and business figures.

It recommended a national market be set up by 2012, including targets for emission cuts.

But the National Farmers' Federation wants to know how exactly that system will affect agriculture.

"Managing over 60pc of this country's land mass, farmers know that perhaps the biggest threat to Australia's agricultural production base – and its capacity to meet the day-to-day needs of the Australian community – is increased global climate change," NFF chief executive Ben Fargher said today.

"While we have been frustrated by the Government's exclusion of farmers from its Emissions Trading Taskforce, Australian farmers have already demonstrated the experience and on-the-ground knowledge essential to making any national effort to reduce greenhouse emissions work."

Mr Fargher said primary industries have already slashed greenhouse gas emissions by 40pc over the past 15 years, mainly on the back of improvements to agricultural practice.

"In fact, Australian greenhouse gas emissions are only on track to meet Kyoto targets as a result of farmers halting land clearing and planting over 20 million trees-a-year, solely for conservation purposes," he said.

"However, as things stand, we're still in the dark as to how agriculture will be, or can be, positioned to do more in meeting Australia's commitment to the climate change challenge.

"Logically, any national emissions trading scheme must recognise the contribution agriculture has already made in reducing Australia's greenhouse emissions.

"It is only fair that emission trading rules recognise farm-scale re-vegetation since 1990 as an 'emissions offset' – we see this as a minimum."

“Snippets Plus”

June 2007 – 15B

15th Edition

Compiled by collating (cutting & pasting) information sourced from various media from all Australian States, the **Australian Water Association** Weekly News, **FarmOnLine** Daily News, **Murray Darling Association**, via the Internet and various other sources that are available.

From printed media only date – source – headline.

My comments for what they are worth are in **red**.

Compiled by Peter R. Smith OAM

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16th

The Australian

Howard offers Bracks his pipe dream

The Bracks Government is to announce a \$1.5 billion north-south pipeline connecting Melbourne to the Murray-Darling Basin, paving the way for a deal on John Howard's \$10billion takeover.

The pipeline would take up to 150gigalitres of water a year from the Goulburn River as water storage in Australia's second-biggest city continues to fall below 30 per cent.

The prospects of a deal on the water takeover have also improved, with environmental groups -- which had earlier threatened to withdraw support -- emerging from a briefing in Canberra having warmed to a new draft bill outlined yesterday.

The pipeline over the dividing range is the cheapest of four water-supply options for Melbourne being considered by the Bracks Government.

These include desalination, reuse of stormwater and a scheme to use waste water to replace water used by power generators in the Latrobe Valley.

Tasmania is also now closer to getting federal money for a water pipeline project, given the success of the Victorian bid.

The island state has a high annual rainfall but a disproportionate amount falls on its west coast, leaving Hobart struggling to get enough water. More than 80 per cent of the water that falls in the west runs into the sea.

A four-hour meeting between federal Environment Minister Malcolm Turnbull and his Victorian counterpart John Thwaites progressed agreement on the legislation underpinning the plan. Victoria is the only state yet to sign up to Mr Howard's Murray-Darling takeover.

Negotiations are being accelerated to strike agreement in time for federal parliament to pass legislation by September, the last opportunity before the federal election, which is likely to be held in November.

A key condition sought by the Nationals to secure their support for the takeover was that water remain in the system for use by irrigators and not be sold for consumption in the coastal cities.

Consideration of the north-south pipeline has included possible investment of up to \$2 billion by the Victorian Government to upgrade irrigation infrastructure and water savings in the nation's largest irrigation district.

Victorian Farmers Federation president Simon Ramsey said it was premature for the Bracks Government to make a decision on the pipeline given they were still in negotiations.

"We are a long way yet from convinced of its merits," he said.

"Our policy position is to not bring water from the north to the south. It won't work unless it gets our support."

Tasmanian Premier Paul Lennon has written to Mr Howard requesting funding for the plan.

Mr Lennon urged Mr Howard when he outlined the takeover to make sure the plan went beyond the Murray Darling basin.

Money for both states would be consistent with Mr Howard's declaration that there would be no special deal to get states to sign up to the takeover.

The revised commonwealth legislation revealed in discussions in Victoria and Canberra yesterday now declares over-allocation of water licences will be reduced, but remains silent on the issue of compulsory acquisition.

Irrigators at the Canberra meeting yesterday indicated that any scheme to buy back water licences must

ensure farmers are not slugged with capital gains tax.

The Government is considering exemptions, and farming groups believe a tax holiday on payouts could encourage farmers to sell.

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The Australian Conservation Foundation's Arlene Buchan said although the Murray-Darling Basin had lost 90 per cent of its wetlands, the new draft would commit the commonwealth to ensuring environmental flows into the remaining areas. Dr Buchan said the bill still did not spell out how that would be done, but was an improvement on the previous draft.

"There is still some way to go before we are completely confident but it is a step in the right direction," she said.

The takeover, formally called the National Water Strategy, includes \$6 billion to seal major delivery channels, improve metering and install drip systems to save 3000 gigalitres of water each year and \$3 billion to buy back irrigators' water entitlements.

Victoria is the only basin state not to have agreed to the proposal, which would see federal money spent fixing inefficient infrastructure and buying back entitlements from irrigators in exchange for a referral of powers.

But with the commonwealth reducing the scope of the powers it is demanding from the states, Victoria has moved closer to joining the other states.

Mr Thwaites agreed the meeting was positive but said there were still several matters that needed to be resolved before Victoria could support the plan.

"We are working through the issues associated with water rights, with environmental watering plans and with the scope of the basin plan," Mr Thwaites said.

Its obvious SA really is one of the invisible States – why would we need the River Murray running into SA.

Howard joins NZ in climate scheme

Australia and New Zealand have begun working on a "harmonised" greenhouse gas emissions trading scheme before the APEC meeting in Sydney in September.

John Howard and Helen Clark announced a joint working group on an emissions trading scheme at the end of a five-day visit by the New Zealand Prime Minister.

Mr Howard said in Sydney yesterday that despite different approaches to greenhouse emissions in the past -- New Zealand ratified the Kyoto Protocol while Australia refused -- the governments would work together.

"Both of us see the merit in our respective countries of developing emissions trading systems and there is no reason why we can't pool our experiences where possible -- harmonise our approach," Mr Howard said.

He said developing a relationship "on this important issue is something of an example of what can be achieved in our part of the world and particularly in the context of APEC".

Miss Clark said she was pleased that "climate change has gone right to the top of the agenda" for the APEC forum. "Given the close relationship we have in so many areas, and the impact of these kinds of issues across two economic relationships, we have agreed that we should work hard on seeing if we can get the schemes we're designing to be compatible schemes," she said. "Who knows where we can lead after that? Who knows where co-operation around APEC can lead after that if there's willing parties and countries over time?"

Australia and Canada have discussed compatible carbon emissions trading schemes.

Mr Howard has set out principles for APEC countries to consider on reducing greenhouse gas emissions without setting a formal target or disrupting economic development.

He said yesterday he would not set a long-term target for greenhouse gas emissions until he had received advice after the election.

He refused to change his position despite the decision of US President George W. Bush to consider a 50 per cent reduction by 2050. "I am not going to play word games on that before the election," Mr Howard told The Weekend Australian yesterday.

"We are going to model various targets, we are going to do what the taskforce recommended and when that modelling is finished, we will have something to say about targets."

Deputy Prime Minister Mark Vaile told the Nationals' NSW conference, in Singleton, he had never seen himself as a climate change sceptic.

A range of measures were available to help the environment, he said, such as ethanol-blended fuel and managing carbon emissions via sequestration. "All I've been a sceptic of is the blind faith in what needs to be done regardless of what damage it does to the economy," he said.

He added that the drought and this month's NSW floods were part of Australia's weather pattern. "The science is still out as to whether the effect or the cause of that has been because of climate change. We recognise that we need to manage and control our emissions but we also need to recognise that no matter what happens ... we're still going to have cycles in Australia where we will have drought and floods."

Global warming may yet come up peaches

It is not in former US vice-president Al Gore's famous PowerPoint presentation on the environment, but there are upsides to global warming.

Northern hemisphere homes could save on heating fuel; Canadian farmers could harvest bumper crops; Greenland might become awash in cod and oil riches; shippers could count on a shortcut between the Atlantic and Pacific; forests might expand; and Mongolia could have a go-go economy.

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It is all speculative, even facetious, and any gains are not likely to make up for upheavals elsewhere. But, might there be a silver lining for the frigid regions of Canada and Russia?

"It's not that there won't be bad things happening in those countries; there will be -- things like you'll lose polar bears," said professor Robert Mendelsohn of the Yale School of Forestry and Environmental Studies. "But the idea is that they will get such large gains, especially in agriculture, that they will be bigger than the losses."

Professor Mendelsohn looked at how gross domestic product around the world would be affected under different warming scenarios through to 2100. Canada and Russia came out as beneficiaries, as did much of northern Europe and Mongolia because of projected gains in agricultural production.

New York state orchardist Chris Loken started diversifying year ago, adding peach, apricot and plum stands to his staple crop of apples.

"I've been betting on it for years," Mr Loken said.

Cold winters still trouble his new trees but the 75-year-old farmer was counting on a trend of milder winters.

"This farm here has been set up for the future," he said. The future may have arrived in icy Greenland, where fishermen are thrilled by the return of cod and farmers are reporting higher yields.

Danish environment researcher Jesper Madsen said Greenland stood to gain immensely if the retreating ice there cleared the way for more oil drilling. Economist Richard Tol of the Economic and Social Research Institute in Ireland said Canada would be the biggest winner for tourist visits in a warmer world. It would get a 220 per cent increase in international tourist arrivals by the end of the century, followed by Russia with a 174 per cent jump, and Mongolia, up 122 per cent. But the negatives can include planet-wide food and water shortages, mass flooding and extinction. *AP*

18th

FarmOnLine

Vic government selling 1 million litres for \$2.65

The Victorian government is selling unmetered underground water for \$2.65 a megalitre - about the cost of a bottle of milk.

Faced with failing bores and an increase in centre pivot irrigation, a group of 15 farmers in the Hawkesdale area have now taken the unprecedented step of banding together to fight what they say is the unsustainable allocation of groundwater licenses in their region.

While the water may be finally flowing above ground in many parts of the state, underneath the basalt soils of these farmers, they say crucial groundwater levels are dropping fast.

This summer more than 50 bores ran dry or were severely affected by irrigation in the Hawkesdale Groundwater Management Area.

"This is simply unsustainable and even more crazy when you realise basically none of the thousands of bores here are even metered - no-one has any idea how much water is being taken out," said local farmer, Bill Stafford, Tarrone.

"The fact that bores are running dry so often strongly suggests a big problem."

Mr Stafford said Yangary and Condah had all been over allocated in the past.

"And we are desperate to stop it happening in Hawkesdale because we are totally reliant on groundwater."

The farmers believe current water use of 11,300ML in the area is already unsustainable and fear the worst should Southern Rural Water grant 18 new licences, currently pending.

The licences equate to 4638ML and if granted would bring total water use up to 15,938ML - just under the district's 16,100ML cap.

One licence alone is for 1200ML - a volume of water equivalent to the annual water use of the city of Hamilton.

This move would give a relatively small number of large irrigators a huge percentage of the irrigation volume.

More than 6000 bores currently tap into the aquifers in the area, a vast majority being stock and domestic bores that are each allocated two megalitres per year.

Much larger and deeper bores may be granted to supply a growing number of centre pivot irrigators to service the dairy industry which nearby farmers fear will interfere with the depth of their existing bores.

Southern Rural Water (SRW) acting chief executive Graham Hawke consented the impact of irrigation combined with extended drought - and in some situation plantations - could impact on groundwater pressures.

A spokesman for State Water Minister John Thwaites this week said SRW water charges were "were based on the full costs of managing the groundwater resource".

SOURCE: Extract from full front-page story in *Stock and Land*, Vic, published Thursday, June 14, 2007.

Fodder donations roll in but still more needed

While Aussie-owned milk co-operative Dairy Farmers thanks those farmers who have already generously donated fodder, Dairy Farmers, together with the Department of Primary Industries and NSW Farmers' Association, is calling for more fodder donations to assist farmers affected by the Hunter Valley floods.

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The industry had been already addressing a fodder shortage due to drought which had forced a drop from six million tonnes a year to four million tonnes during the past 12 months.

But now, the situation has become critical as farms in the Hunter have lost newly sown pastures and bales of hay and silage that had been put aside for winter feed.

Arthur Burns, who has been working tirelessly to get his farm back up and running while also offering without hesitation his own house as shelter to his neighbours, thanked other farmers such as the Atkins family from the Mid North Coast, for helping out the Hunter region.

"Anyone prepared to put their hand up and make a donation is worthy of praise - it shows the spirit behind dairying, where farmers have always lent a hand in times of need," Mr Burns said.

With 50 per cent of his fences destroyed, equipment damaged, pasture lost and cows still in need of more feed, Mr Burns does not underestimate the tough road ahead.

Dairy Farmers suppliers Ken and Margaret Atkins, who moved from share-farming with Arthur and Carole Burns in Singleton to leasing their own farm at John's River on the Mid North Coast (30 kilometres north of Taree) in January this year, were among the first farmers to donate fodder.

"I was shocked when I heard Arthur's farm, where I worked for 15 years, was under water," Mr Atkins said.

"It couldn't have come at a worse time coming into winter and just out of a drought. It could still be weeks before farmers can re-sow crops, which means they won't get any return until at least August."

Dairy Farmers has been working to help its farmer suppliers affected by the Hunter Valley floods back on their feet, including payment for milk regardless of it being picked up or used.

The Cooperative is currently assessing the full impact of the floods on suppliers' homes, dairies and machinery – however the two biggest challenges facing farmers are fodder and fencing.

Dairy Farmers is working with government bodies including the Department of Primary Industries and the NSW Farmers' Association to ensure farmers quickly receive the appropriate assistance.

19th

FarmOnLine

AgForce wants out of \$10b water plan

AgForce is urging Queensland Premier Peter Beattie and the National Farmers' Federation not to endorse the Federal Government's National Water Plan as it repeatedly fails to address the concerns of Queensland farmers.

AgForce president, Peter Kenny, said when the Prime Minister announced the plan earlier this year, it had the potential to end bitter squabbling between the states and inject some much needed funding into areas such as delivery upgrades, the Great Artesian Basin and rural water use efficiency.

"Our support of the plan was contingent on the Federal Government ruling out metering of stock and domestic water bores and AgForce gaining clarification on a range of important issues affecting irrigators and rural water users," Mr Kenny said.

"Despite meetings with Federal Water Minister Malcolm Turnbull, we still cannot get the government to address our concerns in the draft legislation."

Mr Kenny said until this legislation addresses their concerns, he has asked the Premier and NFF to join with AgForce and our colleagues at the Victorian Farmers Federation and not support the water plan.

Mr Kenny said some of the major concerns AgForce has with the NWP include:

*Fears stock and domestic water bores will be metered;

*Overlapping reviews and delays in Queensland plans – Condamine / Balonne *Issues with the CSIRO review;

*Inability to gain clarification on essential issues such as groundwater, environmental water, overland flow;

*A lack of engagement with state farming organisations and irrigation groups.

Mr Kenny said there was insufficient time to provide comment or consider long-term implications of the NWP and the specific referral of powers and he was still waiting for clarification on treatment of over allocation.

"Information on incentive programs is not contained in the draft legislation leaves the delivery capacity plan open to political change," Mr Kenny said.

"And there is no distinction or recognition between different systems – the Murray is a very different water system to the Darling – this needs to be recognised in the preparation of the environmental water plan and the water quality plan."

He said sharing arrangements between states needs to be better recognised in the legislation.

"Until the Federal Government actually fixes the draft legislation, state governments and farm bodies cannot support a plan when it fails to meet the concerns of the very people it affects the most."

Federal Opposition spokesman for climate change and the environment, Peter Garrett, said the Government needs to be "much more serious" about resolving these issues over water.

"Clearly, once we come out of this winter season those communities in the Basin are going to be facing extreme difficulties if the Howard Government doesn't bring these talks satisfactorily to a close."

SOURCE: Rural Press National News Service, Parliament House Bureau, Canberra.

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Small allocation for SA irrigators

SA River Murray irrigators will be able to access at least one per cent of their allocations and some carryover water when the new water year starts on July 1.

SA's River Murray Minister, Karlene Maywald, says based on Murray Darling Basin inflows to the end of the May, 12 gigalitres will be available for irrigation in SA and a minimum of five gigs will be available to allocate as carryover water in July.

"While the Murray Darling Basin Commission advises there is enough water to cover heavily restricted critical human and stock water needs, for the first time, water availability for irrigation in 2007-08 will depend solely on rainfall received during winter and spring," she said.

Water will be available for industrial users from July 1, however they will need to complete a water efficiency plan to demonstrate exactly how they will reduce their usage.

"While the opening allocation will be small, most irrigators normally use only one to two per cent of their total entitlements in July so this modest initial allocation will be a significant benefit and relief," Ms Maywald said.

An initial allocation of five gigalitres will be available from July 1 for irrigators who applied to carryover water from the 2006-07 water year, for use in 2007-08.

Meters will be read in the first week of July and the actual amount of water applicants will be able to access as carryover will be determined after that.

AgForce told to stop playing politics with water plan

Queensland's Coalition Opposition has questioned the wisdom of farm lobby group, Agforce's stance against the Federal Government's \$10 billion plan to rescue the Murray Darling system.

Qld Coalition leader, Jeff Seeney, said while well-intentioned, Agforce was being naive in calling on the Beattie State government and other farm groups not to endorse the Federal Government's national water plan.

"Agforce and other farm groups would be wise to work out a deal with the Federal Government now. They are being naive in the extreme if they think they will secure a better deal for their constituents with Kevin Rudd, Peter Garrett and Co," Mr Seeney said.

"Getting the States to agree to anything on water is tough and the Federal Government has been doing its best to accommodate a range of issues and conflicting interests.

"I would strongly caution Agforce and other farm groups about brinkmanship on the National Water Plan at this critical time in the election cycle.

"Agforce would be far better dealing effectively on behalf of their constituents with John Howard and Malcolm Turnbull now than by spoiling the opportunity and then having to deal with Kevin Rudd and Peter Garrett."

Mr Seeney said Agforce had thrown up a list of reasons for the Beattie Government not to endorse the National Water Plan.

"This is manna from heaven for Peter Beattie to pick a fight with the Howard Government.

"Agforce would be far better looking at the bigger picture and what their actions might indeed lead to," Mr Seeney said.

"It would be a real shame to look back in a year or two and have to admit what a lost opportunity it all was."

Turning on the tap for a tiny Qld school

Dairy Farmers has helped turn on the tap to a new water supply for a tiny Queensland school whose existence was being threatened by the drought.

Freestone State School, near Warwick on Queensland's Darling Downs, has used a \$4400 Dairy Farmers' Creating Greener Pastures grant to equip a new bore, thereby providing water for both the school and the local community.

While sinking the bore was made possible by government monies, the Dairy Farmers' grant allowed Freestone to purchase a pump and the associated piping necessary to bring water up to the surface.

Boasting all of 33 students, the school had previously relied on a local creek for its water. However, when this source dried up a few years ago, the school started to rely on local farmers to donate water. School principal, Anne Jamieson, said the drought worsening meant local farmers no longer had water to spare - a grave concern for the school and its future water supply.

Enter the Queensland Government and Dairy Farmers.

"This new bore has accessed a good, reliable source of water almost 100 metres below the surface, and will be an asset to the whole community," Ms Jamieson said.

"As we only have 17 families at our school, fundraising is extremely difficult, so this Dairy Farmers' grant has taken away a huge burden - we simply would not have been able to get the bore running without it.

"The water will mainly be used by the school and to assist in our environmental education program."

Freestone State School, a former "Green and Healthy Schools" finalist and well-known for its commitment to recycling, plans to replant trees that have died due to dry conditions.

"We lost most of our border trees around the school because of the drought, so our first project will be to plant 30 new replacement trees, most of which will be local native White Chinchillas," Ms Jamieson said.

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20th

FarmOnLine

Rivers run as NSW rain reaches inland

Parts of the country around the Liverpool Ranges, near Tamworth, NSW, have received more than 175 millimetres of rain in the past week, causing flash flooding in the district.

The rain helped to replenish many dams on properties and provided much needed subsoil moisture for winter sowing.

It has been more than seven years since Phillips and Yarrambah creeks have flowed, with many residents remaining stuck on either side of creeks for several days.

The unexpected flooding caused minor havoc in the district with many flood crossing's and fences flowing down stream.

Along with the flooding, the community woke to a shock the following day when about eight centimetres of snow had fallen on the range.

Local cattle producer, Geoffrey Shopland, of "Brenand" said the rain received had come at a most crucial time for many producers in the area and it had encouraged many to plant more winter crops once the opportunity arose.

Renewed hope for NSW irrigators' class action

Southern NSW irrigators seeking compensation for water cuts made late last year, have renewed hope for a class action against the NSW Government.

Irrigators are preparing to take legal action against the State Government after up to 52pc of their carry-over water allocations was cut late last year without warning.

While a \$20 million package was announced in January, which is capped at \$50,000 a farm, irrigators believe a more compensatory package was needed.

While the Government has continually emphasised it was for drought assistance, not "compensation" or "structural adjustment, a deed of release which waive rights of irrigators for future legal action for the suspension of water indicates otherwise, according to John Taylor, partner in Finley law firm conducting the case, Taylor and Whitty.

Mr Taylor believes the Deed of Release could be held invalid on the basis of the way irrigators were asked to sign.

He said in law, an ex gratia payment was normally made without the giver recognising any liability or legal obligation, however attached to this payment was an expectation for irrigators to waive legal rights in the future.

"No one is suggesting the payments are equal to what irrigators have suffered," he said.

"And because the Government has specified that payments are an ex gratia payment and not compensation, the Government shouldn't expect to receive anything back."

SOURCE: Extract from full report to be published in *The Land*, NSW, January 21.

Water plan concerns warranted: NSW Farmers

The NSW Farmers' Association supports the concerns raised by the Queensland farming body AgForce, about the possible metering of stock and domestic bores under the National Plan for Water Security.

Resource Management Committee member, Bruce Atkinson, says the Commonwealth Government has failed to ensure that its draft Water Bill 2007 explicitly precludes the compulsory metering of stock and domestic water use in Murray-Darling Basin States.

“Since the National Plan for Water Security was announced by the Prime Minister in January 2007, the association has repeatedly raised its objection, through the National Farmers Water Taskforce, to the compulsory metering of stock and domestic water under a national plan,” Mr Atkinson said.

“The association’s policy is to oppose the monitoring and charging for stock and domestic water.

“In NSW, the Water Management Act 2000 provides for secure access to ground and surface water by farmers for stock and domestic purposes.”

Currently, NSW farmers are not required to meter low volume stock and domestic water use.

“While all groundwater bores in NSW must be licensed or approved by the Minister for Water, stock domestic bores are not required to be metered,” Mr Atkinson said.

“We support the AgForce view that until the Federal Government actually fixes the draft legislation, state governments and farm bodies cannot support a plan which fails to meet the concerns of the very people it affects the most,” Mr Atkinson concluded. SOURCE: *The Land*, NSW.

Lifeline for Murray citrus growers

A lifeline has been thrown to Murray Valley citrus and grape growers this week, in the form of a month of water to secure survival for permanent plantings and hope for future harvests.

Just two weeks after rain and inflows into storages helped to ease pressure of supplies, NSW Water Minister, Phil Koperberg, announced two gigalitres of water would be available for permanent plantings and key industrial users along the Murray River.

He said along with recent inflows, that NSW water allocations for urban water supply, and stock and domestic use, would be used to secure the water.

7

He acknowledged recent rain had relieved strain on the river system.

He said supply was still tight although water would be available for at least the month of July.

Mr Koperberg acknowledged the Murray Valley citrus industry made an important contribution to the local economy.

Water would help citrus growers keep trees alive during a critical frost risk period and remain viable for a few months.

Recent water shortages meant citrus and grape producers had to make commercial decisions on what varieties to continue irrigating and what varieties to either abandon or apply minimum water to ensure tree survival.

However, around 1.2 gigalitres of the allocation is earmarked for citrus growers on the NSW side of the Murray river.

Murray Valley Citrus Board chief executive, John Tesoriero, said, "The water will provide some relief and will ensure not just tree survival but that trees can produce too."

He said July was a critical month for citrus when it needed frost protection.

But it was also important during August and September.

"Hopefully, we will now get back to average rainfall," he said.

He said the amount of water needed for the citrus industry was small compared to the economic return for the industry.

To secure water, Mr Koperberg however, said without significant inflows it was likely that level four water restrictions would come into effect in all Murray towns from July 1.

However, local government groups are warning against blanket water restrictions, saying it could penalise some councils unnecessarily.

The Riverina Eastern Organisation of Councils wants the Mr Koperberg to look at water allocations for each council instead of applying blanket level four restrictions.

Executive officer, Julie Griggs, said the blanket approach was unnecessary and would not be the most efficient use of water.

A decision on the Murrumbidgee irrigation area will be announced next week, while the outlook for Victorian irrigators on the Murray will be announced on July 2. SOURCE: *The Land*, NSW

The Australian

Warmer Arctic springs to life early

Chicago: Plants and animals in upper Greenland have adapted their life cycles to the arrival of the Arctic spring several weeks earlier than a decade ago, according to a study released yesterday.

In a study that underscored the impact of global warming on the northern polar region, researchers discovered that plant, insect and bird life native to the high Arctic had made dramatic seasonal cycle adjustments to the region's earlier snowmelt in the space of just 10 years.

In some cases, flowers are emerging from buds and chicks are hatching a full 30 days sooner than they did in the mid-1990s in response to sharply increased temperatures burning off the winter's snow layer.

Birds such as the sanderling and ruddy turnstone had moved their springtime rituals forward by an average of two weeks by 2005, compared with 1996.

"Our study confirms what many people already think: that the seasons are changing and it is not just one or two warm years but a strong trend seen over a decade," said Toke Hoye, a researcher with the National Environmental Research Institute at the University of Aarhus in Denmark.

The trend can be traced to the region's spring snowmelt, which occurs about a fortnight earlier than it did a decade ago.

This should serve as an early warning system to the rest of the planet of the scale and pace of climate-related change, the researchers said.

And while not unexpected, the rate of change is surprising, even in light of the fact that Arctic temperatures are increasing at twice the global average.

Similar studies have noted much more modest changes with respect to plants in Europe (an advancement of 2.5 days per decade) and globally (5.1 days per decade).

"We were particularly surprised to see that the trends were so strong when considering that the entire summer is very short in the high Arctic - with just three to four months from snowmelt to freeze up at our Zackenberg study site in northeast Greenland," said Dr Hoyer, a co-author of the study. The Danish and US researchers also noted considerable variation in the response to climate change even within species, with much stronger shifts in plants and animals living in areas where the snow melts later in the year. That variation could lead to particular problems by disrupting the complex web of species' interactions that are crucial to successful reproduction in the highly seasonal environment, Dr Hoyer said. The wildlife that makes its home in the icy northern Arctic wasteland is unlikely to sustain this rate of change because of evolutionary constraints, but the region's shrinking sea ice is expected to keep pushing temperatures higher, the study said.

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The study is published in the June 19 issue of *Current Biology* and is based on a 10-year analysis of six plant species, 12 insect species and three bird species in a 19sqkm area near Zackenberg.

AFP

Climate changes privatisation debate

The privatisation of key government-owned utilities like power stations is defined by opposing ideologies and painful memories for both sides of politics. The issue is re-emerging in NSW, this time with a new twist in the tail: climate change.

The emerging inevitability of a price on greenhouse emissions in Australia applies a new sovereign risk to the hitherto low-risk business of generating and selling electricity.

When the Howard Government committed itself to emissions trading from 2012, it effectively created bipartisan support for a price on greenhouse emissions in Australia. Give or take a year or two in commencement date, the schemes proposed by the federal Government and Labor states vary only slightly in design.

The resulting building price on carbon under emissions trading brings a new dimension of risk to electricity generation, depending on the type of generating plant. Low-cost coal-fired power stations currently produce about 80 per cent of electricity in Australia. These businesses will remain lucrative in the short term but at a diminishing rate unless low-cost adaptations to reduce emissions can be developed.

Gas is expected to become increasingly competitive but may also struggle in the longer term because while it has about half the greenhouse emissions of coal, it still has an emissions cost. Renewables that are now too expensive to operate without market support will become increasingly competitive over time.

The lowest-cost way of managing this risk is, as in other businesses, to diversify. But the retention of almost all coal-fired generating assets in NSW, Queensland and Western Australia has blocked this strategy, with business being forced to invest in either gas or renewables, while government remains dangerously long in coal.

UK-based energy company International Power bought into the Australian market in the 1990s and now owns coal-fired generating assets including Hazelwood and Loy Yang B in Victoria, gas in South Australia and wind farms.

Executive director Tony Concannon said the business plan evolved around diversity in fuel types, geography and technology to manage the inevitable uncertainty in the industry.

International Power, like other energy companies, is looking to expand, particularly into NSW and Queensland, if it can acquire the right mix of assets. To date this has been hindered by the impasse on privatisation of coal-fired power stations in those states.

"When we came to Australia in the mid-90s it was done under the promise that all eastern states would privatise. Clearly two did and two didn't," Mr Concannon said.

"We remain cautious about Queensland because there is a bit of a history there where the government has built new plant irrespective of where the market price is. But in NSW we are still very keen to participate if there is an opportunity for us to do so."

Debate over the appropriateness of government ownership of trading enterprises like banks, telephone companies and airlines has been bedded in principles about the role of the state in business but argued on efficiency and equity grounds. Would the business be better run by the private sector? Would there be sections of society disadvantaged as a result? How would the proceeds be spent?

The business of generating and selling electricity has been particularly divisive. The Kennett government in Victoria sold off its power stations during the mid-90s and South Australia followed suit with a combination of sales and long-term leases. The coal-fired engine room of generating assets in other states remain in government hands.

Supporters of private ownership point to the success of the Victorian privatisation fetching a top-shelf price of \$21 billion, which was used to retire state debt. The investment meant older power stations like Hazelwood were upgraded and their lives extended, with power prices in Victoria commensurate with those in other states.

Critics include the Electrical Trades Union (ETU) and the Construction, Forestry, Mining and Energy Union (CFMEU). They claim the sell-off resulted in a run-down of maintenance, deep cuts in workforce numbers, abandonment of apprenticeships and more regular power outages.

Last week former prime minister Paul Keating decided to help things along when he called for governments to sell off all remaining state-owned assets, with particular emphasis on power stations. The Beattie Government has just completed the sale of its \$3 billion retail electricity businesses. On Thursday the NSW Opposition flagged the \$4 billion sell-off of the three state-owned electricity retailers but left alone the much more contentious privatisation of the state's three corporatised generators.

They will still remember the disastrous election promise made in 1999 by former Opposition leader Kerry Chikarovski to sell off generators and retailers, unaided by the lure of a \$1000-a-household handout. NSW is shaping as the next major battleground on this contentious issue. The Iemma Government inherited a hospital pass from former premier Bob Carr in his sustained deferral of a decision on a new base-load power supply in the state.

9

Now in post-election clean-up mode, they have commissioned energy economist Tony Owen to review the state's supply needs as a precursor to a decision on when a new power station - most likely coal fired - will be built.

Treasurer Michael Costa is understood to be similarly minded to former treasurer Michael Egan, who unsuccessfully tried to privatise these assets at the ALP state conference in 1997. Mr Egan was thwarted by opposition led by the powerful CFMEU and ETU. On the flip side, they were rumoured to have been instrumental in averting a blanket ban on new coal-fired power being pushed by Mr Carr in 2005.

CFMEU mining and energy president Tony Maher supports any move by the Iemma Government to build a new base-load power station and accepts this is likely to be privately funded. But he does not think this should extend to the \$20 billion worth of existing government-owned generators. "The Victorian experiment didn't do anyone any good. They quartered the workforce. They've had brownouts, they've had reliability problems, they've had corporate problems in terms of companies not making any money and taking a bath on the resale. It's hardly been a success story for anybody," he said.

Owning the state's coal-fired power stations is a lose-lose proposition for Mr Iemma in the current political and economic climate. Not building a new power station will push up wholesale electricity prices that have already doubled since January as a result of tightening supply, increased demand, and water shortages reducing the output from some power stations. But building one draws pressure from environment groups and accusations of hypocrisy on the Government's other climate change strategies.

ACIL Tasman chief executive Paul Breslin said the government-owned generators were hobbled by existing arrangements, which would only worsen under the evolving market response to a price on greenhouse emissions.

"In NSW they have pretty well been told you can't expand, you can't go overseas, you can't replace plant, you can't go into new technology," he said.

Mr Breslin said he expected the market to move towards greater integration if allowed, but he warned that privatisation could only be implemented once the detail of an emissions trading scheme and the allocation of emissions permits had been made.

Getting this detail right could add or shave billions from the value of generators and sets the stage for some fierce lobbying in the months ahead.

More icebergs, more life

Icebergs released into Antarctic waters by global warming are hotspots for wildlife, researchers have found. The break-up of Antarctic ice shelves has increased the number of icebergs and they have proved to be an unexpectedly rich habitat.

Nutrients released into the water by melting ice promote the growth of phytoplankton, which attract krill, which are then preyed on by bigger animals such as whales.

Sea areas that would normally be barren have become rich in animal life, including a variety of fish.

Among the birds observed by scientists from the Monterey Bay Aquarium Research Institute, in the US, were Cape petrels and Antarctic fulmars. Penguins, whales and seals are attracted by the krill and fish.

Almost 1000 icebergs were counted in 11,000sqkm of the Weddell Sea. Scientists calculated they had increased the "biological productivity" in nearly 40 per cent of the sea.

Life thrives in such quantities around the icebergs studied that the researchers describe them as free-floating estuaries.

"We envision free-drifting icebergs in the Weddell Sea as hotspots of continual micro-nutrient release that sustain the accompanying attached and pelagic communities," they say in their report, published in the journal Science.

Researchers suggest the eruption of life around the icebergs could reduce carbon dioxide in the atmosphere.

Some of it is absorbed by the ocean and, in turn, by animal life which, when it dies, can sink to the seabed where the carbon is trapped.

Mystery of Chile's missing lake

Santiago, Chile: The abrupt disappearance of a two-hectare glacial lake in southern Chile could have been caused by the melting of nearby glaciers or cracks in the ground created by an earthquake, scientists said yesterday.

Park rangers in the Bernardo O'Higgins National Park were stunned during a routine visit in late May to find a 40m-deep crater where a large lake had been just two months earlier.

Officials said a clear explanation of why the lake vanished would probably not be known until experts visited the remote region in Chile's southern Andes.

Juan Jose Romero, of Chile's National Forest Service, said it would take up to three weeks to reach the remote area 2000km south of Santiago. But based on pictures of the area, experts already were discussing hypotheses related to global warming and seismic activity.

Glaciologist Gino Casassa said the cause may have been a phenomenon known as glacial lake outburst floods. As glaciers retreat, glacial lakes form behind natural dams of ice or moraine. These relatively weak dams can be breached suddenly, causing the lake to drain. Possible causes for the dam to be breached include a sudden input of water into the lake, an earthquake or avalanches of ice or rock.

10

Mr Casassa said the Chilean lake was fed by two glaciers, "and both of them are receding". The water level of the lake could have risen with the increasing flow from the melting glaciers.

"At the same time, the increased amount of water opens a tunnel under the ice, emptying the lake," he said.

Another glaciologist, Andres Rivera, said that "most glaciers in the region are receding as a result of the global warming".

This may both create new lakes or cause others to empty, he said. Mr Casassa said glaciers could recede for other reasons than global warming. "But I am convinced this is the result of global warming," he said. *AP*

Murray Valley Standard

Irrigators to get one per cent water allocation

'Better than nothing'

Allocations to affect more than just irrigation

Water allocations to affect producers and processors/Industrial water users, including dairy farmers, need to create water efficiency plans/Information about industrial water use will be sent to businesses.

No watering of domestic lawns in July

22nd

FarmOnLine

Global challenges need smart farmers

No matter how smartly you are farming, and how innovative your equipment and techniques... there will always be someone that is able to do it better. That is the history of 'smart' farming in Australia, and the only way for the industry to survive, according to Professor Tim Reeves. The internationally recognised sustainable farm systems and grains expert is the keynote speaker at the Ready, Set, GROW grains forum being held in Emerald next month.

One of the aims of the forum is to learn more about issues facing Central Queensland grain growers in the next decade. Professor Reeves believes farms are going to look very different within ten years, as the industry tackles the global challenges and opportunities brought about by changes to climate, markets and energy.

"I see farms becoming more of a 'mosaic' of specialised operations, as managers diversify and protect their incomes," Professor Reeves said.

"All the major challenges will require technological solutions, whether they be mechanical, new varieties or management techniques.

"Research is going to be vital to finding those solutions, so it is important to continue investing in the topics that matter. These are no longer just increased productivity, but also sustainability in a variety of areas."

The challenge on everyone's lips these days is climate change, and Professor Reeves has no doubt that farmers can adapt, as they have in the past.

Energy costs, use and production are all linked to climate change, and he believes that has major implications for farm sustainability.

"Biofuels are already creating some of the most rapid changes to agriculture in various parts of the world," Professor Reeves said.

Professor Reeves believes the grains industry is well set up to cope with the challenges and make the most of the opportunities.

"Getting the farming systems right is vital, and this type of forum helps to provide those tools necessary for growers to think and farm even smarter," Professor Reeves said.

SOURCE: *Queensland Country Life*

Some head lines and by lines from papers whilst I was in Victoria

Herald Sun

Farmers the kink in the pipe.

Victoria farmers are blocking the Government from announcing it's solution to Melbourne's water crisis.

Carbon cost 'not so bad'

A worst case carbon trading scheme that made big polluters pay for all their emissions would not lead to a doomsday scenario, investors at a global warming forum were told yesterday.

Two prong plan on water crisis

The Brackes Government will take a twofold approach to tackling Melbourne's water crisis: it looks set to pipe water across the Great Dividibf Range (**another blow for the Basin ie the River Murray**) and build a desalination plant.

Warning on water plants

Desalination can harm environment

Removing salt from sea water to over come a world wide shortage of drinking water could end up worsening the crisis, environmental group WWF has warned.

The next important steps towards securing our water future

Victoria needs more water/Modernising Victoria's Food Bowl

11

Turning on the tap

Finally the Bracks Government has moved to deal with Melbourne's (**don't worry about rural ares**) water crisis.

Water bills will rise in \$5b plan

Water bills will double in Melbourne to pay for \$4.9 billion projects to drought proof the city.

Paradise lost onpristine coast line

The announcement by the Brack's Government of a desalination plant at near Wonthaggi (**with little or no consultation with land owners**) has been labled as a disaster by the owners of land that is either going to be compulsorly purchased or is next to the plant.

Business worried about rises

Business groups have welcomed the State Government's \$4.9 billion water plan, but are worried about rising water costs to consumers.

Droughts could be even worse

Australia could be in for longer, drier and more frequent droughts if the past 40,000 years are any thing to go by, researchers say.

Dreams running dry

\$5b water plan's trail of tears

\$15million cost to users

Angry Victorian land holders say they were given no warning of the State Government's plans to build Australia's largest desalination plant on or near their property. About 20 families will be affected by the \$3.1 billion facility announced yesterday as part of a drought package.

China warms to top position

China spewed out more carbon dioxide than the United States for the first time last year, making it the World's biggest producer of the primary gas blamed for global warming. China is now building about two power stations per week.

Adelaide Advertiser

Banned: water of lawn

(Let nature take care of it, say Maywald)

Recycled water must lose toilet 'yuck factor'

Premier 'has to act' on climate rhetoric

Al Gore:

"The planet is in distress and all of the attention is on Paris Hilton."

23rd

Adelaide Advertiser

Nuclear 'part of answer'

Nuclear energy must be part of the global warming solution, a top United Nations climate official believes.

Tracing steps of our water

The Water Footprint. Australia has a lower footprint than many countries, as well it should. The water footprint includes the water use as we produce things we need. For instance, it takes 16,000 litres of water to

produce 1 kg of beef. This is a fascinating and useful site. I am sorry about the funny URL.
www.footprint.org/?page=flies/home

25th

FarmOnLine

La Nina on track

The Southern Oscillation Index (SOI) this week has moved up again, with the 30-day running average now at +4.

According to the Bureau of Meteorology (BOM), the good news for growers looking for more rain, is that in the past month the 30-day average Southern Oscillation Index (SOI), a key indicator of the potential for La Niña, has risen into positive values.

But it needs to stay above +5 for at least two months to confirm trends towards a La Niña event during 2007. La Niña events are associated with wetter than average conditions in eastern Australia.

And the Trade Winds have become close to, or stronger than average in the western to central Pacific, another sign of a good likelihood of a La Niña event developing.

SOURCE: *Queensland Country Life*, June 21

WA carbon trade pilot scheme launch

Farmers in WA northern agricultural areas are being invited to join a carbon trading pilot scheme of the newly established Australian Soil Carbon Accreditation Scheme (ASCAS).

WA's Northern Agricultural Catchments Council (NACC) program coordinator, Bill Currans, said his group was calling for expressions of interest from land managers with perennial pastures.

It will be for a pilot soil carbon benchmarking program.

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Mr Currans said, "Agriculture and other land management practices have a significant impact on greenhouse gases in the atmosphere - through emitting and by removing greenhouse gases from the atmosphere via carbon sequestration.

"Carbon can be sequestered on farm land in the form of soil organic carbon, litter and above ground biomass, and in trees.

"Any increase in the carbon stored on a farm is regarded as sequestered carbon.

"Under a carbon trading scheme, this sequestered carbon can be sold as Carbon Credits."

Mr Currans said NACC would measure the carbon sequestered on farmland.

ASCAS was in the process of securing Rio Tinto to buy the carbon credits produced under this project, at \$25 per carbon credit.

"NACC has contributed \$20,000 to enable preliminary benchmarking of the carbon sequestered under different perennial land uses across the NAR," he said.

SOURCE: Extract from report in *Farm Weekly*, WA, June 21.

Horticulture meets with Govt on Murray Darling crisis

A delegation from Horticulture Australia Council (HAC) met with Agriculture Minister, Peter McGauran, in Parliament House, Canberra, this week for discussions on the looming crisis in the lower Murray Darling Basin.

The delegation strongly made the point that the existing parameters of the Exceptional Circumstances (EC) arrangements were excellent for dryland, broad-acre agriculture.

But that the intensive industries, including horticulture, required an entirely separate Disaster Relief package.

This package should be based on the same principles and concepts as the existing EC arrangements, but should be tuned to the different circumstances of intensive industries.

Minister McGauran assured the delegation that the Government was willing to consider further assistance measures. He also pledged to work with industry on the best way to meet the crisis, and it was agreed that the delegation would meet again in mid-July, once the situation had clarified.

Unless there are significant inflows into the Murray Darling Basin system, the 'taps will be turned off' for irrigators in the lower basin.

The delegation included representatives from industries most at risk, permanent plantings of citrus, almonds, stone-fruit, and vines.

Without irrigation and/or substantial ongoing rain, the affected regions (MIA, Goulburn Valley, Sunraysia and Riverland), which produce over 60pc of the nation's fruit in these varieties, face potential death of some 138,000 hectares of permanent plantings within six months. SOURCE: Horticulture Australia Council

AWA

Water Minister Malcolm Turnbull has advised that the Australian Government's \$10bn water plan appears to be finally agreed after clarification that "there is no intention to require metering of stock and domestic bores on properties except where a particular groundwater system is under stress."

Labor Leader Kevin Rudd has announced that Labor's National Rainwater/Greywater Plan will put up \$250m over six years to save water in 500,000 homes across Australia. A Rudd Labor Government will help 500,000 households with \$500 rebates to install rainwater tanks or grey water pipes to help combat Australia's urban water shortages. Other measures are also alluded to.

The Victorian Government has announced a \$3.1 billion desalination plant on the Gippsland coast near Wonthaggi, south-east of Melbourne; a \$1 billion pipeline to bring irrigation water from northern Victoria to boost city supplies of drinking water; and extra water for farmers and the environment from piping and lining waste channels.

Water Ministers of Victoria, NSW, SA and ACT have accepted the recommendations of the third Murray-Darling Basin Contingency Planning Report, which makes the key point that the water situation in the southern part of the Basin has not changed significantly. Thus contingency planning will continue, and include irrigation water allocation, disconnection of wetlands and further water restrictions.

Water restrictions are "NOT SUSTAINABLE" or adequate in themselves to meet the projected shortfall between population growth and demand in the cities in particular according to a report prepared by water experts for the June 2007 meeting of the Prime Minister's Science, Engineering and Innovation Council.

At the Institute of Public Administration NSW, NSW Premier Iemma has announced that the Kurnell desalination plant would be built by the BlueWater Consortium consisting of John Holland, Sinclair Knight, Merz, Maunsell and Veolia and that it would be 250MG (double original size), a better proposition cost-wise than a smaller plant.

The National Water Commission's report Using Recycled Water for Drinking Purposes, released last week, provides an overview of the national and international experience of indirect and direct potable re-use.

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This report will complement the national guidelines for the use of recycled water for drinking purposes currently being developed.

The Australian Government is providing \$26m a week in Drought Assistance to farmers and small businesses, totalling \$1.7 billion over the course of the current drought. More than half Australia's agricultural land is declared to be under "Exceptional Circumstances".

A new ABC TV show, Carbon Cops, will screen at 8pm on Tuesdays from 26 June, supported by Sustainability Victoria. The show involves six energy-hungry households, set a reduction target of 50%.

To encourage the development of Young Professionals in the Irrigation industry, the Australian National Committee on Irrigation and Drainage is again offering a travel Fellowship award of \$10,000 for a young scientific achiever in irrigation research and development.

Expressions of interest are invited by Ferrier Hodgson, for potential buyers of Australian Waterwise Solutions Ltd. This \$36m t/o has an ASX listing services the garden, irrigation and turf markets.

ESKOM, South Africa's power company has made moves towards dry cooling and other water conserving measures. An outline was given in a World Business Council for Sustainable Development case study.

Recriminations have broken out among Galway politicians and government officials in Dublin, Ireland about who deserves the blame for a water supply that contained Cryptosporidium which passed unscreened through an aging water treatment plant that is supposed to pump treated drinking water from the Lough Corrib river system.

Under a co-operation scheme between the Dutch ministries of Public Works and Environment and their Indonesian counterparts, the Indonesian Water Partnership together with the Cooperative Program on water and Climate (CPWC) have organised a joint international workshop on water and climate.

Shares in the water sector in England and Wales are being fuelled by speculation of a new round of mergers and acquisitions after the Competition Commission gave the go-ahead for a Mid-Kent/South East Water merger and RBS put Southern Water on the market.

Flood Defences in England and Wales are improving but a new report from the Environment Agency warns that the cost of protecting London and south-east England will be at least €4 billion as sea levels rise and the coast sinks over the next century. At worst, the cost of a major new barrier to protect London would be in excess of €20 billion.

Water bills for Victorians will double to about \$1000 a year to bankroll a \$5 billion plan to upgrade Melbourne's water supply. The centre-piece will be a \$3 billion water desalination plant.

Rain inland of the drenched east coast of NSW has helped to replenish many dams on properties and provided much needed subsoil moisture for winter sowing.

Regardless of total dam levels for Sydney's supply reaching 50%, the NSW Government has maintained its support for a desalination plant.

Victoria's Water Minister Thwaites would appear to have been side-lined by the Premier and Treasurer on the decision to spend millions on a desalination plant and the N-S supply pipeline to Melbourne.

26th

FarmOnLine

Irrigators accused of stealing wetlands water

Irrigated cotton and wheat farms in northern NSW have been accused of stealing billions of litres of water released specifically to revive one of Australia's most ecologically important wetlands, a new report claims. The Inland Rivers Network claims an investigation into allegations of water theft from the Macquarie Marshes wetlands in north-west NSW has uncovered evidence that irrigators deliberately and illegally siphoned-off water from a 30,000 megalitre environmental flow released from the Burrendong Dam in October 2005.

The network's report, to be issued today, contains aerial photographs – taken by NSW Government staff in 2005 – which show newly built dams, levee banks and irrigation channels diverting environmental flows to irrigate crops and pasture.

One photograph shows large volumes of tannin-stained environmental water being diverted from a river redgum forest into numerous channels and a large storage dam.

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The report calls for a statewide audit of all water diversion structures on river flood plains and removal of those that allow water theft to occur.

The Macquarie Marshes, which cover 220,000ha, are one of Australia's most important breeding sites for water birds and are listed as internationally significant under the Ramsar Convention.

University of NSW ecologist Dr Richard Kingsford said the wetlands once supported 20 million breeding birds, but numbers had plummeted and were now as low as 20 birds in some areas.

Water levels were now so depleted no birds had bred in the wetlands for the past seven years, he said.

The Inland Rivers Network – a coalition of environment groups, including the Australian Conservation Foundation and Friends of the Earth – obtained government documents under Freedom of Information that show no approvals were given to build the dams, channels and levee banks used to divert water from the Macquarie River and its wetlands.

The investigation found an unlicensed channel was built to divert water illegally from a Ramsar-listed wetland on a neighbouring farm.

"Current information indicates that the channel extends some way, filling several dams and probably flooding land.

"It has been stated that the channel has a gate at the wetland end to ensure that no water can flow out of the channel and return to the wetland," the report says.

Australian Greens environment spokeswoman Senator Rachel Siewert described the report as "damning" and indicative of continuing failures in water management.

"It highlights the major problems that need to be addressed if we are to have any hope of recovering our wetlands and rivers. It goes directly to the future of water management in the Murray-Darling Basin," she said.

SOURCE: *The Canberra Times*.

VFF fights Melbourne grab for Murray water

The Victorian Farmers Federation has hit out at the State Government for pursuing a controversial plan to pump water from the Murray to Melbourne, despite promises not to do so without further consultation with farmers.

Delegates at the VFF Conference on Friday confirmed the lobby group's policy position that water should not be taken from north of the divide to Melbourne.

Members also formally recorded their dissatisfaction with the consultation process prior to the State Government's announcement.

However, VFF president Simon Ramsay said that despite the lack of consultation with the wider community and insufficient details on the proposal, the \$1 billion commitment into the Goulburn Murray water infrastructure is a substantial investment in the rural community.

As such, the VFF would continue its negotiations with the State Government to get the best outcome to water users, he said.

The VFF claims that in its discussion with the State Government a commitment was given that the farmers' share of the savings would be added to their entitlements.

The VFF has also sought a commitment on issues including:

- * that the State Government will not enter the permanent or temporary water market to purchase water for Melbourne;

- * that there be no increase in water costs to farmers;

- * that the project needs to be developed in its entirety with a steering committee to manage the project; and

- * that the proposal to include financial assistance for on-farm upgrades.

SOURCE: *Stock & Land*, Victoria, weekly rural newspaper, posting daily updates on *FarmOnline*. **The Australian**

Work to begin on desal plant as dam levels rise

Sydney is about to join the march of the capital cities towards desalination, even though dam levels are two-thirds higher than the original trigger for a plant, and rising.

NSW Premier Morris Iemma yesterday announced that construction of a desalination plant at Kurnell, in southern Sydney, could begin as early as next month, following the signing of a contract with the BlueWater Consortium, consisting of John Holland, Sinclair Knight, Merz, Maunsell and Veolia.

Thanks to falling prices due to new technologies and more competition among tenderers, Mr Iemma said the Government would commission a plant producing 250 million litres of desalinated water a day for \$1.76billion - \$140 million less than originally budgeted for a plant half the size.

"The desalination scheme is the largest and most significant capital works project undertaken by Sydney Water since Warragamba Dam," Mr Iemma said.

He said he was not prepared to see Sydney held hostage to the next drought, despite the opposition of local residents who fear pollution from the brine released back into the ocean, and disruption as the plant is connected to the water grid by new underground pipes.

15

After stipulating that dams would need to fall to 30 per cent of capacity before the plant would go ahead, Mr Iemma shifted his position at the beginning of the state election campaign in February, after former Opposition leader Peter Debnam appeared to flip-flop on the need for a plant.

With levels at about 34 per cent and dropping, he approved the project, which has had a chequered history since former premier Bob Carr first announced it two years ago.

With Sydney already experiencing its second-wettest June on record, dams are now half full.

Earlier this month, *The Australian* revealed plans by Victorian Premier Steve Bracks for a \$3.1 billion desalination plant on the Gippsland coast near Wonthaggi.

The West Australian Government recently announced that a second desalination plant for Perth would be built by 2011 to complement the existing plant at Kwinana. The Queensland Government has approved one for the Gold Coast and South Australia is also investigating building a plant to boost Adelaide's supply.

News Limited to spread climate message

News Limited, the nation's biggest media company, will launch a campaign to promote climate-friendly initiatives to its 15 million readers and viewers after announcing yesterday it would cut its own greenhouse emissions by 20 per cent and become carbon neutral in three years.

Advertising aimed at encouraging the public to make small changes to become more energy efficient is expected to be launched within the next month. The campaign will amplify the company's One Degree energy reduction plan, which was announced yesterday by John Hartigan, chairman and chief executive of News Limited, publisher of *The Australian*.

"A 20 per cent cut in emissions will prevent 30,000 tonnes of greenhouse gases from entering the atmosphere and warming the Earth," Mr Hartigan said. "That's equivalent to taking about 7500 cars permanently off the road."

The plan, which also suggests ways staff can reduce their carbon footprint, includes using more fuel-efficient vehicles, encouraging suppliers to reduce their carbon output, reducing water usage and making buildings more energy-efficient.

"Carbon credits to fund alternative energy sources will be used as a last resort to offset what can't be eliminated," Mr Hartigan said.

Tony Wilkins, head of the company's environment and climate change department, said cost-savings would help the company invest in renewable energy. News Limited's carbon footprint last financial year was 146,466 tonnes - about 22 per cent of parent company News Corporation's total footprint - but Dr Wilkins said readers and viewers emitted 10,000 times as much.

"I think the single biggest influence that we can have as a company is the influence that we have on the public," Dr Wilkins said. "If we succeed in inspiring our audiences to reduce their own impact on climate change by 5 per cent, it would be like turning off the state of California for a year."

The plan, which will result in interactive arm News Digital Media becoming carbon neutral within six months, follows an announcement by News Corporation that it aimed to be carbon neutral within three years. Climate change posed "clear, catastrophic threats", News Corporation chairman and chief executive Rupert Murdoch said last month.

Adelaide Advertiser

COMMITMENT: Publisher to be carbon-neutral

News's climate pledge

News Limited, publisher of the Advertiser, yesterday committed to an ambitious new program which will see the company slash its greenhouse gas emissions by 20 per cent and become carbon-neutral within three years.

Other firms making a stand

Bunnings – ANZ – Channel 7 – CARSGuide.com.au – Finsbury Green Printing – John Butler Trio – The AFL and Origin. **Rudd aid for water tanks**

Winery's recycling upgrade

A water recycling plant at Taylors winery in the State's Mid North was effecially opened yesterday by Federal Environment and Water Resources Minister Malcolm Turnbull.

Water plant doubled

A controversial desalination plant in Sydney will be twice the size originally announced.

Murray Valley Standard

Water allocations rise

Irrigators to receive four per cent River Murray water allocation from July 1.

Wetlands surviving despite the big dry

27th

The Australian

Puddles point to a drought finally in retreat

16

The drought that has ravaged eastern and southern Australia could soon be over, according to the Bureau of Meteorology. Bureau climatologist Blair Trewin said there were indications that a weather pattern associated with above-average rains was due to sweep the eastern two-thirds of Australia in coming months. As rain fell across much of eastern Australia yesterday, Mr Trewin said it was still too early to officially call the end of the drought, but said the rains were a "pretty encouraging sign" the long dry was close to being over.

He said that during the past week there had been signs that a La Nina weather pattern, which is marked by below-average surface temperatures in the central and eastern Pacific Ocean and the tropics, was "quite likely" to hit Australia. "If a La Nina were to occur later this year it would probably be sufficient to end the drought in most areas," Mr Trewin said.

However, he said Australia would still face a "long-term" drought, because of the impact that years of low rainfalls had had on water storage levels. He said it would probably take another year of good rains to replenish supplies.

Of the capital cities, Brisbane has been the hardest hit with dam storage levels at 18.11 per cent, while Sydney has 50 per cent, Canberra 31.9 per cent, Melbourne 28.5 per cent, Adelaide 65 per cent, Perth 20.4 per cent, Hobart 77 per cent and Darwin 90 per cent. Mr Trewin's comments follow other recent indicators that suggest the country is slowly emerging from drought. On Monday the Australian Bureau of Agriculture Resource Economics forecast winter crop harvests would more than double, thanks to heavier-than-average autumn rains.

The federal Government welcomed the strong result, but said it was unlikely there would be any change to those parts of the country it judged to be in exceptional circumstances.

In Brisbane yesterday rain tumbled down steadily, but there was no net gain in the city's ailing water supply. About 25mm of rain fell around Brisbane and 20mm in the catchment areas of the Wivenhoe, Somerset and North Pine dams, but the combined capacity of the three dams stood at just over 18 per cent.

Between 50mm and 60mm of rain is necessary for water to start running into the dams. The rain on Monday night and throughout yesterday yielded only one extra day's supply of water for the parched southeast Queensland region.

Cold temperatures are expected in Brisbane today, but the rain is expected to stop.

Two weeks ago, the three dams received their biggest rainfall in 18 months when eight days' worth was added to the region's water supply.

Given that the region has been in drought for 18 months, the fact that there have been two "rainfall events" in two weeks in southeast Queensland is cause for optimism.

Work to begin on desal plant as dam levels rise

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Thanks to falling prices due to new technologies and more competition among tenderers, Mr Iemma said the Government would commission a plant producing 250 million litres of desalinated water a day for \$1.76billion - \$140 million less than originally budgeted for a plant half the size.

"The desalination scheme is the largest and most significant capital works project undertaken by Sydney Water since Warragamba Dam," Mr Iemma said. He said he was not prepared to see Sydney held hostage to the next drought, despite the opposition of local residents who fear pollution from the brine released back into the ocean, and disruption as the plant is connected to the water grid by new underground pipes.

After stipulating that dams would need to fall to 30 per cent of capacity before the plant would go ahead, Mr Iemma shifted his position at the beginning of the state election campaign in February, after former Opposition leader Peter Debnam appeared to flip-flop on the need for a plant.

With levels at about 34 per cent and dropping, he approved the project, which has had a chequered history since former premier Bob Carr first announced it two years ago.

With Sydney already experiencing its second-wettest June on record, dams are now half full.

Earlier this month, The Australian revealed plans by Victorian Premier Steve Bracks for a \$3.1 billion desalination plant on the Gippsland coast near Wonthaggi.

The West Australian Government recently announced that a second desalination plant for Perth would be built by 2011 to complement the existing plant at Kwinana. The Queensland Government has approved one for the Gold Coast and South Australia is also investigating building a plant to boost Adelaide's supply.

News Limited to spread climate message

News Limited, the nation's biggest media company, will launch a campaign to promote climate-friendly initiatives to its 15 million readers and viewers after announcing yesterday it would cut its own greenhouse emissions by 20 per cent and become carbon neutral in three years. Advertising aimed at encouraging the public to make small changes to become more energy efficient is expected to be launched within the next month.

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The campaign will amplify the company's One Degree energy reduction plan, which was announced yesterday by John Hartigan, chairman and chief executive of News Limited, publisher of The Australian.

"A 20 per cent cut in emissions will prevent 30,000 tonnes of greenhouse gases from entering the atmosphere and warming the Earth," Mr Hartigan said. "That's equivalent to taking about 7500 cars permanently off the road."

The plan, which also suggests ways staff can reduce their carbon footprint, includes using more fuel-efficient vehicles, encouraging suppliers to reduce their carbon output, reducing water usage and making buildings more energy-efficient.

"Carbon credits to fund alternative energy sources will be used as a last resort to offset what can't be eliminated," Mr Hartigan said.

Tony Wilkins, head of the company's environment and climate change department, said cost-savings would help the company invest in renewable energy. News Limited's carbon footprint last financial year was 146,466 tonnes - about 22 per cent of parent company News Corporation's total footprint - but Dr Wilkins said readers and viewers emitted 10,000 times as much.

"I think the single biggest influence that we can have as a company is the influence that we have on the public," Dr Wilkins said. "If we succeed in inspiring our audiences to reduce their own impact on climate change by 5 per cent, it would be like turning off the state of California for a year."

The plan, which will result in interactive arm News Digital Media becoming carbon neutral within six months, follows an announcement by News Corporation that it aimed to be carbon neutral within three years.

Climate change posed "clear, catastrophic threats", News Corporation chairman and chief executive Rupert Murdoch said last month.

FarmOnline

A key rainfall indicator has hit a 13-month high as rain continues to fall across much of the east coast and significant inland areas of Queensland, NSW and Victoria.

Asian business and government leaders have accused rich countries of hypocrisy by using cheap labour to run polluting industries in China, and then blaming the developing countries for worsening global warming and climate change.

Malaysia's Deputy Finance Minister, Nor Mohamed Yakcop, said, "This is green imperialism."

He was speaking during a panel discussion at the World Economic Forum on East Asia, a two-day conference in Singapore.

A Chinese aviation tycoon told the discussion that the West was the original polluter.

But all participants agreed that instead of fixing blame, the problem should be solved internationally and with private-sector participation.

China has come under increasing pressure from the West to take more forceful measures to curb greenhouse gas emissions.

The country relies on coal to provide two-thirds of its energy.

At the conference, the US and Australia were also criticised for not signing the 1997 Kyoto Protocol, which caps the amount of carbon dioxide and other climate change-inducing greenhouse gases that can be emitted in industrialised countries.

China is a signatory but because it is considered a developing country it is exempt from emission reductions a reason often cited by the US and Australia for not accepting the treaty.

Nor Mohamed said sustainable growth or economic development with limited harm to the environment was important, but there was no point in singling out one country when it is a global problem.

"Companies that are polluting in China are owned by American, European, Japanese and others. "They are benefiting from the cheap labour, from the resources and at the same time accusing China of pollution," he said.

In 2006, China overtook the United States in carbon dioxide emissions by about 7.5pc, according to the Netherlands Environmental Assessment Agency's report last week.

While China was 2pc below the US in carbon dioxide emissions in 2005, voracious coal consumption and increased cement production caused the numbers to rise rapidly, the agency said.

China also uses other statistics to contend that it is not the worst offender: with a population of 1.3 billion people, China spews out about 4760kg of carbon dioxide per person, while the United States releases nearly 19,280kg per person.

The chairman of China Hainan Airlines, Chen Feng, said, "The West was the original polluter when its industries were ruining the environment 100 years ago.

"So the way I see it is, you [the West] were bandits before you became right-minded people."

Japan's Environment Minister, Masatoshi Wakabayashi, said it was "significant" that US President George W. Bush had proposed the 15 biggest emitters of greenhouse gases including the US, China, India hold meetings and set an emissions goal, but that the commitment of other participants was crucial.

"Without the participation of United States, China and India the main emitters we will not stop global warming," he said.

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The chairman of a US management, design and construction firm, Ralph Peterson, said Asia's economic growth path appeared unsustainable because of high and inefficient energy consumption that contributed to pollution.

He said South-East Asian nations produced 11pc of global output and used 21 per cent of world oil.

SOURCE: AAP and *the Canberra Times*

WA rain a start, but much more needed

Farmers in the Western Australian wheat-belt had their first widespread winter rain over the weekend but so far the rain is not nearly enough for a break in the season. Drought-affected wheat-belt areas, for instance, received an average 15mm. The bureau says WA could still achieve near-average rainfalls this year, but it says the late start is already going to reduce this year's WA crop.

And it will limit early pasture growth this spring, given the low moisture profile in the soil following WA's wheat-belt drought of the past year.

SOURCE: *Farm Weekly*, WA, updated daily on *FarmOnline*, Rural Press Limited.

The Australian

Europe's climate lead the logical solution

The European Union wants to put its climate change disputes with Australia in the past and pursue a bilateral dialogue that would result in the combination of European and Australian emissions-trading systems.

This is the firm message from the European Commission, where news of Australia's new bipartisan support for emissions trading has had an impact. Attitudes towards Australia are being redefined.

European officials say the EU will change its policy and allow the linking of its emissions-trading regime with other nations regardless of whether they are committed to the Kyoto Protocol.

This represents a sharp change in Europe's mind-set. The rise of emissions-trading systems in states, nations and regions signals the obsolescence of Kyoto as the fault line in the global debate. The design of cap and trade regimes will become the new domain of climate change politics and economics.

"In politics, the past is the past," the European Commission's director-general on environment Mogens Peter Carl told The Australian in an interview in his Brussels office. "I am interested in the extent to which Australia will now join the movement against climate change. What I hear and read is very encouraging." Carl, who met Prime Minister John Howard's taskforce when it went to Brussels, says the "manifest interest" shown by the Australian Government in emissions trading "allows us to engage in a substantial bilateral discussion in the future about joining up our two systems".

He said the value for the EU in combining with Australia's system was, "to put it bluntly, more political and symbolic".

The EU will become the testing ground for emissions trading. Its policy is for Europe's trading model to become the basis of the global system and, in the absence of an American model, this hope is uncontested at present. The real significance of Kyoto is that its targets became the instrument that allowed emissions trading to begin. Kyoto was negotiated through a UN framework, but the UN cannot effect climate change reductions. That rests with national governments.

This year, under Germany's leadership, the Council of the European Union has taken two long-run decisions: to reduce unilaterally Europe's greenhouse gas emissions by 20 per cent by 2020 off a 1990 base, and to make this a 30 per cent cut if other leading developed-country emitters take similar action.

"Of these two decisions, the most significant is the first one because it is unconditional," Carl says. "It is money in the bank.

"How are we going to achieve this without wrecking our economy? This is the crucial question that now keeps people here extremely busy. We have to implement this in terms of legislation. We want to demonstrate to the outside world that this is possible, that it is not Europe playing boy scouts, that there are concrete means of achieving the goal. And if Europe can do it, then why not America or Australia or Japan? Asked whether the EU wanted to set a precedent for the global community, Carl says: "It is bluntly intended as such, to show it can be done in a credible and cost-effective way that can influence others."

The centrepiece of the European solution is its emissions-trading scheme. "This is not Europe's invention but an American proposal from back in the 1990s," Carl notes. "We rejected it for being too market-based, but Europe has come a long way since then." The EU scheme, defective in its first 2005-07 phase, is being redesigned. It remains the absolute backbone of Europe's climate change solution.

Carl says emission trading will deliver "the very substantial part" of the 20 per cent reduction target. It will be backed by a series of mandatory proposals for cutting car emissions and lifting to 20 per cent the renewables side of the energy mix. This is part of an EU strategy that integrates the goals of promoting growth, combating climate change and reducing vulnerability to imported hydrocarbons. He says: "Our overall cost to the EU economy of cutting emissions by 20 per cent is between 0.1 and 0.2 per cent of GDP. If this is not peanuts in absolute terms, then in relative terms it is peanuts. This low cost has been persuasive with our member states who will not sign anything they think will have (a) negative impact on economic growth.

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This is not about Europe saving the world at the cost of its economy."

The defect in Europe's initial scheme was the weakness of incentives to promote lower carbon investment. The second phase will see a higher price for carbon, with a more restrictive system of permit allocation. The goals for the third period, probably running until 2020, will reflect the new 20 per cent reduction target. But the pivotal issue is what happens in the US.

The universal sentiment in Brussels is that the US will embrace a national emissions-trading system before 2012. This is largely seen as inevitable given the movement in California, action in Congress, pressure from US business and the tide of public opinion.

Brussels is up-front: the US will have to follow Europe.

Carl says: "We take encouragement from what is happening in the US Congress, where there are very influential voices: the Speaker, (Nancy) Pelosi, the chairmen of a number of relevant committees in the Senate and the house who are working on legislation that, up to a point, is based on Europe's cap and trade approach. We see this as the beginning of a significant change of opinion in America. My hope is that the US, like Australia, will be tempted to go as far as Europe has."

There are several lessons from this situation. First, any suggestion that Europe has been cavalier about its targets is false. The process in the European Commission has been intensive. The political leader is Germany, whose national experience (with an environmental industry larger than its car industry) suggests such action has economic benefits.

The mechanisms are tight enough to ensure Europe's 2020 target is achieved.

Second, nations cannot exert much influence on the global debate without taking action at home. The most important decision taken by Australia is its bipartisan commitment to an emissions-trading regime.

It is this decision, not its stance for or against Kyoto, that gives Australia a new influence in global policy-making.

Third, Europe seems well meaning but clueless about how to persuade the developing world to enter this system. Its policy is for a global agreement beyond 2012 negotiated within the UN framework, with China, India and Brazil involved according to a formula of "common but differentiated responsibilities".

Asked what Europe expects from developing nations in a post-2012 deal, Carl says a commitment to programs that are "credible, measurable and verifiable", but this does not necessarily mean developing-nation targets before 2020. Europe's hope is that such nations will accept an absolute reduction beyond 2020.

The US will not join a system with such concessions for the developing world. The reality is obvious: a comprehensive global agreement is not on the horizon for the foreseeable future and it may never occur. The real climate change story will become the growth and potential for linking national emission-trading models.

The Daily Telegraph

Warragamba Dam polluted

A massive plume of polluted water has been detected in Warragamba Dam, posing a threat to Sydney's drinking water supply. Premier Morris Iemma revealed in Parliament's question time today that the Sydney Catchment Authority had detected the polluted water this morning and had put in place contingency plans to draw water from elsewhere, should any of the water enter the main supply reservoir at Prospect.

While claiming it did not pose a threat, investment in early warning systems following the 1998 Giardia incident has allowed authorities to detect it early. Ironically, it is rain that is being blamed for the contamination.

The run-off from the 200mm over the past two weeks has washed high levels of nutrients into Lake Burragorang, which feeds Warragamba Dam - Sydney's main drinking water catchment.

"I am advised... a cloudy plume of floodwater has reached the dam wall," said Mr Iemma.

"I am further advised that testing has detected there are no pathogens."

Steps have been taken to monitor the plume and begin drawing water from other supply dams should it move into the main water supply. In just one week, the dam's capacity spiked by 10 percent. The floodwaters take nutrients from the surrounding land areas into the water. Mr Iemma said there was no threat to Sydney's drinking water supplies as the polluted water would not be allowed to enter the system.

Adelaide Advertiser

\$20m for wastewater upgrade

Nearly 70 community wastewater systems across the State will be upgraded in a \$20 million Federal Government commitment.

28th

FarmOnLine

Dams overflow, rivers flood in south-east NSW

Ravaged by the harshest water restrictions in Australia, Goulburn, NSW, residents spent last night preparing for floods and possible evacuations.

A huge downpour soaked the region yesterday, with Canberra receiving 44mm of rain.

That has brought the total rainfall for the month to 83mm, but well above the June average of 38mm.

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At Goulburn, which has been struggling under Stage 5 water restrictions, the Sooley Dam overflowed and the larger Pejar Dam rose to 21pc of capacity for the first time since 2002.

But elation quickly turned to apprehension as emergency services went on a door-knock mission late last night to warn residents of a possible evacuation.

Local farmer David Decorte looked on yesterday as the rain turned the normally placid Wollondilly River into a raging torrent. It overflowed into Goulburn golf course and buildings on Mr Decorte's property.

"The main workshop's flooded," he said. "We've gone from one extreme to another."

The deputy controller of the Goulburn State Emergency Services, Nigel Benbridge, said about 40 homes had been notified of the flooding as a precautionary measure.

"Most of the low-lying areas around Goulburn are under water," he said. "We're still doing some reconnaissance to measure the extent."

The Bureau of Meteorology issued an extreme weather warning for the entire region, including Canberra, for high winds expected today.

Climate officer Owen Offler said winds of up to 95km/h could hit the capital today, with the development of a low pressure trough over south-eastern Australia,

Scientists at the bureau said the extreme weather might be the first indication of a La Nina event similar to an El Nino event only involving heavy rains instead of drought.

The southern oscillation index, a measure of climatic differences across the Pacific Ocean, yesterday rose to its highest mark since May 2006. But a spokesman for the bureau, Simon Louis, said the heavy rain would not necessarily break the drought in the region.

SOURCE: [The Canberra Times](#).

More heavy rain in Gippsland, Vic, too

The Bureau of Meteorology says the intense low just off the south-east NSW coast could bring as much as 200mm to some areas of Gippsland, in eastern Victoria.

Winter has truly settled into Gippsland, bringing welcome rain and snow - and now the possibility of flooding as the low intensifies.

The coast east of Wilson Promontory late last week felt the brunt of the earlier low pressure system that had been deepening in the Tasman,

Bairnsdale had already received 162mm of rain by 9am Wednesday and Maffra, 76mm.

Maffra State Emergency Service deputy controller, Mike Dingwall, said, "The rain has certainly made the farmers happy.

"It was excellent rain.

"It fell in all the right places."

Bureau of Meteorology meteorologist James Taylor in East Sale, said the local water catchments did particularly well, with south-easterly winds pushing the rain band along the southern mountain slopes.

The wet weather and low temperatures have further increased the snow depth at Alpine ski resorts.

SOURCE: *Gippsland Times*, Sale, Vic

SOI continues to rise: now +12.3