



Where Australia's Climate Policy Should be Heading

Internationally renowned expert on climate change policy, Professor Warwick McKibbin, will speak on "*Where Australia's Climate Policy Should be Heading....*" in Canberra today at a Canberra Business Council lunch.

"Professor McKibbin supports a flexible emissions trading scheme (ETS) for Australia that is different from the one put forward by Professor Ross Garnaut," Chris Faulks, CEO of the Canberra Business Council said today. "He regards the Garnaut Report as the first step in a wide-ranging bipartisan debate - not a conclusion."

Professor McKibbin's view is that the ETS proposed in the Garnaut review is prone to failure both nationally and globally; and that if it does fail, the global environment and the Australian economy will be precariously placed.

"Canberra Business Council runs the **Outlook 2020** lunch series to critically examine important issues facing the business community", Ms Faulks said. "Today, Canberra's business community will hear both a high-level academic assessment of where Australia's climate policy should be heading and a business perspective on the impact these policies will have on business in the Capital Region."

In a recent article Professor McKibbin argued that there are a number of ways to design an emissions trading system (ETS). He believes that the particular form chosen in the Garnaut Report is flawed. "First, it is not that the ETS will cost too much; rather, it is that we just don't know what it will cost". Professor McKibbin said. "Second, the ETS relies too much on the wisdom of governments both domestically and internationally. This particular ETS appears to be as much about income redistribution as it is about controlling emissions in an effort to reduce our carbon footprint at the lowest cost."

Professor McKibbin has proposed a two-stage emissions scheme where the carbon price gradually rises over time and is flexible enough to control the cost to the economy.

Mr. Matt Searson, Principal, Environmental Science and Climate Change, GHD, will also speak at the lunch, providing a business perspective on trading emission schemes. Mr. Searson has a thorough understanding of the interlinked components of climate change policy including: Greenhouse and Energy Reporting, Emissions Trading, Renewable Energy Targets, Kyoto and voluntary carbon neutrality initiatives.

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The Outlook 2020 Luncheon Series is proudly sponsored by ActewAGL and supported by ANU. The lunch will commence tomorrow (7 August 08) at 12.30pm in the Centenary Room, Hyatt Hotel, Canberra.