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## NEWSLETTER

June 2011

Editorial by Bill Frilay

### Decisions needed on climate change

Australia is facing key decisions about how to tackle climate change. This is a very difficult issue. Ross Garnaut called it “a diabolical policy problem” in its complexity. Yes, difficult, but very important.

Why should SPC take up an interest in climate change? Is not this an environmental issue rather than a social one? It is both. The World Council of Churches listed the following ethical, social and environmental issues in a document prepared for the UN Climate Change talks in Cancun last December, stressing:

- concern for present and future generations;
- stewardship of the planet;
- equity and the effect on the poorest nations. The impact of climate change could be greatest on the poorest nations which are least equipped to address this problem caused primarily by the developed nations;
- the need for developed countries to take the lead in combating climate change.



Wind turbines in Bangui Bay, Philippines, Storm Crypt, flickr CC

In Australia we need to consider the impact of changes on our economy and on lower-income people in particular. There are therefore good reasons for organisations such as SPC to take a keen interest in this debate.

#### Background

The recent Climate Commission report, *The Critical Decade*, states “the global climate is changing and humanity is almost surely the primary cause”. While



### Australia investing in nuclear weapons

ICAN has discovered that Australia's government-owned Future Fund has investments worth A\$135.4 million invested in 15 companies that manufacture US, British, French and Indian nuclear weapons.

In May 2011, the Future Fund announced that it had divested from 10 companies involved in the production of cluster munitions and land mines. But nuclear weapons companies have not yet been excluded from its investment portfolio.

This violates its own policy not to invest in companies whose economic activity is illegal in Australia. Commonwealth law expressly prohibits the manufacture of nuclear weapons, as well as facilitating or assisting in the manufacture of such weapons.

Supporting the industry that produces these instruments of terror is grossly unethical, and should be a cause for great concern. The Future Fund is undermining efforts to achieve the complete elimination of nuclear weapons.

For more information about Australia's investments in nuclear weapons, see ICAN's briefing paper at <http://www.icanw.org/files/ICAN-FutureFund.pdf>

ICAN's campaign manager, Tim Wright, is urging people to put pressure on the Future Fund to divest from these immoral weapons by writing to the editor of a newspaper or to the chair of the Future Fund, Mr David Murray at: [contact@futurefund.gov.au](mailto:contact@futurefund.gov.au)

there have been warmings and coolings over the long history of the earth, a large majority of climate scientists believe

- (a) this current warming has major implications for the planet,
- (b) that much of the warming is due to anthropogenic (human-related activity) sources, and
- (c) that the global community needs to cut climate-change emissions (principally CO<sub>2</sub>, as well as methane and nitrous oxides) to address this.

Economic studies confirm there is *less* economic cost in taking early action than if you delayed.

The business-as-usual case sees CO<sub>2</sub> emission continuing to rise globally unless action is taken. So far, global emissions have mostly been sourced from the developed world though emissions in developed countries are now levelling off. Those in developing countries will emit the great bulk of new emissions as they rightly seek a better standard of living. The challenge is to level off and in time reduce total global emissions, while at the same time ensuring economic development in developing countries continues.

## Critical issues

The first issue is the high probability of anthropogenic actions contributing significantly to global warming. We at SPC are not climate scientists, and although the anthropogenic contribution to global warming is not absolutely proven, it seems very likely. We have to endorse the overwhelming weight of scientific opinion and argue for prudent early action (following the precautionary principle). Rupert Murdoch put it neatly: "You've got to give the planet the benefit of the doubt." To wait until the link to man-made emissions is decisively proven might prove too late. At the same time continued monitoring and research will confirm or discount this concern.



Courtesy "Heyyyyyyyy", flickr, CC

The second issue is whether the world can reduce emissions sufficiently to minimise the level of warming to within two degrees centigrade. The answer is yes, provided the global community or leading economic nations act as soon as practicable. This can be done utilising a whole array of known technologies and strategies: energy conservation, renewables, reforestation, gas, nuclear (despite Fukushima, nuclear will have a role), sequestration of CO<sub>2</sub> and so on. Coal will still have a role but there will be a swing away and there will need to be reduced emissions in their use. New technologies will also emerge over time. It can be done.

The third issue is: should Australia take action now or wait to seek a global agreement? The argument is that Australia emits only 1-2 per cent of climate-change gases, therefore our efforts will have no significant effects. Yet Australia's per capita greenhouse gas emissions are the highest of any OECD country, in part because of our reliance on coal, especially brown coal. Moreover, we are unlikely to reach a global agreement without some developed countries taking the initiative. And let's face it – which country has emerged least damaged from the GFC?

Therefore there is justification for limited initial action – which can be increased if there is a global agreement. This was the proposal of the Rudd Government prior to Copenhagen.

There are key elements to this approach:

- (a) exemption for energy-intensive, trade-exposed industries (otherwise we will simply move emissions elsewhere and will needlessly lose industry and jobs);
- (b) there may be a case for adjustment in the power sector, primarily to ensure power supplies in the transition;

## Coming events

### SPC Forum on Human Trafficking

with **Michaela Guthridge**

Good Shepherd Mission & Justice Unit,

**Prof. Jennifer Burn** (UTS, Sydney)

(Anti-Slavery Project)

and **Christine Carolan** (ACRATH)

At the Study Centre, Yarra Theological Union,

Box Hill. Entry via 34 Bedford St.

**Thursday 30 June, 7.30pm**

Entry by donation. Tea/coffee afterwards.

### The Churches & Public Policy

An ecumenical conference on the role of faith-based organisations in developing better social policies.

**Keynote speaker: Robert Fitzgerald AM**

**Summation: Dr John Falzon**

CEO, St Vincent de Paul Society

**Tuesday 19 July 9.15am – 4pm**

**at the Abbotsford Convent, Melbourne**

Register by 12 July. Registration forms are on the SPC website under the **Events** button.

(c) support for low-income earners; everyone will face higher costs but low-income groups will be least able to manage (but all need change their energy usage).

The fourth issue is what action to take? Various measures are proposed – principally the Emissions Trading Scheme (ETS), the Carbon Tax, or a lesser known Carbon Consumption Tax; and Direct Funding as advocated by the Coalition. Each has advantages and disadvantages. Emissions trading is probably least costly and most efficient. Direct funding could be most costly.

The prime focus should be on one of the first three schemes, all of which are market-based, with preference for an ETS. There should be scope for regulatory actions to assist (e.g. setting limits on vehicular fuel consumption) to complement market measures, since in many areas market-based schemes are not effective.

A final concern is that the Government is going against its own electoral promises in introducing measures to address climate change. The Government is proposing an interim carbon tax as a lead-in to an ETS. Still undecided is at what level to set the carbon tax.

More studies are appearing, including by Ross Garnaut and the Productivity Commission. There will be much toing and froing about what action to take. It is difficult for us to be specific on these. The important issue is that we take the first steps of the long march. And we need to push hard for international action. At least we could look others in the eye and say we have started – and hold the card for further action if others join the party.