

28<sup>th</sup> July

The Editor  
The Sunday Times

Glenn Milne

Your 26<sup>th</sup> July issue misrepresents my position in the climate change debate, which is in fact only one of total opposition to an Emissions Trading Scheme (ETS). This is best enunciated in my well publicised quote that "There are no amendments to the ETS that will make it work. By its nature it is either a simple job destroyer or must be so generous as to fail in its purpose" of reducing CO<sub>2</sub> emissions.

Put simply an ETS, or cap and trade scheme, is a process whereby Government sells or gifts licences to pollute which, whilst delivering a very substantial tax windfall to Government, does not guarantee those so taxed will reduce their emissions.

The Australian business sector which is to be targeted by this so called market solution has two market options before choosing to reduce their emissions. The first is to pay the tax and pass on the cost to a captive market which if unable to pass the tax further must consider staff cuts or business closure.

Those whose vulnerability is recognised by Government as they are exposed to import competition or are themselves exporters who will receive short term issuance of free certificates either partially or fully for approximately five years have been granted breathing space to run down their investment in Australia and move to those countries who, such as the USA, have a Claytons ETS with no material effect until 2025 or simply have taken other options such as China by investing in nuclear energy and other viable renewable energy such as hydro and the HVDC transmission system to deliver it to its east coast industrial areas.

I have long proposed the option of tidal energy and HVDC transmission systems to partner our coal fired generators so as to deliver cheaper energy and reduce Australia's carbon footprint, which at approximately 1% is hardly going to destroy the planet.

Had the Rudd Government utilised its \$24bn of \$900 cheques for this purpose or reordered its proposed \$42bn of investment in an energy guzzling broadband system, Australia could have met its international commitments, when it discovers what they are, create jobs, lower not raise energy costs and guarantee our children's economic future.

Yours sincerely

HON WILSON TUCKEY MP