

3 August 2017

Senior Advisor Individual and Indirect Tax Division The Treasury Langton Crescent PARKES ACT 2600 Submitted via DGR@Treasury.gov.au

Submission re Reforms to the Deductible Gift Recipient (DGR) Tax Arrangements

Dear Sir/ Madam,

Thank you for the opportunity to provide a submission regarding the misuse of taxpayer funds by charitable organisations enjoying the benefit of 'deductible gift recipient' (DGR) status.

Of particular interest is the recommendation that 'legislative and administrative changes be pursued by the ATO to require that the value of each environmental DGR's annual expenditure on environmental remediation work be no less than 25 per cent of the organisation's annual expenditure from its public fund', which we shall return to later.

The role of government in protecting Australia's greatest common asset: our unique, irreplaceable environment

The fundamental duty of care of a legitimate government is to protect its citizens from foreseeable threats and to protect and preserve common assets for the sake of current and future generations. A **healthy environment** — a safe climate (atmospheric carbon below 350ppm), clean air, easy access to clean water, fertile soils and so on) — is the **foundation** on which all we know and value depends. It follows that Australia's unique and irreplaceable environment is arguably its most precious common asset and that the role of governments is to actively protect and preserve it.

However, it appears that successive Australian governments are systematically undermining democratic processes in relation to environment protection (as well as associated social justice issues). Highly paid lobbyists and commentators acting on behalf of vested interests are not the same as highly trained experts in matters of major public interest. Former minister for resources and Northern Australia, Matt Canavan ideally illustrated such confusion with his recent resignation comments that: 'It has been such an honour to represent the Australian mining sector over the past year.' Beyond his outrageous public comments was the apparent surprise that so many Australians expect their democratically elected leaders to represent and defend the best interests of current and future Australians first and foremost.

This perverse thinking goes some way to explaining with the current government appears to be confused about the difference between community based organizations that seek to protect,

analyse and/or monitor the environment against misuse or degradation from human activities and powerfully cashed up industry groups seeking greater access to exploit environment assets to maximize private profits. The former represents current and future Australians and the latter represent destructive industries, typically multinational corporations that employ relatively few Australians and send the majority of their profits offshore.

Australian tax-payer funded attacks on our Environment and those advocating for its protection

The Institute for Public Affairs (IPA) is an independent so-called 'think tank' that through influential members and donations has long-held strong ties with the Liberal Party (itself a beneficiary of tax-deductible campaign donations) to whom it makes policy recommendations.¹ Although the group has always been notoriously secretive about its funding base, support is known to have come from major mining (ie BHP-Billiton and Western Mining), chemical (ie Monsanto), tobacco (ie Phillip Morris), forestry (ie the former Gunns) and oil and gas companies (ie Shell, Esso, Caltex and Woodside Petroleum).² The IPA enjoys DGR status as an 'Approved Research Institute' on the grounds that it engages in "scientific research which is, or may prove to be, of value to Australia".

Producing legitimate, reliable science involves a thorough process of critical scrutiny by other experts (colleagues or peers) and is called 'peer review'. Any mistakes that may have been found during the peer-review process can then be corrected.³ To ensure independence from any vested or conflict of interest, peer reviewing is done for free by scientists who have no relationship with the author(s) of the work being judged. This is why it is peer-reviewed research science is independent, building on data and conclusions that have been checked and re-checked and corrected by top experts.

A condition of an 'Approved Research Institute' is that it has a 'suitably qualified research committee'. However, the IPA's experts only appear to have expertise in social research experiments (aka lobbying) with the apparent intent being to mislead and deceive the public into thinking that private corporations should have unlimited access to common assets in order to make profits for their private shareholders.

The IPA's role in killing the 'Super Profits' mining tax is an example of how it seriously undermines the Australian public's current and long-term interests in order to benefit private corporations. To prevent Australia's non-renewable mineral resources from being exploited by transnational corporations while raising billions of dollars to help fund pensions, health care, education, tax cuts for small businesses among other public programs, in 2010 the Rudd ALP government proposed a mining tax of 40 per cent on 'Super Profits' above \$50 million (aka a 'resources rent' tax). In response, with the IPA as its cheerleader, vested interests funded an aggressive and highly misleading and deceptive public relations campaign suggesting that Australia's economy would collapse if they were made to pay a tax on their **excessive profits**. The campaign gave the impression that the mining sector was a huge employer when in fact less then two per cent of Australians work in mining. As for collapsing the economy, as a direct result of a 'resources rent' tax (introduced in 1990), Norway (with a population of around 5 million) now has the world's richest sovereign wealth fund currently worth about \$850 billion.

In a pre-election 2013 keynote speech at the IPA's 70th anniversary (a black tie gala event held at Victoria's National Gallery of Victoria — including special guests media tycoon Rupert Murdoch, whose father helped found the IPA, mining magnate Gina Rinehart and Cardinal George Pell, all of whom support climate denialism), Tony Abbott said: "So ladies and gentlemen that is a big 'yes' to

many of the 75 specific policies you [the IPA's Executive Director, John Roskam who was sitting before him] urged upon me."⁴ At the top of the IPA's wish list was scrapping all climate protection laws (including the carbon price and Renewable Energy Target) and dismantling all independent agencies established to promote zero emission energy alternatives to dirty and dangerous fossil fuels (ie Clean Energy Finance Corporation, Climate Change Authority and the Australian Renewable Energy Agency). To make the job of stripping Australians of their natural assets easier, by silencing dissent, the IPA has long been lobbying for a fire-sale of Australia's independent news broadcasters, the ABC and SBS to friendly corporate media interests.⁵ Earlier this year we learned that the Turnbull government had overruled an independent selection panel to appoint the chairwoman of the Minerals Council of Australia to the ABC board.⁶

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At a glance it's obvious that corporations have benefited enormously from the IPA's public policy offering. For instance, in 2014 it came to light that Australia's largest coalminer, Glencore Coal International Australia Pty Ltd paid almost zero tax on income of \$15 billion made over the previous three years.⁸ During this period, Glencore's Australian born, Swiss based Chairman saw his personal wealth rise nearly 20 per cent to \$6.6 billion on the back of his Glencore shares.⁹ Both BHP and Rio Tinto are known to be squireling profits to tax havens offshore in order to avoid paying taxes on the profits they are making through the exploitation of Australia's non-renewable natural resources.¹⁰ It's worth noting here that, after talking tough re cracking down on corporate tax avoidance, Joe Hockey and the then Assistant Treasurer, Arthur Sinodinos, announced they would not legislate Gillard's tax reform package to abolish deductions (under section 25-90 of the Income Tax Assessment Act 1997) that would help combat tax minimisation by global corporations, at a projected benefit to the taxpayer of \$600 million.¹¹ The justification was that it would impose 'unreasonable compliance costs on Australian companies' with subsidiaries offshore.

This all explains why successive Coalition Federal governments have systematically dismantled Australia's environment protection laws and taken a wrecking ball to what was an emerging sustainable, smart economy. For during the roughly two years that the Gillard government's Clean Energy Future legislation (including a carbon price) determined climate policies, tens of thousands of new jobs and tens of billions of dollars in new investments were generated in local more sustainable economies while emissions declined across electricity generation, agriculture, industrial processes and the transport sector.¹² Any reasonable person would have to ask: why kill laws that were achieving their goals? Why kill Australia's chances for sustainable progress? Why knowingly, deliberately fail the international community in the name of Australians?

Ignoring that donors to the IPA are largely corporations with vested interests, and there appears to be no legitimate scientific research programs taking place, it's not lawful for the IPA—or other similarly structured 'think tanks'/front groups acting for vested interests—to use tax-deductible donations to fund conferences and/or public relations campaigns, as it regularly appears to do.

What kind of environment group campaigns against the environment?

The Australian Environment Foundation (AEF, launched on World Environment Day, 2005) and its subsidiary, the Australian Climate Science Coalition (ACSC) were established as IPA front groups. They aggressively campaign to allow industry greater access to exploit Australia's environment. For instance, between them they campaign against wind power, water flows essential to avoid the collapse of the Murray Darling Basin but for transnational corporate controlled genetically modified crops, the logging industry and pulp mills.¹³

Another group with close ties to the IPA and appears to follow the same guide book is the Waubra Foundation, a front group established to fight the sustainable wind energy industry. Until late last year, the Waubra Foundation drove its 'wind turbine sickness' with funds raised through its DGR status as a so-called health promotion charity. This was the case even though its 'expert' acknowledged to having no training or experience in conducting medical or scientific research or experience in research methodology and design, (at least not since her undergraduate studies) or experience or training in acoustics that would a basic requirement for the so-called 'research' being undertaken. In fact, records show that the Waubra Foundation was set up and run by the same people that established the anti-wind energy group *Landscape Guardians*.¹⁴ Further to this, the founder of Australia's *Landscape Guardians* has major vested interests in mining, having had a lifelong career in the coal industry. Like the Waubra Foundation, the *Landscape Guardians* have been spreading 'wind turbine syndrome' with the aim of derailing the renewable wind energy industry in order to delay, for as long as possible, the transition away from dirty and dangerous fossil fuels to clean and safe renewables.

In terms of 'wind turbine syndrome's' validity, no research from anywhere in the world has emerged to directly link adverse health effects to wind farms. However, findings conclusively show that 'wind turbine syndrome' is far more prevalent in communities where anti-wind energy lobbyists have been active, and appears to be a psychological phenomenon caused by the suggestion that turbines make people sick¹⁵. According to the findings of leading Professor of Public Health, Simon Champam, 'wind turbine syndrome' is a 'communicated disease' — that is a sickness spread by the claim that something is likely to make a person sick. So, in fact the symptoms are caused by the 'nocebo effect' — that is the opposite of the placebo effect. In Professor Chapman's words, 'anxiety and fear about wind turbines being spread about by anti-wind farm groups will cause some people hearing this scary stuff to feel that they are suffering symptoms'.¹⁶ In other words it's the astroturfers that are making people sick. And since a lot of time and energy (including more than 20 reviews) has been taken up with tests and reviews of 'wind turbine syndrome' — at the expense of other public health research such as the grave affects of fossil fuel mining and burning — one could argue that the *Landscape Guardians* have driven a highly successful astroturfing campaign at great cost to Australian taxpayers.

Industry-backed astroturfing campaigns

To counter the growing awareness of the need for greater sustainability and social justice, industry-backed astroturfers are well known to be posing as grassroots community members with the aim of confusing ordinary people about environment issues and undermining confidence in scientists. The easiest and hence most common form is 'cyber-astroturfing' that relies on specialised software programs trawling the Internet for online conversations in order to manipulate and derail them. It's as simple as keying in a few key words (such as 'climate', or 'solar energy'). Using carefully constructed scripts, astroturfers seek out and join online conversations about climate science in order to spread doubt and denialist myths. A single astroturfer can construct as many personas as he or she desires, thus creating the impression that a much greater proportion of the population denies climate science than is actually the case. Naturally, this has a big impact on politicians and decision-makers worried about voters' opinions. It is not difficult to identify astroturfers. If challenged with a direct question or asked to verify their identity, astroturfers will always avoid a direct answer.

Is astrotrufing illegal? It's certainly unethical and a gross misuse of DGR status. One wonders what percentage of the trillions of dollars now stashed away in tax havens was the result of exploiting local environments and destroying the global climate. What role is Australia's government playing in addressing such theft, arguably a serious global human rights issue?

Could the fact that donations to the Liberal Party are tax deductible and largely undisclosed explain the Coalition government's hostile attacks on legitimate community-based environment groups while ignoring groups posing as community-based in order to further the sinister agendas of powerful vested interests? One could argue that granting DGR status to industry groups that are posing as community groups has enabled globally 'weaponised philanthropy', resulting in extremely rich and powerful people getting even more obscenely rich at the expense of everybody else.

Does Australia's environment need defending?

In 2009, after more than ten years with little rain, the Murray-Darling Basin — our main fresh water system — was showing the most serious signs of wholesale ecosystem collapse as a result of irrigation practices that have extracted far more water than nature could replace¹⁷ combined with extreme drought, now categorically linked to climate change.¹⁸ As the Basin was literally being squeezed dry its once magnificent world-class wetlands — which normally would have been brimming with water birds - were dying. As if it was not plain for all to see, dire scientific reports were leaked showing that without the release of substantial amounts of fresh water key wetlands and lakes of the Basin and the wildlife they support would be gone within months.¹⁹ Scientists had found the wetlands to be so depleted that further and further upstream acid sulphate soils (acid mud) were appearing and releasing toxic heavy metals. In some parts the muddy soils were comparable to battery acid.²⁰ Even though heavy rains and flooding falling on the Basin region between 2010 and 2011 eased pressures, signs are clear that the environmental health and long term resilience of the area has been seriously adversely affected. According to scientists we are heading for another El Niño weather phenomenon, which is accompanied by severe drought conditions. So, why would the Abbott Federal government have abolished the National Water Commission that informed reforms to protect Australia's lifeblood, the Murray Darling Basin? Now Australians are reeling from news of allegations of massive water theft and meter tampering in New South Wales—involving billions of litres of environmental water purchased by taxpayers to save Australia's inland rivers—prompting the Commonwealth Auditor-General to expand an investigation into the Federal Department of Agriculture and Water Resources.

In terms of global warming (aka climate change), the key findings of the Fifth Synthesis Report of the Intergovernmental Panel on Climate Change (aka the IPCC's Fifth Assessment Report) are that:

Human influence on the climate system is clear, and recent anthropogenic emissions of greenhouse gases are the highest in history. Recent climate changes have had widespread impacts on human and natural systems. *{*1*}*

Warming of the climate system is unequivocal, and since the 1950s, many of the observed changes are unprecedented over decades to millennia. The atmosphere and ocean have warmed, the amounts of snow and ice have diminished, and sea level has risen. $\{1.1\}^{21}$

In fact, emerging evidence is showing that we are losing much more polar ice much faster than previously suspected. For example, according to researchers, the Totten Glacier in the Antarctic is losing an amount of ice "equivalent to 100 times the volume of Sydney Harbour every year."²² In August satellite images of the Antarctic showed open ocean between the Larsen-C ice shelf and the massive iceberg that broke away from the Peninsula in July.²³ The speed and scale at which greenhouse gas emissions are rising is like nothing the Earth has experienced before. This is unthinkably terrifying territory.

Some years ago now one the world's most respected climate scientist, NASA Goddard Institute for Space Studies' Director, Dr James Hansen warned that continued coal use will result in *"catastrophic climate change and a 'transformed planet"*.²⁴ Yet, old and inefficient coal-fired electricity plants still largely generate Australia's electricity needs and the Coalition Federal government has been dismantling all environment protection laws we now have to phase them out.²⁵ With its so-called 'developed nation' status and **enviable renewable energy resources (aka solar radiation and strong 'Roaring Forties' winds)**, it's a disgrace that Australia remains one of the world's largest per capita polluters.

Replacing fossil fuel energy plants with renewable energy and storage (i.e. batteries and pumped hydro) providers will hasten Australia's transition to the jobs rich Sustainable Economy With only a fraction of our renewable energy resources, countries such as Denmark, Germany, Spain, USA (despite Trump's best efforts), Austria and Sweden, to name a few, are enjoying the **social and economic benefits** of a burgeoning, multi-billion dollar renewable energy industry, largely driven by determined climate protection policies and laws to back them up. In many places around the world strong emission reduction targets combined with ambitious renewable energy targets are already generating new investment and new jobs in rural and regional areas while stabilising local pollution levels and increasing **energy security**.

In terms of wind energy, wind power led all new power generation in 2015. China now has 149 GW²⁶ and the US has more than 82 GW installed wind capacity.²⁷ As for solar energy — including household solar photovoltaic (PV) as well as utility-scale PV power plants — with costs falling and efficiencies soaring, the global industry continues its meteoric rise, creating millions of jobs in local economies.

In places with climate friendly policies, renewable energy industries are exceeding people's expectations. Germany has more than 380 000 people employed in its clean-energy industry, and this figure could rise above 500 000 by 2020.²⁸ Meanwhile, more than 50 per cent of Germany's renewable energy is community-owned, which makes the business of generating and distributing the energy and the profits far more transparent and democratic.²⁹ Globally, there are now more than 8.1 million people employed in renewable energy.³⁰

Why would any government fiercely defend old, polluting power generation and fossil fuel export industries when its plain as day that the adoption of advanced zero emission technologies are already reducing local and global pollution and stimulating local jobs and growth in the sustainable, clean-energy sector that is already transitioning global energy markets? The urgent need to respond to the climate emergency aside, why would any government not strongly support a new industry that has well proven to **create tens of thousands of new jobs and generate tens of billions of dollars in local economies** where it is supported with responsible policy measures? Australia's disgraceful fossil fuel exports aside, as the host of some of the most polluting coal fired power stations in the world, our nation must clean up its act quickly. Unless we move now to radically reduce our greenhouse gas emissions by transitioning to zero pollution energy resources, our reliance on fossil fuels will not only continue to force dangerous climate change but will also ensure that our economy falls behind because everything coming out of Australia will carry an enormous carbon footprint at a time when **world economies are transitioning** away from dirty technologies and practices. This is an opportunity to turn coal-affected regions like Victoria's Latrobe Valley and New South Wales' Hunter Valley into world-class R&D hubs for sustainable technologies and industries.

Given decades of peer-reviewed science demonstrating that climate change is real and largely caused by human activities that emit greenhouse gas, why are we still burning fossil fuels? It is well known that the revolving door between polluting industries and government decision makers is insidious and has prevented the world from addressing the urgent threat of climate change. What else could explain the International Monetary Fund's findings that in 2015 global annual fossil fuel subsidies amounted to US\$5.3tn. This translates to \$10m a minute and is greater than the combined health spending of all the world's governments.³¹

Since the *Four Corners* episode 'The Greenhouse Mafia' was aired in early 2006, many Australians have become increasingly aware of the depth of corruption between polluters and our decision makers. Could this have anything to do with the Coalition government's determination to privatise what remains of Australia's independent media?

This year research into political donations found that in the past three years fossil fuel companies have donated \$3.7 million to major political parties and received industry subsidies amounting to \$7.7 billion. In terms of return on investment, for every dollar invested, polluters have received \$2,000 of Australian taxpayers' money in subsidies.³² Meanwhile, to avoid declaring the source of 'political donations' special fundraising clubs or "associated entities" like the Higgins 500 Club, Kooyong 200 Club, Team 200 Club, Warringah Club and Menzies 200 Club have for years been siphoning millions of dollars to the LNP. Not exactly money laundering but does this sound like a healthy democracy? Could it explain why LNP leaders, including Prime Minister Turnbull, were so quick to blame wind power for storms so ferocious that 22 transmission lines collapsed?³³ What is the difference between 'political donations' and bribes?

Why is the Australian government content failing to do its share of 'heavy lifting' to address the most urgent threat that humanity has ever faced, failing its own people and the international community?

As previously mentioned, without including our nation's massive fossil fuel exports, Australians are among the worst greenhouse gas emitters in the world. For an advanced, so-called democratic nation this is beyond disgraceful. How has this happened?

It's ridiculous. Australia's the Saudi Arabia of renewable energy. There's so much sun, there's so much wind off the coast, and so it makes absolutely no sense when you have an abundance of renewable energy, [to] rely on a depleting supply of fossil fuels with all of the attendant consequences to society and the planet.

Jeremy Rifkin, The Third Industrial Revolution

By misusing DGR rules, what role may the IPA have played in greatly enabling Australia's self-titled 'Greenhouse Mafia', whose members proudly boast of their role in making our nation a 'Polluters

Paradise'³⁴.

Environment Groups communicate 21st Century Challenges and Solutions

If Australia is to maintain living standards and quality of life for current and future generations, we must drastically reduce our emissions, starting by immediately commencing a rapid transition away from 'old' centralised and highly polluting fossil fuel based infrastructure and energy sources towards 'new' decentralised and more sustainable alternatives, such as **wind and solar power**.

In addition to drastically reducing pollution levels, the adoption of renewable energy sources located close to end power users will ensure a more **robust and secure power supply** than the current one. This is because centralised power supplies are more vulnerable to major disruptions caused by accidents, fires and storms (which are predicted by scientists to become even more frequent and ferocious), accidents and/or deliberate attacks.

Australia's obligations under the Paris Climate Agreement

As mentioned, Australia is among the most polluting nations in the world on a per capita basis. If Scope 3 emissions from pollution generated by Australia's massive fossil fuel export industry (mostly foreign owned) are counted then our contribution to global greenhouse gas levels increases by around three hundred per cent, at least. Yet, within days of returning from signing the UN COP21 Paris Agreement (December 2015), the Federal government approved the world's biggest single carbon bomb, Adani's planned Carmichael coalmine. Since then it has come to light that the 'royalty deed' will shift \$3 billion from Adani's mine to a shell company based in the Canary Islands, a tax haven.³⁵ Meanwhile, via the Northern Australia Infrastructure Facility, the Federal Government intends to grant \$1 billion in taxpayer subsidies to further enable Adani to proceed with a project that will destroy our local environment—including the invaluable and already highly vulnerable Great Barrier Reef—as well as the hugely threatened global climate. News of this horror is back dropped by images of our so-called leaders lovingly fondling lumps of coal in Federal Parliament³⁶ while misleading the public about renewable wind energy's role in blackouts.³⁷ By any measure Australia's contribution to global warming is appalling. Coming as it does from one of the richest, developed nations it's beyond obscene and deeply shameful for those of us living in the 'real' (as opposed to the parallel universe of fake facts). Australians deserve better than this. The global community deserves better than this.

Dangerous climate change is already here and our environment is already showing the predicted signs due to excessive greenhouse gas emissions in our atmosphere, as evidenced by the ongoing reports of extreme weather presenting all around the world. Further, the era of cheap crude oil for transportation is gone. Given the tyranny of distance and our increased vulnerability to drought and flooding, it is even more critical for Australia to prepare itself for the changed economic and ecological circumstances that will be part of life in the 21st Century.

According to Beyond Zero Emissions widely endorsed report, *Zero Carbon Australia 2020* (*ZCA2020*)—which demonstrates precisely how Australia could transition its stationary electricity system from polluting energy to **zero emission energy** using off the shelf renewable energy and energy efficiency technologies that are readily available now—**wind power could be providing 40 per cent of our stationary electricity needs within a decade**. Further to this, the report shows that such a transition would be feasible, affordable (3 to 3.5 per cent of GDP or \$8 per household per week for ten years), create an estimated **140,000 new jobs** in regional economies where they are needed most and ensure energy security for at least the next 70 years. Given the billions Australians are now spending to mop up after successive climate related unnatural disasters, alternative technologies such as wind power are looking cheaper and more attractive by the minute. There could be no better place to start the powerful energy transition than Victoria's Latrobe Valley.

To help secure Australia's precious natural assets (including major tourist attractions such as the Great Barrier Reef), and prepare us for the future zero carbon global economy, the Australian government must in fact go far further faster than our commitment to the *Paris Agreement* demands.

In circumstances where:

- 1. The paramount duty of government is to protect its citizens from grave threats
- 2. Rapidly accelerating anthropogenic climate change places the very future of human civilisation and the ecosystems upon which it depends at dire risk
- 3 Urgent action is required to avoid a climate incompatible with past human civilisation
- 4. The necessary action will require society-wide mobilisation of resources at a scale and speed never before seen in peacetime
- 5. Failure is not an option

We call on the Australian government to declare a **state of climate emergency** and to create a body in the nature of a war cabinet comprising cross party representation and eminent climate experts to address the threat.

The steps required to address the climate emergency include:

- 1. The rapid phase out of all fossil fuel extraction and combustion and petrochemical usage
- 2. Reduction of Australia's carbon emissions to zero as soon as humanly, not politically, possible coupled with measures to draw down the excess carbon dioxide already in the atmosphere
- 3. An urgent transition to <u>100% renewable energy</u> for all buildings, manufacturing and transport
- 4. An end to the profligate waste of resources via mandatory standards which ensure energy efficiency and <u>sustainable agriculture</u>, manufacturing, recycling, transport and waste management
- 5. An immediate end to all land clearing and commencement of large-scale re-afforestation and re-vegetation to restore natural ecosystems and sequester more than a century of legacy carbon trapped in the Earth's atmosphere
- 6. Acknowledgement that:
 - the imposition of absolute caps on fossil fuel extraction and combustion to ensure that fossil fuels remain in the ground save where extraction is absolutely necessary

- disadvantaged developing nations have done little to contribute to climate change and bear less responsibility than advanced economies
- <u>people displaced by climate change</u> are properly recognised as climate refugees and are entitled to the protections that refugee status affords
- as a nation that has caused climate change, Australia should provide disadvantaged developing nations with fair assistance to implement the changes required and to cope with the impacts of climate change
- 7. Laws that facilitate demands 1 to 5 above including:
 - the imposition of absolute caps on fossil fuel extraction and combustion to ensure that fossil fuels remain in the ground save where extraction is absolutely necessary
 - a requirement that polluters must pay for the <u>true costs</u> of the pollution that they emit
 - an end to all <u>subsidies that support fossil fuel extraction</u> and use and pollution intensive agriculture, manufacturing and transport
 - monitoring and legally binding enforcement mechanisms
 - carefully tailored just <u>transition programs</u> to support and retrain all workers who are impacted by the necessary changes
 - the rapid creation of a substantial sustainability fund via an <u>equitable levy</u> to assist disadvantaged developing nations to make the necessary changes and to cope with climate related disasters
 - a requirement that all Australian commercial lenders make at least 20% of their loans in the form of <u>micro financing</u> for environmentally and socially sustainable projects proposed by and for local communities, and
 - the immediate amendment of all free trade agreement <u>ISDS clauses</u> to ensure that they do not compromise the above steps.

A safe climate and healthy environment are the **foundations** on which all else we know and value depends. The most cited argument for slow and inadequate responses to climate change and peak oil, are driven by a combination of ignorance of the current science, greed by those with vested economic interests, fear of change and the failure to recognise the bountiful economic opportunities that are ready to be taken up. Climate deniers all fall in to one or more of the categories above. Yet, as previously stated, with the urgent adoption of renewable energy as the primary ,leading to the only, proportion of our energy mix—in addition to playing our role in mitigating catastrophic global warming—there will be the added benefit of a boost to our local economies and **new, more secure and sustainable 'green collar' jobs**.

Corruption, treason or both?

Not only are Australia's unique natural assets vital in their own right, they entirely support our way of life on this driest inhabited continent, as well as our tourism industry. For instance, if the Murray Darling Basin dries up, how will we feed ourselves let alone support industries? If the Great Barrier Reef dies as a result of industry abuse, what affect will this have on Queensland's multi-billion dollar tourist industry?

Why are campaigns alerting Australians to the basic facts that a safe climate and healthy environment are the foundations on which all else we know and value depends so threatening to Coalition governments in particular? Given that environment groups campaign to protect precious common natural assets for the enjoyment of all current and future generations, why would governments responsible for this very task not embrace and support them? Why would a democratically elected government go to extraordinary lengths to silence and intimidate community based environment groups that are working tirelessly to protect Australia's greatest common asset — its environment — from irreparable damage at the hands of profiteering private corporations? Is it appropriate for the Federal government to have such close ties with polluting industries and the front groups and so-called 'think tanks' that do their bidding? Are Australia's democratically elected leaders knowingly stealing from current and future Australians? Why would the government attempt to silence groups presenting evidence that the adoption of renewable energy will help mitigate catastrophic global warming and significantly boost our local economies by generating new, more secure and sustainable 'green collar' jobs? Why do front groups for industries that destroy Australia's environment have DGR status and seemingly unlimited access to our decision makers? These are the questions that this inquiry should be asking.

Suggesting that 'the value of each environmental DGR's annual expenditure on environmental remediation work be no less than 25 per cent of the organisation's annual expenditure from its public fund' is in effect suggesting that we deeply concerned Australians should simply busy ourselves with fixing environmental problems caused by publicly subsidised polluting industries, not arguing for responsible policies that could stop them happening in the first place. This was in fact the Minerals Council's idea, right.

In concluding I wish to emphasize that this submission has been prepared to voice the deep climate concerns of private citizens associated with ClimActs (an independent, non profit climate change action group). In other words, we have no vested interests, nobody is paying or compensating us in any way and there is nothing covert about ClimAct's access to our democratically elected representatives.

Thank you for your attention to this submission, and know that I would welcome the opportunity to discuss any part of this submission with you.

Yours faithfully,

Deborah Hart Co-founder & Convenor ClimActs Website: <u>http://climacts.org.au</u> ⁴ <u>http://www.theage.com.au/federal-politics/federal-election-2013/free-radicals-20130824-</u>

⁹ ibid

¹⁰ <u>http://www.afr.com/news/policy/tax/bhp-billiton-rio-tinto-under-fire-at-tax-inquiry-20150415-1mifyq</u> 'BHP Biliton, Rio Tinto under fire at tax inquiry' by Neil Chenoweth, *AFR Weekend*, 10 April 2015

¹¹ <u>http://www.smh.com.au/federal-politics/political-news/hockey-backflips-on-tax-laws-to-target-multinational-</u>

profit-shifters-20141216-128ebg.html 'Hockey backflips on tax laws to target multinational profit shifters' by Heath Aston, Sydney Morning Herald, 17 December 2014

¹² <u>https://theconversation.com/despite-its-imminent-demise-the-carbon-price-has-cut-emissions-29199</u> 'Despite its imminent demise the carbon price has cut emissions'

¹³ <u>http://www.abc.net.au/mediawatch/transcripts/s3458728.htm</u> 'Media Watch: What's in a name?' Episode 7, *ABC*,
19 March 2012

¹⁴ <u>https://independentaustralia.net/environment/environment-display/the-landscape-guardians-and-the-waubra-</u>

¹⁵ 'New Study: wind turbine syndrome is spread by scaremongers' by Simon Chapman, *The Conversation*, 15 March 2013

¹⁶ ibid

¹⁷ <u>http://www.ncifap.org/_images/PCIFAPFin.pdf</u> 'Putting Meat on the Table: Industrial Farm Animal Production in America', a 2008 Report of the Pew Commission on Industrial Farm Animal Production.

¹⁸ 'Study links drought with rising emissions' by Melissa Fyfe, op. cit.

¹⁹ <u>http://www.abc.net.au/lateline/content/2007/s2278901.htm</u> 'Murray River on the brink of collapse' reported by Rachel Carbonell, ABC Lateline, 18 June 2008

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