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MINISTER FOR THE ENVIRONMENT, HERITAGE AND THE ARTS

TRANSCRIPT

**E&OE TRANSCRIPT
TRANSCRIPT OF INTERVIEW
SKY AGENDA WITH ASHLEIGH GILLON**

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SUBJECTS: Beijing air pollution; CPRS and logging; Murray Darling Basin water buy-backs; solar rebates

GILLON: Let's go straight now to the Environment Minister, Peter Garrett, who joins me from our Sydney studio. Minister, good morning. Firstly, how concerned are you about the levels of air pollution in Beijing? Our reporters on the ground say today it's not as bad as it was yesterday, but it's still pretty hazy.

GARRETT: Look, I am concerned, Ashleigh, I think that it's a real issue for authorities there, and also for the Australian team, and for athletes generally, and I know that the Australian team medical staff will be monitoring the conditions really closely. One thing we can say is that the Chinese authorities have taken a number of measures to try and reduce the pollution load in and around Beijing, I know there were reports a day or two ago that it was starting to clear, there were some signs of blue sky, and yet we've still got pretty high pollution levels.

So it's something which I know authorities will watch very closely, and I guess it's just a bit of a signal to us as to how critical it is that we actually do reduce pollution overall, I mean there's a message for us as we watch the Olympics, because it's carbon pollution that produces the conditions that end up driving global warming, to some extent.

When I was in Chile earlier in the year at the International Whaling Commission, which I know we did some reporting

for you there, those authorities also have issues in Santiago, the capital of Chile, with air pollution issues, where people have got to go onto the streets wearing their respiratory masks and so on. So you know, this is the main game, reducing pollution in the long term. In the short term, for our Olympic athletes, here's hoping that the authorities, and the measures that they've taken, will actually reduce those pollution levels sufficiently for people to be able to compete healthily.

GILLON: Well, authorities in Beijing are insisting that what we're seeing there isn't in fact pollution, they're saying it's a combination of heat and humidity. Is there any credibility in those claims?

GARRETT: Well the weather conditions in and around that city, as much as I understand them, mean that you do get a hazy effect that happens as well, but I mean I don't think anyone can sort of hide from the fact that the Chinese economy has been going very strongly, they do produce a lot of carbon pollution, and the heavy particles in the air are the things which will be of concern to authorities.

Let us just see over time, over the next couple of days, whether the measures that they've taken, you know, pulling cars off the road, shutting down factories et cetera, will actually allow athletes, not only from Australia, but from around the world, to compete satisfactorily.

GILLON: Well moving now onto local issues, an ANU report released today has found that eucalypt forests of South East Australia spill the equivalent of 25.5 billion tonnes of greenhouse gases, it's a lot more than previously thought. In light of that, is the Government perhaps going to consider including greenhouse gas emissions from logging native forests in the Carbon Trading Scheme?

GARRETT: Look Ashleigh, we've laid out through the Green Paper a process of discussion about these issues, we've invited stakeholder comment, reports and reviews, and this is another report which contributes. We've said that agriculture won't come into the scheme straight away, and we've identified the fact that the way in which the carbon accounting happens through Kyoto, is something which we will need to give consideration to, as we move forward post-Copenhagen.

One thing I would say about it though, is this. We have the opportunity with the Carbon Pollution Reduction Scheme, as proposed by the Government, to get on the path to reducing

emissions, and what we've seen in these shots of Beijing, is really the main game. We've got to reduce our emissions, questions of sequestration, forests, you know, how we deal with sequestration, particularly in terms of coal-fired power stations, they're important issues to discuss and to work through, but in the meantime, we really want to get on with it. And one thing I would say is that by laying out where we think carbon pollution needs to go, by making sure that we will have a price in the market for carbon, by ensuring that Australian families, communities and businesses, will provide the opportunity to adjust to those price impacts, and by delivering frankly, a really comprehensive program which includes renewable energy targets, \$1 billion I announced in the budget in terms of energy efficiency measures and measures in the household, to actually reduce emissions now, we're starting to get on the road to actually deal with climate change.

I mean I don't know if other people watching saw one of the papers yesterday, and some reporting on what's happened in the Arctic, you know, the Arctic ice sheets, which now are showing signs of melting significantly faster than what scientists previously thought, they thought they'd be melted away towards the end of this century, they're now saying they're going to be melted away by 2020, 2030, maybe 2040.

We've got an acceleration of global warming, yes, the Government believes that we ought to be listening carefully to what stakeholders say, but at the same time, it's not a place for the kind of debate that we've seen from the Liberal Party, about whether or not climate change impacts are real, or whether or not we should have a Carbon Pollution Reduction Scheme in 2010, or 2012, I mean the odds and ends approach that our opposition has had to this issue, pretty frustrating, I've got to say. We've got the plan in place, and now we want to get on with it, and those issues will be thoroughly canvassed.

GILLON: Peter Garrett, criticising the Opposition for that 2012 perhaps start date, when the Government had said that the 2010 start date that you've set is only ambitious, might seem a bit odd?

GARRETT: Well, I think we've got to act sensibly, but also with a reasonable degree of urgency about this issue, and what's very clear is that right across the world, we're seeing continuing climate change impact, it's going to affect our agricultural economy, it's going to affect tourism, it's going to affect business, and we're clearly seeing that the costs of delaying, are greater than the costs of acting. And because

the Government has laid out in its Green Paper, an actual pathway enabling people to discuss, businesses to feed in, stakeholders to bring out reports such as the one that you're talking to me about this morning, Ashleigh, means that we've actually got a process that we're committed to, and we're seeing it through.

Now that kind of deliberate, staged and comprehensive process, is the way in which we need to address this issue, it will be one of the most significant things that we have to face as a generation, and we're on the way to doing it, and I think the sort of frivolous debates, to some extent, that we've seen happening at the opposition end, just haven't been helping much.

GILLON: Well of course one of the big issues, the challenges we're facing, is the Murray Darling River crisis. Today it's reported in *The Australian* that so far the \$50 million water buy-back scheme will return water equating to just 10 Olympic-size swimming pools to the Murray River, is that a disappointing statistic?

GARRETT: Well Ashleigh, that story in *The Oz* is a little bit - not the full picture, but what I would say is that we've got a good story to tell about the contribution that we're making to the Murray Darling, and to water buy-backs, it's a \$3.1 billion investment, some significant investments already, including the one that you've mentioned.

But they're happening at a time when we're in the midst of a really significant and serious drought, and I can't I guess, over-estimate how critical those issues are for us, there's no water there for farmers, there's no water there for irrigators, there's very little water there for the buy-backs.

We're committed to making sure that we do start to get some water into the river system, to help the environment, to help the health of the river system, but the fact is that particularly with some of these licences, at this point in time, there's a shortage of water.

In the medium and the longer term, they are well chosen, deliberate buy-backs, which will provide, once we get some water into the system, the kind of relief that the river does need. And for this Government, we've got a strong commitment, I don't want to spend time blaming the last Government, but we had 12 years, they didn't do anything, Mr Costello, you know, is deciding whether he wants to be the leader or not, we're really getting on with focusing on the

serious issues, including this commitment that we have at the moment.

GILLON: Well getting back to what you are doing, if that report in *The Australian* is slightly incorrect, as you're alluding to, how much water can we expect to see go back into the Murray system from this buy-back scheme this year, and are you convinced this is a cost effective scheme?

GARRETT: Well certainly it's cost effective, I mean these are entitlements that are fairly purchased on the market, and that's the right way for a Government to go about it. Will we get water in the medium and the longer term into the system, which provides some relief for the environment and is going to do the job that we think needs to be done, and they're specifically focused, these buy-backs? The answer is yes. Are we in a position right now, where we've got water flowing down the system to the volumes that we think is necessary for the health of the environment? The answer is, regrettably we don't, and I think that it is an absolutely difficult and hard task for the communities, for farmers, for scientists, for river users at the bottom end of the system, particularly the people in South Australia, and the Government's commitment is across the Basin, it's a commitment which is focused, it's a commitment which has dollars attached to it, and we need to get some water into the system, but we also desperately need some rain to fall as well.

GILLON: Well just finally, we are running out of time, but applications for that \$8000 solar rebate have grown, under the means tested arrangement announced in the May budget, but wouldn't they have grown even more, if there was no means test?

GARRETT: Well, Ashleigh, the decision that we took in the budget, was the right one, and the fact that we've had record applications for the solar rebate, absolutely vindicates both the position that we took, and my decision to wait, and monitor carefully the number of applications we had for solar panels. It's a generous rebate, it's \$8000, and the Government's strong view is that it should go to families that need it most. That is the impact of this particular measure, and we have been absolutely vindicated by these record applications, way greater than happened in the past, and sufficient to provide a sustainable path for the solar industry.

I should say as well, that there are other opportunities for solar through our programs, when you look at national solar schools, you know, a significant investment there for solar

panels on our schools, fantastic for kids to learn about solar energy, and also a low interest green loan, so for people that don't qualify for the means tested rebate, an opportunity to get solar and energy and water efficiency devices in their homes as well.

GILLON: Well just very quickly before I do let you go, the industry says they're suffering, there are rumours that the Government will be lifting the means test from \$100,000 to \$150,000, can we expect to see that soon?

GARRETT: We won't be lifting the means test at all. I met with the industry on Saturday morning, and I had a very, very good major speech at a conference, and spent some time with them. We've laid out a path for solar, and I said to them, and it's a fact, the Rudd Labor Government will put more solar panels on the roofs of family homes and schools in Australia than has ever been the case in the past, and this industry should have some confidence that they've got a sustainable growth path in solar energy, as a consequence.

GILLON: Environment Minister, Peter Garrett, thanks for joining us on *AM Agenda*.

GARRETT: Thanks, Ashleigh.

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