SENATOR THE HON PENNY WONG

Minister for Climate Change and Water

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Climate Change and Water: Preparing for Australia's Future Challenges

Check against delivery

Introduction

Thank you very much to the Queensland Media Club for inviting me to be with you today.

(Acknowledgements)

It's good to be back in Queensland. Since the election I've had many discussions with Anna Bligh about climate change and water issues as they affect this State - and I can assure you she is making the most of Kevin Rudd's new cooperative Federalism.

With a Queenslander as Prime Minister this State is never far from our minds.
We've had a Community Cabinet here and I've had discussions with people from a range of walks of Queensland life.

Nevertheless, this is my first major speech in Queensland since the election, so I would like to take the opportunity to outline the Rudd Government's agenda on climate change and water. I would also like to announce some new measures that are another step on what will be a long road to preparing Queensland for the impact of climate change.

Understanding the threat

In bringing together the two areas of climate change and water, Kevin Rudd recognised how these are two sides of the same coin.

Most Australians understand climate change through their experiences of water shortages – and that applies here in Queensland too. Brisbane is currently experiencing its worst drought in more than 100 years, with five consecutive low-rainfall years and water storages now at just 38 per cent of capacity. As a result, with Brisbane now at Level 6 water restrictions, there is no doubt that people here are feeling the difficult effects of a changing climate.

Farmers too are at the pointy end of climate change. The severity and length of this drought are leading many people to the same conclusion: that our climate is changing, and droughts will become more prevalent.

The recent Queensland floods are another sign of things to come: climate change means weather will become more unpredictable and extreme.
Queensland is very vulnerable to climate change.

Queensland is already warmer and drier than 50 years ago – and the latest projections show it will get hotter with warmer nights and fewer frosts.

Scientists predict twice as many extremely hot days, longer hot spells, more heatwaves and higher bushfire risk in Queensland due to climate change impacts.

Annual rainfall has dropped in Queensland's central coast by up to 250mm since 1950 and could drop a further 15 per cent by 2030.

The coastal areas for which Queensland is so famous are threatened by rising seas, tropical cyclones and storm surges.

Coral bleaching has the potential to wipe out tourism around the Great Barrier Reef – which generates around $5 billion in income and thousands of jobs for Queenslanders.

Changing temperatures and rainfall patterns are likely to affect mosquitoes and other insects. This will move diseases, like Dengue Fever, Ross River Virus and Japanese encephalitis to new areas and increase the risk of new diseases spreading.

As these examples demonstrate, climate change is already having an impact. This is projected to worsen.

We must take action before it's too late.

We cannot let Queensland become a paradise lost.

The threat of climate change is not confined to any one particular industry or sector.

Recent analysis by ABARE has foreshadowed significant declines in agricultural output – the 2002-03 drought alone having reduced agricultural output by 26 per cent.

In our built environment, a 25 per cent increase in wind gust speeds can lead to a 650 per cent increase in damage costs for buildings, with risks to human safety, because engineering standards have been exceeded.

Infrastructure and settlements in the coastal zone are clearly at risk. With 25,000 properties within one metre of sea level, there could well be more than $25 billion of assets at risk from sea level rise and enhanced storm surge.

Tackling this problem will not be easy.

I am often asked what the cost will be – for individuals and for businesses – of the action we are going to take on climate change.

But what I am not asked as often is this: what is the cost if we don't take action?

We know that if we fail to act, the cost will be much greater than if we take responsible action now.

This is not a choice between a no-cost option and an option with costs. It is a choice about whether we take responsible action now, or wait and face much higher costs and worse impacts in the future.

Unfortunately, the cost will already be greater than it could have been, because we have already delayed action for too long. Over the last decade, the previous government neglected to act on climate change – even denying it was real – and now the situation has become even more urgent and difficult.

Climate change is happening here and now – the Earth is heating up and the climate is becoming more unstable.

Australians understand that we all need to take responsibility for the climate.

Tackling Climate Change

The Rudd Government has a response to the threat of climate change that is built on three pillars.

Pillar One: Reducing Australia's Greenhouse Gas Emissions

Since we were elected six months ago, we have been working hard to reduce the greenhouse gas emissions that are causing these changes to our climate.

Over eighty per cent of Australia's electricity comes from coal. In addition, it is an enormous export for this country – and the state of Queensland. However, the burning of coal also contributes greatly to climate change.

If we are to maintain our own energy supplies, as well as maintain a major export industry, it is critical that we find a way for coal to work with less negative impact on our climate.

The Rudd Government is investing $500 million in a Clean Coal Fund, to accelerate the development and deployment of clean coal technologies.

In addition, we are investing $500 million in a Renewable Energy Fund, to support renewable technologies that harness resources like the wind and the sun.

We are also increasing the use of renewable energy by legislating a requirement for 20 per cent of Australia's electricity to come from renewable sources by 2020.

The Rudd Government will also establish a $150 million Energy Innovation Fund – to keep our world leading scientists and researchers in Australia, rather than losing them overseas.

Most importantly, our Emissions Trading Scheme – or ETS for short - will provide a market mechanism to reduce Australia's emissions.

The introduction of the ETS is the most significant reform to occur in Australia in decades. It will place a limit on the emissions we will allow to be produced in Australia.

For the first time, we will be accountable for what we do to the climate. For too long, we have poured greenhouse gases into the atmosphere without regard for what happens next. We have done that because it was easy and cheap – at the time. But in reality, it hasn't been cheap at all – the cost has simply been deferred to our generation and future generations to deal with.

With the ETS, we are putting a stop to this outdated and irresponsible approach.

There will be a cost to producing emissions - reflecting their cost to our climate - meaning there will be an incentive to reduce them.

This will drive further investment in clean and renewable energy as well as investment in new technology, goods and services for a low carbon economy.

There are also potential price impacts – which is why we are undertaking very careful modelling so we know exactly the impact of our decisions.

It's also why we are developing measures for households – particularly low income households – to help them adjust to carbon prices.

We understand the pressures on Australian working families.

In designing the ETS, I am consulting with people all over the country – business people, governments and community representatives.

We have a multi-stage consultation process, including a Green Paper to be released in July, which will outline various options for further consultation.

We are extremely mindful of how significant this transformation will be, which is why we are taking a methodical approach and consulting every step of the way.

Pillar Two: Adapting to Climate Change that is already happening

Most of the discussion about climate change has been about the need to reduce our emissions. Today, I would like to give some particular emphasis to how the Rudd Government is also working to help Australians adapt to the climate change that is already happening.

We are developing new supplies of water that don't rely on completely on rainfall, and we're helping make the best use of the water we have. I will return to this later.

We are also working with the states and territories to implement the National Climate Change Adaptation Framework across all jurisdictions. We are working on this

Framework with all governments, including Queensland, through the COAG process. A key element of this is investing in much needed research on the effects of climate change.

In addition to working closely with the states and territories, there are three key elements of our adaptation agenda.

The first is improving our knowledge about the impacts of climate change.

A major part of improving our knowledge is the establishment of the Climate Change Adaptation Research Facility, here in Queensland at Griffith University. Through this Facility we intend to harness the full capacity of the Australian research community on climate change adaptation.

Its work will be crucial in helping governments, business and the community plan for climate change.

The second is strengthening the ability of Australians to respond to the impact of climate change. This involves helping local governments, coastal planners, architects and others to build a response to climate change impacts into their ongoing operations.

Today I am announcing $1.55 million to support local government councils and organisations plan for the impacts of climate change

This funding, from the Local Adaptation Pathways Program, will be distributed to 33 groups to help them assess the local risks from climate change and develop adaptation plans tailored to these local conditions.

The organisations have been selected as part of a competitive process and they represent a wide mix of coastal, rural and urban communities.

Here in Queensland, funding will go to projects developed by: Cairns Regional Council; Gold Coast City Council; the Western Sub-Regional Organisation of

Councils (sponsored by Ipswich City Council); Sunshine Coast Regional Council; Townsville City Council; Scenic Rim Regional and Logan City Councils; and Redland City Council.

The grants will encourage these local governments to build responses to climate change into their everyday operations.

For example, Redland City Council has over 200 km of coastline and extensive low lying areas. These are already at risk of flooding and storm surges, and particularly vulnerable to climate change impacts such as increased storm activity, sea level rise and health risks from mosquito-borne diseases.

The Council will need to look at what this means for the management of shorelines and council assets such as seawalls, jetties, marinas and boat ramps.
The work will also need to consider what climate change will mean for the delivery of essential services such as water, sewage, gas and telecommunications.

Another example is Cairns Regional Council in North Queensland, which is likely to face increasingly severe weather events such as tropical cylones, flooding and storm surges.

Much of Cairns is already low-lying and climate change modelling suggests a considerable proportion of the city could be at risk from inundation. These risks need to be considered in the context of increasing development and population growth.

I am also announcing today $1.9 million in funding for grants to fourteen organisations to improve education of professionals about climate change impacts, under the ‘Climate Change Adaptation Skills for Professionals Program’.

It is critical that our engineers, planners and architects understand the impacts of climate change and how they can best respond.

A report last year from the Australian Research Institute in Education for Sustainability found that professional development in climate change adaptation for engineers, planners, landscape architects and architects is only in its infancy in Australia.

These grants will assist academic institutions and professional associations integrate climate change adaptation issues into curricula and training.

I am pleased to announce several Queensland institutions among the recipients:

- University of Queensland – for the professional development of urban planners.

- University of Southern Queensland – to revise and develop tertiary course curricula to include climate change adaptation into professional bachelor degrees (engineering, law, education, business).

- University of the Sunshine Coast – to revise and develop climate change courses and professional development programs for architects, engineers, planners and natural resource managers.

The third element of our adaptation efforts is assisting areas of national vulnerability to climate change impacts – including our coastal zones, our infrastructure, our agriculture sector and our world heritage and iconic sites.

The Rudd Government has committed $25 million to addressing the challenges of climate change in our coastal zones.

The Rudd Government is also following through on its election commitment to develop an adaptation plan for Australia's world heritage and iconic areas.

As part of this commitment, the Rudd Government will implement a comprehensive $200m five year Reef Rescue Plan, administered by Peter Garrett, to tackle climate change and improve water quality in the Great Barrier Reef.

It aims to build resilience of the Reef to climate change, providing benefits for the Reef, local landholders and farmers, the tourism and fishing industries and Indigenous communities living adjacent to the Reef.

Another critical commitment is our $130 million plan for 'Australia's Farming Future' - to help farmers tackle the threat of climate change.

In all these ways, the Rudd Government is not just tackling the onset of climate change: we are also focused on adapting to the climate change we cannot avoid.

Pillar Three: Helping Shape a Global Solution

Of course, Australia can't deal with climate change on our own: it is a global problem that requires a global solution.

The first official act of the Rudd Labor Government was to ratify the Kyoto Protocol.

This put Australia back on the map.

Now Australia is playing an active and constructive role in global negotiations for a new agreement on tackling climate change. We are working through multilateral processes, as well as using other forums and our bilateral relationships, to try and build a bridge between nations and find common ground in these negotiations.

This global agreement needs to secure widespread agreement of countries with diverse interests and entrenched positions, including major economies such as the US, China and India. There is no quick fix and it will be a very complicated negotiation.

Developed countries must lead the way, but part of the solution must be finding ways to help developing countries keep developing, while reducing their impact on the climate. Over recent years, the economic transformation of the emerging economies of China and India has lifted millions of people out of poverty.

We do not believe that the way to deal with climate change is to thwart this progress. However we must also recognise that there is no longer any such thing as business as usual. We can no longer separate economic and environmental objectives.

This means that we must work in partnership on new technology and other ways to advance development along a lower carbon path.

Some have argued that there is no point in Australia taking any action on climate change at home, as we are only a small country compared with the United States, China, India and the European Union.

While it is true that we are a smaller country, our emissions per person are high.

And it is very difficult for Australia to turn up to the negotiations telling other countries to cut their emissions, but we won't because we're only a small country.

Australia is one of the nations most vulnerable to the threat of climate change. If we want the rest of the world to act – if we want a global solution - we must take responsibility too, which is why we have to reduce our greenhouse emissions at home.

Water for the Future

At the outset today, I said that many Australians understand climate change through water shortages.

Australia is already one of the driest places on Earth. Climate change will mean we have even less rain in most parts of Australia.

The Rudd Government understands that climate change means that we need to manage our water supplies better.

We are helping develop new supplies of water that don't rely completely on rainfall, and we're helping make the best use of the water we have.

Last Tuesday I announced some of the key details of next Tuesday's Federal Budget.

The Rudd Government is investing $12.9 billion over ten years in a comprehensive plan, Water for the Future.

Water for the Future focuses on four priorities: taking action on climate change, using water wisely, securing new water supplies, and improving the health of our rivers.

Water for the Future delivers on our election commitments in water – including a $1 billion 'Urban Water and Desalination Program'.

By working with state and local governments and the private sector, this Program will provide funding towards new and innovative water supply projects in desalination, recycled water and stormwater harvesting in areas with a population of 50,000 people or more.

In addition, funds from this program will be used to establish a new Centre of Excellence in Water Recycling here in Brisbane.

Water authorities servicing towns and cities with a population of less than 50,000 people will be able to apply for funding under a new $250 million 'National Water Security Plan for Cities and Towns'.

This program will target infrastructure refurbishment, new infrastructure, and practical projects to save water and reduce water losses.

For several years now, Australian households have shown a remarkable community spirit in adapting to water restrictions and helping to conserve our water resources. The people of South East Queensland know all about this – they've been doing a great job saving water - the target of 140 litres per person per day has been met consistently.

Business is also a big part of the water saving effort in South East Queensland, with the industry water saving program regarded as nation leading.

However, we can do more to use water wisely. Water for the Future includes a $250 million commitment to a National Greywater and Rainwater Initiative.

Through direct incentives for household rainwater and greywater use, this program supports the very many Australians who are prepared to take personal responsibility for conserving our drinking water supplies.

We recognise people across the country want to do their bit to conserve our precious drinking water supplies. Through this initiative, families will receive support to install rainwater tanks and greywater systems which will reduce their use of drinking water.

Households will be able to receive rebates of up to $500 for the purchase and installation of rainwater tanks and greywater products. Funding has been set aside to provide rebates for up to 500,000 households over six years.

We also need to make sure our rivers get the water they need to stay healthy. Healthy rivers support a healthy community and a strong economy.

The Murray Darling Basin is the biggest river system in Australia and covers five jurisdictions, including Queensland. It supports around 70 per cent of Australia's irrigated agriculture and is the major source of water for many cities and towns.

Recently, at the Council of Australian Government, the Prime Minister and the premiers reached a long term agreement on the future management of the Basin. The agreement ensures that critical human needs are met, and that there will be a sustainable cap across the Basin on how much water can be extracted.

There will also be an independent umpire, the Murray Darling Basin Authority, which is responsible for managing the Basin.

As part of Water for the Future, we are also investing at least $3 billion improving river health and a further $5.8 billion improving irrigation infrastructure.

Conclusion

What these investments in Water for the Future demonstrate is how the Rudd Government commitment to preparing Australians for our long term challenges. We understand that the effect of climate change will be dramatic on our cities and our farms.

We can't make it rain. Nor can we turn back the clock on the emerging reality of climate change.

What we can do is end the denial and neglect of the past, and respond to the threat we now face in a coordinated way, marshalling all our efforts.

What we can do is take responsibility for meeting the challenges of our shared future.