



Carbon trade caution to win Liberal green light

ANDREW PROBYN
 and **PETER WILLIAMS**

Kevin Rudd's cautious revision of his carbon trading plan appears set to clinch bipartisan support, after Liberal MPs welcomed the Prime Minister's "back-peddalling" on his pre-election climate change rhetoric.

Though Opposition Leader Malcolm Turnbull has deferred final assessment of the emissions trading scheme until the completion of an independent economic analysis, many backbenchers believe Mr Rudd has made significant concessions to key industries, especially WA's multi-billion-dollar LNG sector.

Liberal MPs also believe the Government's greenhouse gas reduction target of between 5 and 15 per cent on 2000 levels by 2020 — condemned by the Greens and conservationists as derisory and lacking credibility — is more realistic than the 25 per cent target promoted by Mr Rudd's climate adviser Ross Garnaut.

Mr Rudd is hoping to get Liberal support for the ETS in the Senate, despite Mr Turnbull's preference to delay its start until at least 2011, to avoid having to deal with the Greens.

WA Liberal Senator Mathias Cormann said the ETS design was a big improvement on what was envisaged in July when the LNG industry was looking at having to pay for every

tonne of carbon it emitted from 2010.

"There is no doubt that they have done a lot of back-peddalling, going for a lower target and at least giving some recognition of the importance of the LNG industry," Senator Cormann said, referring to the revised ETS which make LNG producers eligible for free carbon permits for up to 60 per cent of greenhouse gas emissions.

WA Liberal MP Mal Washer said he would be surprised if the Liberals did not offer bipartisan support for the ETS.

"At the end of the day, Rudd's starting low and going slow and I think that's good," Dr Washer said.

"I think what Rudd's doing is good and I would imagine that we would support that. I don't want to usurp the leader Malcolm Turnbull on this but I would be surprised if we weren't pretty supportive of that decision."

Fellow WA MP Judi Moylan went further, saying she would have liked a "more robust" target than 15 per cent.

But Liberal veteran Wilson Tuckey, who has long called for tidal power in the Kimberley to be harnessed, said the Liberals should oppose a "silly" ETS.

"Our problem is we locked ourselves into an ETS but Rudd's come

along and, as I warned the party room, said: 'Here's your ETS I'm virtually delivering it'. We should never have been there," he said.

Mr Tuckey said that if Mr Turnbull allowed a secret ballot in the party room, a majority would oppose an ETS, but that "Turnbull will fight tooth and nail to deny them that democratic right".

The issue appears set to split the coalition, with the Nationals indicating they would oppose an ETS. Party leader Warren Truss said its complexity "would make it a nightmare beyond any economic reform seen".

Greens leader Bob Brown said the ETS was an "appalling and disgusting failure" and promised to use a Senate inquiry next year to improve it.

"The question here is, is the Rudd Government going to accept Greens amendments to improve this legislation as the price of getting it through the Senate?" he said.

Climate Change Minister Penny Wong said the Greens' demands were impossible.

"The Greens want carbon neutrality, that is, no net emissions by 2050, at the latest. Frankly, I'm not sure how they propose to get there," Senator Wong said.



Dissent: Greens Senator Scott Ludlam addresses a protest in Perth yesterday against the Federal Government's emissions targets. Picture: John Mokrzycki