29 March 2007

By email: submissions@emissionstrading.net.au

National Emissions Trading Taskforce Secretariat
The Cabinet Office
GPO Box 5341
SYDNEY   NSW   2001

Dear Sir/Madam,

Submission on the National Emissions Trading Taskforce

The Law Institute of Victoria (LIV) would like to extend its thanks to the National Emissions Trading Taskforce (the Taskforce) for the opportunity to provide this response to the Discussion Paper. The LIV commends the work of the Taskforce and congratulates the Taskforce for developing a thorough and considered approach to a possible design for a National Greenhouse Gas Emissions Trading Scheme (the NETS), as proposed within the Discussion Paper.

The LIV submits the following comments with respect to the Discussion Paper:

1. General Comments

   The LIV agrees that it is in Australia's best interests to reduce greenhouse gas emissions.

   The LIV fully supports a National scheme, such as that proposed in the Discussion Paper, which aims to reduce emissions by around 60% by the middle of the century.

   The LIV agrees that domestic action is necessary to be considered a credible and persuasive participant on climate change in the international arena. Collective, global action is necessary and required. The LIV has previously condemned the Commonwealth's failure to ratify the Kyoto Protocol. Australia must show its commitment to the global collective in respect of environmental issues by ratifying the Kyoto Protocol.

   The LIV agrees that major investments and development in the energy sector, in particular in the electricity sector, will be required in the coming decades. The LIV is of the view that it is important to ensure that such investments and developments are aligned with the principle of environmental integrity. Such developments need to take a renewable and sustainable approach to the provision of future energy utilities. Short term solutions are no longer appropriate and society simply cannot continue to pass the problem on to the next generation.
2. Legal Issues

The proposed NETS will raise legal issues that will need to be the subject of close attention at the design and implementation stage:

a. Whether the system would involve licensing or property rights;
b. How the emissions trading framework would be established and operate on a day to day basis;
c. Compliance with the requirements of the emissions trading scheme; and
d. Exclusions from the emissions trading scheme.

The LIV intends to make further comment on these issues when the policy position is released regarding the proposed detailed design of the NETS.

3. Consultation

The LIV commends the Taskforce for engaging and consulting widely with relevant stakeholders and for providing a generous period of time for stakeholders to respond to the Discussion Paper. The LIV encourages similar wide consultation and a lengthy period for response from stakeholders at the next stage of the process.

4. Future involvement of the LIV

The LIV thanks the Taskforce for the opportunity to provide this response to the Discussion Paper. The LIV looks forward to providing further comments at the next stage of the process.

Yours faithfully,

Geoff Provis
President
Law Institute of Victoria