



19 May 2015

Committee Secretary
House of Representatives Standing Committee on the Environment
PO Box 6021
Parliament House
Canberra ACT 2600
Submitted via environment.reps@aph.gov.au

Submission re Register of Environmental Organisations

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.

The fundamental duty of care 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.

An environment group is defined as an organization that seeks to protect, analyse or monitor the environment against misuse or degradation from human activities. Given that Australia's environment is invaluable, why is the Federal government attacking the independent (that is, people with no vested interests) community groups working to protect it?

Australian tax-payer funded attacks on Australia's greatest common asset: our unique, irreplaceable environment

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 than 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] 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

Transnational 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.⁶ 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.⁷ Both BHP and Rio Tinto are known to be squirreling 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.⁸ 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.⁹ The justification was that it would impose 'unreasonable compliance costs on Australian companies' with subsidiaries offshore.

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 to use tax-deductible donations to fund conferences and/or public relations campaigns, as it regularly appears to do.

Tax payer funded environment groups campaigning 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.¹⁰

Another group with close ties to the IPA 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 be 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*.¹¹ 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 sick¹². According to the findings of leading Professor of Public Health, Simon Chapman, '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'.¹³ 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 astroturfing illegal? It's certainly unethical and a gross misuse of DGR status.

Could the fact that donations to the Liberal Party are tax deductible and largely undisclosed explain the Abbott government's hostile attacks on legitimate community-based environment groups?

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 replace¹⁴ combined with extreme drought, now categorically linked to climate change.¹⁵ 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.¹⁶ 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.¹⁷ 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 abolish the National Water Commission that informed reforms to protect Australia's lifeblood, the Murray Darling Basin?

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}¹⁸

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.”¹⁹

Some years ago now one of 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’”.²⁰ Yet, old and inefficient coal-fired electricity plants still largely generate Australia’s electricity needs and the Abbott Federal government has been dismantling all environment protection laws we now have to phase them out.²¹ With its so-called ‘developed nation’ status and **envious 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.

The Green Economy is the Future Economy

Old era polluting industries will die as the world transitions to zero pollution, sustainable systems. Given that independent environment groups are disseminating the evidence that this unstoppable transition is already well under way and that the pace of change is quickening, it should come as no surprise that the industry backed Abbott Federal government is attempting to silence them.

Internationally, with only a fraction of our renewable energy resources, countries such as Denmark, Germany, Spain, USA, 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. In many places around the world, prices on pollution, 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, according to Bloomberg New Energy Finance, after adding 20.7GW of capacity during 2014, China now has more wind power than the entire UK energy system. Meanwhile, the US added 4.7GW of new onshore wind capacity last year, a sixfold increase on the 764MW installed the previous year.²² 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.

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*

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 2020.²³ 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.²⁴ Globally, there are now more than 6.5 million people employed in renewable energy.²⁵

In terms of renewable energy storage and distribution, Tesla is already rolling out affordable battery solutions that will enable consumers to be fully independent from electricity grids.

So, why would a Federal government attempt to kill a new industry that had created tens of thousands of new jobs and generated tens of billions of dollars in local economies? Why would a government go to enormous trouble to undo laws (the Clean Energy Future legislation) that were proving highly effective at reducing pollution and stimulating jobs and growth in the clean-energy sector? Australia has promised to reduce pollution emissions by a pathetic and embarrassing five per cent by 2020. However, the Abbott government's 'Direct Action' plan to achieve this has failed to win the support of any credible economists or policy analysts.²⁶

With each new approval of another destructive coal mining or gas drilling project, more people are becoming aware of the depth and degree to which our governments are captured by polluting industries.

Increasingly, the broader community is understanding that to secure our natural assets (and major tourist attractions such as the Great Barrier Reef) and prepare Australia for the future zero carbon global economy, the Federal government should be 1) redirecting the billions of dollars in subsidies that currently support fossil fuels to renewable energy and the storage and distribution technologies that support it, with the aim of transitioning the national electricity grid to deliver only zero pollution energy as fast as humanly possible, 2) NOT approving any new coal or gas projects, 3) returning the price on pollution (aka carbon tax) and ensuring it's high enough to reflect its true long term damage, 4) committing to major mandatory improvements in energy efficiency across the whole economy, 5) halting land clearing and undertake major re-forestation projects, and 6) directing a rapid transition to a transport system that can run on electricity sourced from renewable energy.

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 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.

We know the big test for Australia, and indeed all countries, will be how to manage the **twin challenges of climate change and peak oil**. 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 draught 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.

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 the Abbott government? 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 Abbott 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? These are the questions that this inquiry should be asking.

In concluding we 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. We would welcome the opportunity to discuss any part of this submission with you.

Yours faithfully

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