



THE  
AUSTRALIAN  
WORKERS'  
UNION

**STRONGER  
TOGETHER**

**The Australian Workers' Union**  
Pearce Review of the Emissions Trading Scheme  
On behalf of The Federal Opposition  
Submission

January 2009

## **Executive Summary**

The Australian Workers' Union (AWU) is the largest and most diverse, blue collar union in Australia. Our industries span the breadth of the Australian economy from raw materials and energy extraction and processing to agriculture, manufacturing and services. That is why the AWU has been at the forefront of the policy debate on the development of the emissions trading scheme (ETS). AWU members are on the front line of the ETS which will see a price placed on greenhouse gas emissions for the first time in 2010.

The AWU supports the introduction of a domestic ETS in 2010 as Australia transitions to a lower carbon economy in order to meet the challenges to the planet posed by climate change in the wake of escalating emissions of greenhouse gases. A major concern for the AWU has been to ensure that Australian workers and industry not be disadvantaged during the transition to a comprehensive global response to climate change. This would run the risk of losing investment, exports and jobs to unregulated jurisdictions free of a carbon costs at least over the short to medium term.

A durable longer term solution to climate change will require the early commitment of the major emitters, in particular the major developing nations such as China and India in addition to the United States. On these grounds, the AWU believes the Rudd Government has struck the right balance between target setting under the ETS and the compensation and assistance packages tailored to the needs of industry, workers and consumers on the one hand and in making stronger targets conditional on international agreement on the other. The timing of the commencement of the ETS (mid 2010) means the Rudd Government has the opportunity to also factor in the rapidly changing economic climate confronting EITEs.

The AWU believes the Rudd Government's White Paper on the Carbon Pollution Reduction Scheme - Australia's Low Pollution Future - provides leadership at this critical time aimed at dealing with the practicalities of introducing an ETS which will be of value to other nations grappling with the same issues. This will be a particularly important aspect of upcoming negotiations between the parties to the Kyoto Protocol in Copenhagen in late 2009 and in preparatory meetings which will play an important element in providing leadership - serving as an example to other nations and avoiding isolationism.

The AWU believes therefore the overarching focus for the Government this year is to achieve in coalition with other nations, a meaningful outcome at Copenhagen which will inform the development of the post-Kyoto framework which will be fair to all nations including Australia. This immediate policy priority should now be informing the current policy debate because the international context in which the ETS will be implemented from 2010 and beyond will be decided at Copenhagen. That means that every policy effort - for both Government and Opposition - should be focused on achieving the best possible outcome for Australia at Copenhagen rather than debating the ETS in isolation from these developments.

The consequences for the global environment and burden sharing by Australia will improve in the presence of - or at least with clear signs of - a binding international agreement. Assessment of the costs to Australia depends on the prospects of transitioning to a future agreement and the economic circumstances of the EITEs as we approach commencement. The White Paper can be the catalyst for achieving agreement at Copenhagen and why the AWU believes it should receive in-principle support by the Opposition.

## Introduction

This submission responds to the invitation by the Opposition's spokesman for Climate Change and the Environment, the Hon Andrew Robb AO MP, Shadow Minister assisting the Leader on Emissions Trading Design, to make a submission to the Opposition's review of the CPRS being undertaken on its behalf by the Centre for International Economics, led by the Chairman of the CIE, Mr David Pearce.

The Australian Workers' Union (AWU) welcomes the opportunity to make a submission to the Pearce review into the ETS. The AWU has been at the forefront of the debate on the development of the Rudd Government's Carbon Pollution Reduction Scheme (CPRS) to ensure that our members were not the first victims of climate change.

The AWU has been representing its members busy making things across the range of our industries as a fundamental part of the Australian economy for over a century. The AWU represents tens of thousands of workers on the front-line of the climate change debate in cement, aluminium, LNG, mining, oil refineries, plastics, zinc, agriculture and manufacturing.

The AWU is proud of the important work our members do - jobs which have built the wealth of this nation, jobs which have provided the essential infrastructure for this vast continent. The AWU has a particular interest in ensuring a balanced and fair CPRS is introduced in Australia in 2010 and one which will assist Australia in transitioning to a lower carbon future under the auspices of a binding international agreement.

To this end, the AWU sets out its case for early bipartisan agreement on the White Paper as its main priority for the CPRS in 2009 culminating in the United Nation's (UN) meeting in Copenhagen on the terms of a future post-Kyoto ETS framework. It will also serve to build industry global sectoral agreements where we are seeing progress, albeit too slowly. At a time of global financial crisis the best way to move forward to a lower carbon world and to protect the interests of our EITE industries and exports is for the major political players in Australia to work towards a bipartisan stance on this important issue. International agreement would need to address the impact of the economic slowdown by ensuring a level playing field for our industries and exports. It may also offer important stimulus through the development of international carbon trading markets and technology transfer.

## The Government's White Paper

The AWU congratulated the Rudd Government following the release of its White Paper outlining the Carbon Pollution Reduction Scheme (CPRS), in December 2008.<sup>i</sup> The paper sets out the government's policy position responding to its commitment to the Australian electorate made at the 2007 federal election to implement an ETS in 2010.

The AWU has been active in the policy debate because EITE industries are relatively more disadvantaged than other industries in not being able to pass on the costs of permit purchases following the introduction of a domestic ETS because they are trade exposed (ie as exporters or in competition with importers) and therefore subject to competition.<sup>ii</sup>

However, in the absence of a global or sectoral agreement which would otherwise allow for these costs to equally shared by other exporters and foreign producers, these domestic industries would be disadvantaged. The AWU offered a number of comments on the design and features and application of the ETS in a range of submissions in 2008.<sup>iii</sup>

The White Paper has incorporated numerous comments and suggestions from many stakeholders on the earlier Green Paper on both the design and implementation of the ETS and also accounts for the global financial crisis and leakage issues. In fact, the AWU commends the Government for the constructive manner in which they engaged with stakeholders, whose comments have been extensively quoted in the White Paper followed by the Government's response.

Of major interest to the AWU is Volume 2 of the report, in particular Chapter 12 *Assistance to Emissions Intensive Trade Exposed Industries*.<sup>iv</sup> The policy rationale for assisting EITEs expressly accounts for the risk of leakage in addition to providing transitional support to 2020. To quote from the White Paper:

" The Government has decided to assist EITE industries to reduce the risk of carbon leakage and to support those industries transition to a carbon constrained future."<sup>v</sup>

The package represents a decisive step by the Government along the path toward a lower carbon economy with some of the toughest emissions reductions in the world. But it recognises the vital importance of our existing industry, and its workforce (many of them AWU members) as part of the solution, rather than the problem to transitioning to a lower carbon future.

The AWU has parted company with the Greens and their supporters in the environmental lobby calling for tougher targets and less transitional assistance for EITEs.<sup>vi</sup> It is indulgent and counterproductive to expect any government, in any country, but particularly in a country like Australia which is dependent upon energy intensive industries for investment, jobs and exports, to stand by and support policies which will see these activities - which pay our bills - simply cease or relocate offshore. The EU has not, the US will not and Australia should not.

Such a position risks such a backlash from every country with significant economic interests at stake that any further international agreement post-Kyoto aimed at reducing emissions in a meaningful way would be impossible. In fact, by setting targets as high as recommended by the Greens, other countries would have incentives to attract our own valuable industries at the expense of both our own economy and the global environment. Leakage would be a certainty.

The White Paper package is pro-environment and pro-business and pro-workers in both the brown and green sectors. It is based on creating a cooperative and consultative rather than punitive, framework. And that is why it has our support. The design features of this scheme will promote business certainty during uncertain times, and provide transitional assistance from commencement of the ETS in 2010.

And this is the fundamental change contained in the Government's White Paper which we must grasp. It is an example of domestic policy setting focused on practical outcomes dealing with climate change which provides critical international leadership. The policy mix of targets and obligations balanced with assistance measures for industry and households is precisely the kind of recipe which other countries could agree to embrace.

Once this occurs, it is then possible to raise the level of ambition across the globe as required to meet the challenge of climate change; offering a meaningful chance of addressing climate change once and for all on a level playing field. That is a win-win outcome for us all.

**Highlights of the scheme overall include:**

1) A unilateral target of 5 per cent cut on 2000 emissions by 2020 and up to 15 per cent in the event of international agreement (and targets beyond 2020 conditional on international agreement). in per capita terms still implies cuts of 27-34 per cent on 2000 levels (on-15 per cent absolute), comparable or better with the EU and UK on per capita terms.

This equates to an initial carbon price of \$25 a tonne. Price cap of \$40 is set rising by 5 per cent real pa. Unlimited importing and no exporting of permits permitted will help to keep downward pressure on prices.

2) Close to 70 per cent permits auctioned at start (July 2010);

3) A \$25 / tonne carbon price equates to \$11.5 billion a year in revenue fully redistributed.: \$6 billion for households per annum; Climate Change Action Fund: \$2.15 billion (over 5 years); Electricity Sector Adjustment: \$3.9 billion over 5 years.

## **Emissions-Intensive Trade-Exposed (EITE Industries)**

The ETS (or CPRS) strikes the balance which the AWU has been calling for regarding the position of EITEs given the risk of leakage in the absence of an international agreement. The 5 per cent unilateral target still equates with a competitive cut in emissions in per capita terms equivalent to or better than EU and provides scope for a more ambitious target conditional on international agreement. Review of assistance after 5 years effectively means that in the absence of international agreement 100 per cent assistance should be considered to be provided to these industries.

Option to use alternate measures and the lower threshold and the increased number of permits will be of significant value to EITE industries. Perhaps of greatest significance is the recognition for growth in our industries - something the AWU had been calling for - and additional permits up to 45 per cent of the total (including agriculture) will allow for this, in line with growth in the economy.

Significantly, the number of permits will not be fixed, such that the total may be even higher in the event of on-going growth and investment in EITE industries. This is consistent with AWU views that if we are to make any of these products in the world, we should be doing it here in Australia at best practice.

The treatment of indirect emissions for both electricity and for LNG appears to address a number of concerns and for LNG as a feedstock raised by our industries, but these industries will also need to speak for themselves (including plastics and chemicals).

The focus on the importance of building sectoral agreements is also vital to our industries as is the reiteration of a strong international negotiating push by Australia.

### Assistance to EITEs

1) Eligibility based on trade exposure if annual trade share is at or above 10 per cent in any one of the years: 2004-05 to 2007-08. If entities are below this then can apply for qualitative assessment.

Thresholds for assistance at emissions of 90 per cent allocation for 2000 tonnes CO<sub>2</sub> e / \$million revenue OR value added of 6000 t CO<sub>2</sub> e / \$ million VA and 60 per cent allocation at either 1000-1999 t CO<sub>2</sub>e/ \$million revenue OR 3000- 5999 CO<sub>2</sub> / \$million revenue or allocation . Time period for assessment is emissions data : 2006-07 to 2007-08 and for revenue / value added: 2204-05 to the first half of 2008-09.

2) 25 per cent of total permits for EITEs with a growth factor which sees permits increase to around 45 per cent by 2020 (and allowing a carbon productivity contribution of 1.3 per cent compared to 4 per cent under the green paper). in this way, permits are allowed to increase with growth and covering new investment by EITEs without qualification;

3) EITE assistance covering scope 1 and 2 emissions; particular arrangements for scope 3. Scope 1 based on activity based on historic industry average emissions per unit of production for all entities conducting activity;

Scope 2; electricity allocation factor set at 1 t co<sub>2</sub> per MWh nationwide. "The Government has decided to provide EITE assistance in relation to the cost increases associated with the indirect electricity emissions of an EITE activity". Steam is also covered an indirect emissions;

Scope 3: natural gas feedstock allocation factor (for plastics and chemicals where natural gas is a component) set state by state;

4) Review assistance after 5 years;

5) Allocation for electricity use will be of major benefit to heavy electricity users as at 1 permit per MWh will exceed the expected increase in electricity prices from the ETS equivalent to 0.79 permits per MWh over the first decade of the scheme, (but with higher impacts expected in Vic and NSW where electricity prices may be higher). There is also flexibility to adjust compensation for very large electricity users above 2000 gigawatt-hours of electricity at a single facility;

6) Govt will release a guidance paper at start of 2009 that sets data required from industry for Government to assess eligibility for EITE assistance. Detailed consultation on the list of activities eligible for EITE assistance to follow. But already clear that at 90 per cent assistance will be aluminium smelting; cement clinker; lime production; silicon production; and integrated iron and steel manufacturing; 60 per cent: alumina refining; petroleum refining; and LNG production;

7) Additional specific activities in pulp and paper; iron and steel sector; the plastics and chemicals manufacturing sector; the other non-ferrous metals sector; and the glass manufacturing sector are also covered.

## Electricity sector

The electricity sector is well catered for through the Electricity Sector Adjustment Scheme - assisting coal fired electricity generators and assisting the most emissions intensive generators (above 0.86 tonnes of CO<sub>2</sub> per megawatt hour), equivalent to \$3.9 billion in nominal terms over 5 years. It will be important that generators pass through savings to heavy users in future contracts, particularly where electricity prices are likely to increase as a result of relative emissions intensity.

### Climate Change Action Fund

The Climate Change Action Fund will provide \$2.15 billion to assist:

- information provision (\$130 over 5 years);
- investment in energy efficiency and low emission technologies (\$1.4 billion over 5 years);
- structural adjustment provision for workers and communities (\$200 million provisionally set aside from 2010-11); and
- coal sector adjustment (\$750 m over 5 years) (assisting coal mines with a high emissions intensity).

Significantly, a stakeholder consultative committee is being established to assist the Minister on the design and implementation of activities under the CCAF, important to ensure adequate support for workers and regions under the auspices of the CCAF.

## EITE workers

The acknowledgement of the circumstances of EITE workers is welcomed, and we would still like to be able to look at options with the government to support displaced workers directly in the event of leakage in addition to structural adjustment assistance to assist with training and retraining, and new opportunities in cooperation with their representative unions.

Our view is that we are still keen to support workers from the risks of leakage as directly as possible (just like industry has been supported); that if permits are not granted to workers but recycled and auctioned by government, the amount set aside under the Climate Change Action Fund<sup>vii</sup> may not be enough as a contingent fund.

We would like the chance to explore the assistance mechanisms further with government. It is no coincidence that the EITEs and electricity sector want permits, because they will be worth more (that is why we argued for them in the first place). Permits could go into a pool for a wider benefit not just to a few individuals.

## Carbon Capture and Storage

The AWU rejects the view that there is no future for coal in the Australian or global economy. Carbon Capture and Storage (CCS) technologies represent potentially the single most important abatement measure to secure safely future emissions without stranding enormous reserves of

coal resources and assets or the EITEs which rely upon it. This has been acknowledged by the Government in the White Paper<sup>viii</sup>

The AWU has therefore strongly endorsed the Prime Minister of Australia's announcement that the Australian Government will spend \$100 million on establishing the Global Carbon Capture and Storage Institute<sup>ix</sup> in addition to other measures. Australia needs to lead the world in finding low-carbon technology solutions because so much of our economy is currently based around the resource sector.

Investment in CSS complements innovation in manufacturing techniques and processes to define a positive future for the iron and steel sector in an emissions trading framework. This should serve as a demonstration to all countries on the benefits of actively participating in these arrangements rather than avoiding them. We believe this technology will play an important part in keeping alive the industrial regions of Gladstone, Kwinana, Whyalla, Geelong, Portland, Wollongong and the Hunter, which are heavily dependent on the resource and manufacturing sector. In these regions major industries could utilise carbon capture and storage technology to keep their current sites operating profitably in Australia.

## Sectoral and global agreements

The key to securing a long term solution to climate change is of course through concerted international action. Australia has an important responsibility and leadership role as a front runner in establishing the ETS with an early commencement date to ensure other countries understand the benefits and trade offs contained in a policy package such as the White Paper. UN's Climate chief (Yvo de Boer) says Australia's emissions trading scheme is very encouraging and the government should be applauded for entering the carbon market.<sup>x</sup> The package will make a meaningful contribution to achieving stronger, more binding commitments from all nations at Copenhagen in 2009 and beyond in a post-Kyoto framework.

Trade exposure and impacts on workers are common international themes in policy responses to the challenges posed by climate change. Despite lost opportunities, Australia has not stood still. Australian industry and workers, scientists and policy makers have, in addition to Australia's rich resources, much to offer in terms of know how, technology and innovation in sustainable products in the iron and steel sector.

In his Draft Report, Professor Garnaut proposed the possibility of sectoral agreements for EITE sectors as an interim step to arriving at a comprehensive global ETS.<sup>xi</sup>

The AWU agrees that it is an immediate trade policy priority for Australia is to negotiate international sectoral agreements in key areas for Australia (including metals, LNG, cement and paper) or a binding global agreement. A two-stage strategy and perhaps with a regional focus under a UN framework may yield benefits which should be explored. For example, Australia has some of the most efficient and productive producers of steel in the world. Adopting a life cycle approach for assessing the true economic value of our products which can be reused, recycled and remanufactured over and over are key valued-adds. And we also have some of the best research and development, innovation and funding which will also be available to the rest of the world, in particular to the BRICs lowering emissions from these processes through time.

EITE industries and their peak bodies both nationally and internationally have taken their own steps to make progress in achieving international voluntary agreements and measuring their own performance against these. These would serve as a useful model to build more binding commitments in the relevant sectors.<sup>xii</sup>

Armed with Australia's White Paper, a reinvigorated international effort is now the number one policy priority in the war against climate change.

In the lead up to UN Negotiations in Copenhagen, the AWU believes that there time is right to immediately launch a concerted international diplomatic effort aimed generating momentum through bilateral relationships, regional collaboration and multilateral cooperation aimed at achieving the best possible outcome for future negotiations. In particular, Australia has a major opportunity to work constructively at a sectoral level through the Asia-Pacific Partnership on Clean Development and Climate (APP) which brings together the United States, Japan, the Republic of Korea, Canada, China and India in addition to Australia.<sup>xiii</sup>

This initiative, bringing together, government, industry and researchers has the potential to lift the bar on the level of aspiration under a new US administration in practical ways and at a time when the economic slowdown provides incentives for countries like China and India to look at all options for stimulating their economies along a sustainable pathway, with the assistance of the international community. There is value in technology development and deployment in reducing emissions and stimulating investment and jobs in these countries. For example, currently there is no technology available to reduce the emissions of process gases created during the conversation of taconite ore into iron and steel in blast furnaces and basic oxygen furnaces. Once established this technology can be shared with countries that sign up to internationally recognised standards.<sup>xiv</sup>

Any grouping which combines the biggest emitter in per capita terms (the US) with the largest emitter in aggregate (China) needs to be harnessed for its potential to shape a future agreement. They bring both large producers (Australia, US, China and India) and consumer countries (US, India and China) together for mutual benefit. Other bodies where Australia has influence, such as APEC, also need to be proactive in this regard. The AWU would welcome the opportunity to share some of its own ideas from working within the context of the International Metalworkers Federation (IMF) on practical approaches to developing sectoral agreements.<sup>xv</sup> Unions should be part of the consultative framework of the APP and APEC in the same way as at the OECD. We would welcome the support of the Government and Opposition to this end.

## Conclusion

The future of AWU members depends on the design and implementation of a fair and balanced emissions trading scheme in Australia. The AWU did not enter the debate lightly but has been encouraged by the willingness of the Rudd Government to listen and respond to our issues and concerns as reflected in the White Paper. Today, our country is facing deep threats to jobs because of the global financial crisis. The Government wants to maintain good Australian jobs.

The Rudd Government has quite rightly taken the economic crisis into consideration in designing this stage of the CPRS and has retained flexibility in its approach including in support for EITEs. The Government is pointing the way to a successful, important, first step to a low pollution economy. The AWU believes the Rudd Government must continue to be an international leader pushing for global agreements as well as global sectoral industry agreements. It is on the global stage, with these types of agreements, where the international community can really step up the fight on climate change.

It will also allow the Government to do a couple of things related to the global economic slowdown:

- 1) argue for the merits of early international agreement aimed at achieving binding commitments as the fairest way to ensure that no one economy is disadvantaged at a time of slower growth;
- 2) provide important stimulus opportunities to the global economy from trade and technology transfer which can complement efforts to revive the Doha Round at this critical time. If these opportunities are seized, it will be possible to meet the aspirations of the White Paper and the timetable for the commencement of the scheme. However, if international developments are not proactive but rather prove defensive and isolationist, Australia may need to retain its flexibility in responding in view of the economic slowdown and the circumstances of EITE industries. The AWU is a strong supporter of conditionality if we are to ensure that our EITE industries are to be dealt with on fair terms.

The review's consultation process will also offer a chance for further consideration of implementation issues and fine tuning, but of overriding importance is to achieve in principle support as soon as possible for the package to maximize the chances of Australia contributing to achieving a meaningful international agreement and to avoid isolationism. The UN has implicitly accepted this role for the White Paper in recent supportive comments. Prolonging domestic debate on the merits of the policy or considering doing side deals with the Greens will deny us this important leadership opportunity, taking pressure off other countries to reform and agreeing to stronger targets which will offset leakage in a more sustainable way. At the moment, we should be asking all participants at Copenhagen to tell us why they cannot agree to a policy package like the White Paper rather than nothing at all. In the interim, the APP could be playing a vital catalytic role leading up to Copenhagen.

## Endnotes

<sup>i</sup> Govt sets out green pathway which provides job certainty, 16 December 2008, [http://www.awu.net.au/193\\_5.html?H|19|193|20412203](http://www.awu.net.au/193_5.html?H|19|193|20412203)

<sup>ii</sup> Working to get the ETS right for Australian industry, exports, investment and jobs, AWU Response to Green Paper, July 2008

**AWU wants emissions permits for workers, not just corporations**, 23 July 2008, [http://www.awu.net.au/92\\_5.html?H|19|92|24739270](http://www.awu.net.au/92_5.html?H|19|92|24739270)

The national emissions trading scheme, AWU Position Paper July 2008, [http://www.awu.net.au/emissions\\_trading\\_scheme\\_a1\\_22\\_july\\_2008.pdf](http://www.awu.net.au/emissions_trading_scheme_a1_22_july_2008.pdf)

<sup>iii</sup> Don't let companies move to nations with laissez-faire environmental regulations, 30 September 2008 [http://www.awu.net.au/141\\_5.html?H|19|141|10603235](http://www.awu.net.au/141_5.html?H|19|141|10603235)

<sup>iv</sup> <http://www.climatechange.gov.au/whitepaper/report/pubs/pdf/V2012Chapter.pdf>

<sup>v</sup> Page 12-6. The White paper notes in outlining the preferred policy position (12.1) that the key rationale for providing assistance which addresses some of the competitiveness impacts of the Scheme on emissions-intensive trade-exposed (EITE) industries is to:

Reduce the likelihood of carbon leakage in the period before broadly comparable carbon constraints are applying internationally;

Provide transitional support to these industries.

The provision of assistance to EITE industries will support production and investment decisions that would be consistent with a global carbon constraint. (page 12-7)

<sup>vi</sup> Indulgent Greens miss point of White Paper, 19 December 2008 [http://www.awu.net.au/197\\_5.html?H|19|197|50829713](http://www.awu.net.au/197_5.html?H|19|197|50829713)

### <sup>vii</sup> **Assistance to workers, communities and regions**

The Government recognises stakeholder concerns in relation to particular regions, including those that are dependent on coal-fired electricity generation. The Government stands ready to provide assistance through the Climate Change Action Fund where a clear, identifiable and significant impact arises as a direct result of the scheme. The Government has provisionally set aside an amount of \$200 million of assistance for workers, communities and regions through the Climate Change Action Fund from 2010-11. Other fact sheets are available on the Climate Change Action Fund.

### <sup>viii</sup> **Assistance for carbon capture and storage technologies**

Carbon Capture and Storage (CCS) technologies offer the potential to significantly reduce global greenhouse gas emissions, particularly from coal-fired power generation. Because of Australia's high reliance on coal to generate electricity, and our position as a major coal exporter, we have a vital interest in the successful commercialisation of CCS as part of the domestic and global response to climate change. The Government's commitment to assist the development and deployment of CCS technology reflect the technology's importance in meeting Australia's longer-term emissions reduction objectives.

<sup>ix</sup> AWU says Govt carbon capture initiative important for jobs, 19 September 2008, [http://awu.net.au/national/news/1221804433\\_18943.html](http://awu.net.au/national/news/1221804433_18943.html)

<sup>x</sup> <http://www.abc.net.au/news/stories/2008/12/16/2447311.htm>



<sup>xi</sup> Garnaut Climate Change Review Draft Report, June 2008

<sup>xii</sup> Joint Standing Committee on Treaties: Review of the Kyoto Protocol and beyond. AWU Submission, August 2008, <http://www.aph.gov.au/house/committee/jsct/25june2008/subs/sub25.pdf>

<sup>xiii</sup> Launched in January 2006, the APP is an international non-legally binding partnership between Australia, Canada, India, Japan, the People's Republic of China, South Korea and the United States, to address the challenges of climate change, energy security and air pollution in a way that economic development and reduces poverty.

<sup>xiv</sup> AWU takes fight to defend Australian steel industry to Global Climate Change meeting, 02 November 2008 [http://www.awu.net.au/69\\_5.html?H|19|69|99535992](http://www.awu.net.au/69_5.html?H|19|69|99535992)

<sup>xv</sup> Steel unions agree to environmental global strategy : fight for international solutions to climate change, 13 November 2008 - Refer to the IMF's Draft Policy on Climate Change in the Steel Industry