



16 August 2022

## JOINT AUSTRALIAN CLIMATE ROUNDTABLE SUBMISSION ON THE CLIMATE CHANGE BILLS

The Australian Climate Roundtable supports passage of the Climate Change Bill 2022 and the Climate Change (Consequential Amendments) Bill 2022 ('the Bills'), and we encourage the Senate to pass the Bills after due consideration.

We comprise national bodies representing business, environment, farmers, investors, the social welfare sector and workers. Over the years we have found strong common ground on climate change policy and we encourage the Parliament to reflect the considerable consensus in the community.

This submission expresses collective views of the Australian Climate Roundtable organisations, and is without prejudice to the individual positions and submissions of our organisations.

The Australian Climate Roundtable has advocated [key principles for climate policy](#) and we consider that the Bills represent a substantial and positive step towards achieving several of these principles. The Bills are not a complete solution to the climate challenges facing Australia. Instead they set up clear national goals, a predictable process for evolving those goals over time, a useful transparency framework to assess progress, and a valuable avenue for independent advice and community consultation. Much more will be needed from more specific policies and mechanisms to achieve our shared goals. But the Bills are a strong foundation and we support their passage.

The ACR principles most relevant to the Bills, and our assessment of the degree to which the Bills reflect them, are laid out overleaf.

<b>ACR Principle</b>	<b>Assessment of the Bills</b>
<p>Goal: “Unconstrained climate change would have serious economic, environmental and social impacts on Australia. These costs underpin our assessment of the need for action.</p> <p>We recognise the major parties’ support for Australia’s participation in the Paris Agreement and its objective of taking action towards “holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels.” Our overarching aim is for Australia to play its fair part in international efforts to achieve this while maintaining and increasing its prosperity.</p> <p>Achieving this goal will require deep global emissions reductions, with most countries eventually reducing net greenhouse gas emissions to zero or below. Australia should seek to achieve net zero economy-wide by 2050.</p> <p>Avoiding unconstrained climate change will provide important benefits and opportunities to Australia. However, emissions reductions on the necessary scale will also require substantial change and present significant challenges for Australia as well as other countries. Delayed, unpredictable and piecemeal action will increase the costs and challenge of achieving the goal. Policy must be well designed to achieve the goal while avoiding these risks.”</p>	<p><u>The Bills are compatible with this principle.</u> They prescribe a target of reducing emissions by at least 43% from 2005 levels by 2030 (s10(1a)); set a goal of net zero emissions by 2050 (s10(1b)); and outline processes for advice and decision on amended and further targets that draw on the goals and requirements of the Paris Agreement. The targets serve as a floor beneath ambition without constraining the ability of governments and Parliaments, acting on appropriate advice and public consultation, to further strengthen ambition and achievement.</p> <p>The consequential amendments, by reflecting the targets and relevant functions in the enabling legislation for a range of existing government activities, help to avoid the risk of piecemeal action or incoherence across government.</p>
<p>Stability: “To attract and sustain investment over the long term, the underlying climate policy framework should be stable, offer predictable processes for important decisions and enjoy broad political support.”</p>	<p><u>The Bills are compatible with this principle.</u> They would establish clear targets and a durable basis for future reporting, advice and decision-making. The broader the support for their passage, the more credibly these Bills can underpin action by business and the community.</p>
<p>Administration: “Compliance costs and regulatory burdens should be kept to a minimum. Policy should aim to provide transparent information about its operation and impacts, consistent with commercial expectations and the public interest.”</p>	<p><u>The Bills are compatible with this principle.</u> Annual statements (s12) informed by publicly available independent advice (s14) should provide strong transparency about the level of success and impact from efforts to achieve Australia’s targets.</p>

<b>ACR Principle</b>	<b>Assessment of the Bills</b>
Review: “Australia needs regular independent review of its emissions policies, its targets (including their consistency with agreed overall goal, and international undertakings) and the efforts of other countries. This should involve full public consultation.”	The Bills are compatible with this principle. In addition to annual reviews of performance, the requirement for regular independent advice on future targets (s15(2)) and the necessity for public consultation in the Authority’s preparation of that advice (s15(3)) is very welcome.

The passage of the Bills is just the start of a wave of further important work on climate change for the Government, the Parliament and the community. This includes:

- Developing and debating a range of policies to help achieve the emissions targets, including evolution of the Safeguard Mechanism, the Rewiring the Nation Fund, the National Reconstruction Fund and more;
- Developing Australia’s next Nationally Determined Contribution to the Paris Agreement process, covering emissions to 2035 and due in the life of this Parliament;
- Planning for and responding to the growing physical, social and economic impacts of climate change on Australians;
- Addressing equity in the policy design process, protecting and avoiding disproportionate impacts on vulnerable people, spreading the costs of climate policies fairly; and
- Assisting the fair and successful transition of workers and communities and ensuring that new opportunities for decent work are open to all in the community.

We look forward to playing our part in these efforts, within the overarching framework established by the Bills.

For any questions in relation to this submission, please contact Tennant Reed, Director of Climate Change and Energy at Ai Group, on 0418 337 930 or [tennant.reed@aigroup.com.au](mailto:tennant.reed@aigroup.com.au).

Endorsed by:

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| <b>Australian Industry Group</b>          | <b>Australian Conservation Foundation</b> | <b>Australian Council of Social Service</b> |
| <b>Australian Council of Trade Unions</b> | <b>Australian Energy Council</b>          | <b>Business Council of Australia</b>        |
| <b>Investor Group on Climate Change</b>   | <b>National Farmers Federation</b>        | <b>WWF Australia</b>                        |