

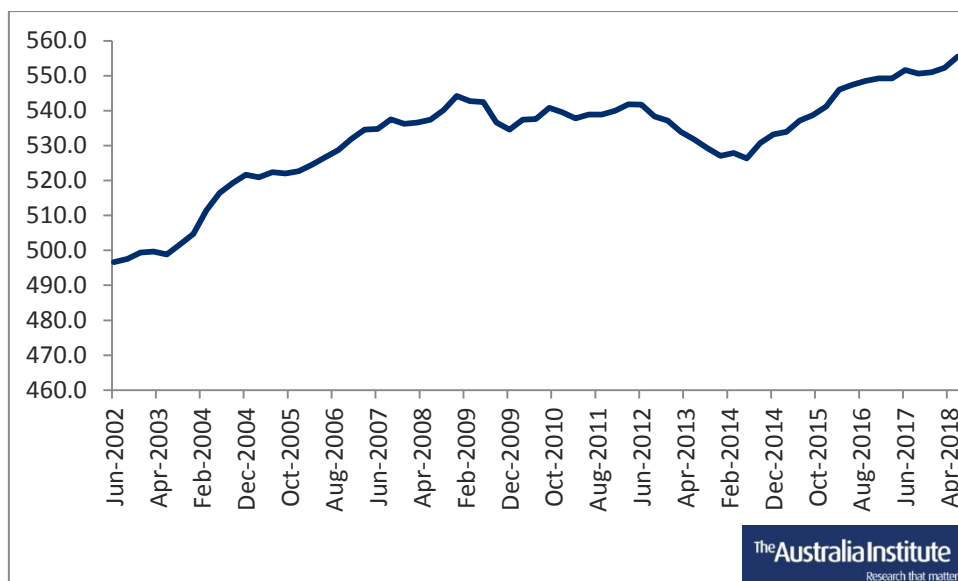
Stay on target - Update

The government has just released statistics on Australia's greenhouse gas emissions and they show that total emissions are still rising and we are still not on track to meet our Paris target

Matt Grudnoff
November 2018

The Government has released the June quarterly update on Australia's greenhouse gas emissions and it shows that Australia's emissions continue to rise. Excluding the unreliable Land Use, Land Use Change and Forestry (LULUCF) segment, Australia's emissions are at a record high and have increased every year since the carbon price was scrapped. This is shown in Figure 1.

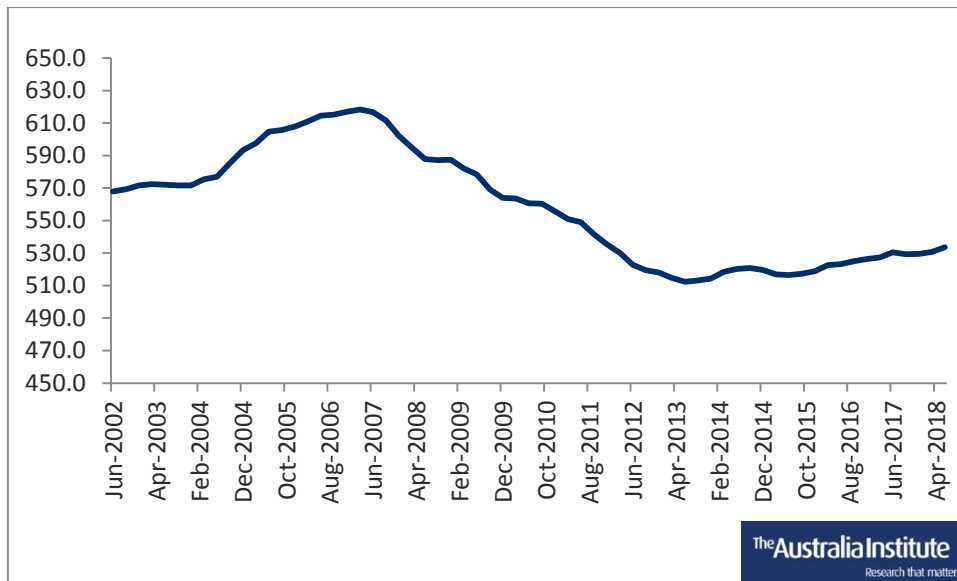
Figure 1 – Australia's total greenhouse gas emissions excluding LULUCF



Source: Department of the Environment and Energy (2018) *Quarterly Update of Australia's National Greenhouse Gas Inventory: November 2018*, September, available at <<http://www.environment.gov.au/climate-change/climate-science-data/greenhouse-gas-measurement/publications/quarterly-update-australias-national-greenhouse-gas-inventory-june-2018>>

Even when unreliable data from LULUCF is included, Figure 2 shows that Australia's total emissions are still rising and this quarter's emissions have been the largest since June 2011, before the introduction of the carbon price.

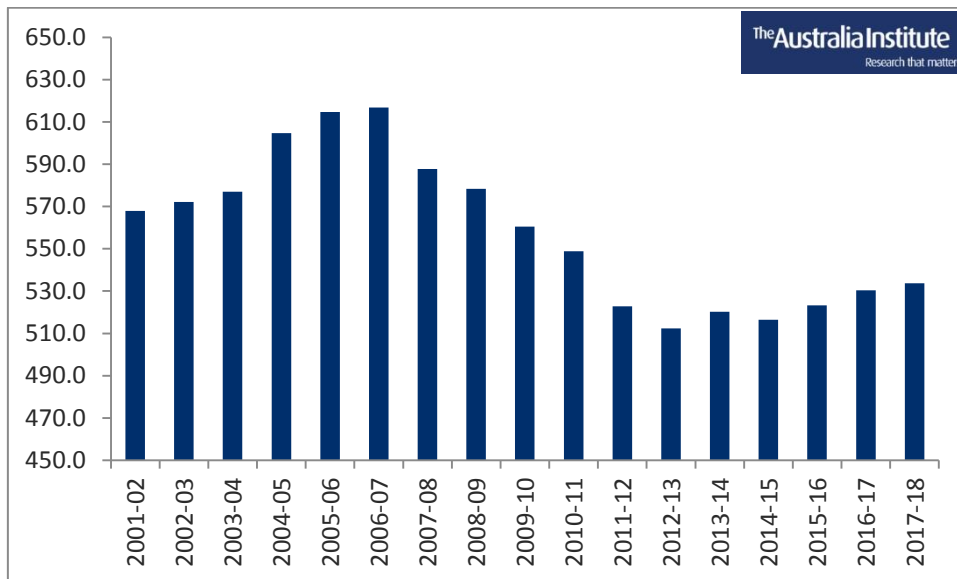
Figure 2 – Australia's total greenhouse gas emissions including LULUCF



Source: Department of the Environment and Energy (2018) *Quarterly Update of Australia's National Greenhouse Gas Inventory: June 2018*, November, available at <<http://www.environment.gov.au/climate-change/climate-science-data/greenhouse-gas-measurement/publications/quarterly-update-australias-national-greenhouse-gas-inventory-june-2018>>

Figure 3 looks at emissions by financial year. It shows that emissions have been rising for the last four years.

Figure 3 – Australia’s total greenhouse gas emissions including LULUCF by financial year



Source: Department of the Environment and Energy (2018) *Quarterly Update of Australia's National Greenhouse Gas Inventory: June 2018*, November, available at <http://www.environment.gov.au/climate-change/climate-science-data/greenhouse-gas-measurement/publications/quarterly-update-australias-national-greenhouse-gas-inventory-june-2018>

Forced to release the data

The Senate has compelled the government to release the greenhouse gas emissions data by passing an order for the publication of documents. This has been necessary because for previous quarters the government has delayed release and has chosen to release them at a time when they would be subject to the least amount of scrutiny.

For example the previous quarter of data was released on a Friday afternoon just after the release of the Banking Royal Commission Interim Report was dominating headlines. This particular Friday was before a long weekend in many states and before the weekend in which both the AFL and NRL Grand Finals were being played.

Previous quarters of data have been released on Christmas Eve. At other times the government has delayed the release by such a long time that it has released multiple quarters on a single day.

What is the government hiding?

It is clear from the continued rise in greenhouse gas emissions why the government is so keen to not draw attention to the data. While the government has claimed on numerous occasions that it will reach the Paris emissions reduction target, rising emissions indicate that Australia is going in the opposite direction.

Australia's Environment Minister will soon head to the COP24 in Poland increasing scrutiny on Australia's plans to meet its Paris commitments at a time when the country's emissions are consistently going up.

The government has claimed on numerous occasions that they still believe that Australia is on track to meet its Paris target. The Government has continued to use the same arguments that were refuted in our first paper, *Stay on Target*.¹

Emissions per person and per dollar of real GDP are falling

On the Sunday after the release the Prime Minister went on the ABC's *Insiders* program, the Prime Minister, when asked why he thought Australia would meet its Paris target "at a canter", said:

We've got emissions per capita at the lowest level in 28 years.²

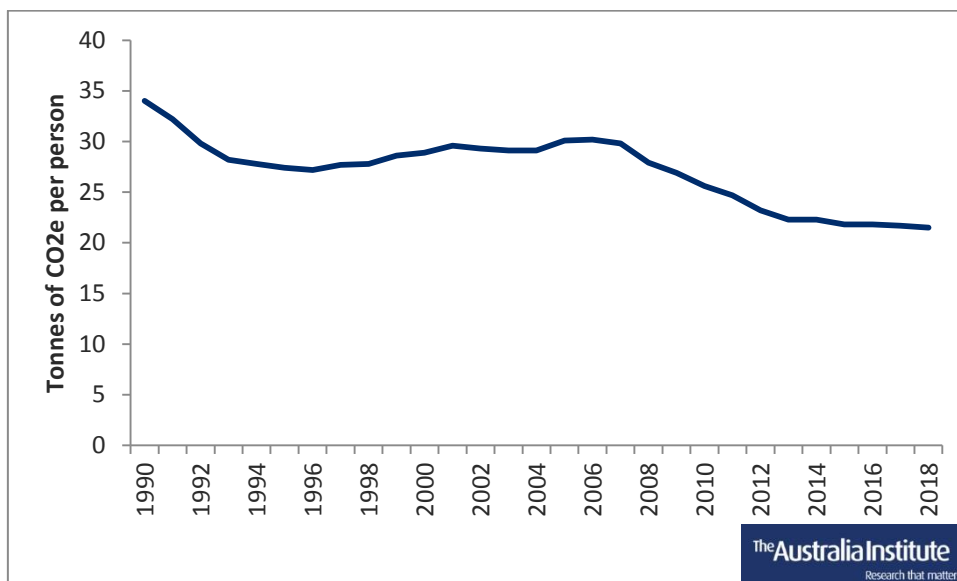
It is true that emissions per capita are falling. However, Australia's Paris target is not set in per person terms. Australia's target is set in terms of absolute emissions. Australia has committed to reduce its total emissions to a maximum of 442 million tonnes CO₂-e by 2030.

The most recent release also shows that, as absolute emissions continue to rise, the fall in emissions per person is slowing; Figure 4 shows that in recent years emissions per capita have virtually flat lined.

¹ Grudnoff M & Merzian R (2018) *Stay on target: Australia set to miss Paris target*, The Australia Institute, 26 September, available at <<http://www.tai.org.au/content/stay-target-australia-set-miss-paris-target>>

² *Insiders* (2018) *Scott Morrison joins Insiders*, ABC Television, 30 September, available at <<http://www.abc.net.au/insiders/scott-morrison-joins-insiders/10322646>>

Figure 4 – Australia’s emissions per capita



Source: Department of the Environment and Energy (2018) *Quarterly Update of Australia's National Greenhouse Gas Inventory: June 2018*, November, available at <<http://www.environment.gov.au/climate-change/climate-science-data/greenhouse-gas-measurement/publications/quarterly-update-australias-national-greenhouse-gas-inventory-june-2018>>

The explanation for the decline shown in Figures 4 is that Australia’s population has been growing faster than our emissions. However, this is irrelevant to the country’s emissions targets. Australia’s Paris commitment is not to reduce emissions per person but rather to reduce emissions in absolute terms. If the current trend continues, Australia’s total emissions will continue to rise and it will not meet its Paris target.

Kyoto targets have been met

There are continued claims that Australia’s success in meeting the Kyoto targets means they should be trusted that they can meet the Paris target. The Prime Minister has previously said:

We’ve got our commitments and we’re meeting our commitments and we’ll continue to do that. And we’re very confident about our ability to meet those. Why? Because we’ve meet the targets we’ve already set for ourselves and we will continue to be able to do that.³

He has also said:

³ AM (2018) *Scott Morrison*, ABC Radio, 11 October, available at <<http://www.abc.net.au/radio/adelaide/programs/am/am/10340106>>

but it means that we're going to meet Kyoto 2 and we'll smash that number. We smashed Kyoto 1... and we'll continue our track record of delivering emissions reductions.⁴

It is true that Australia met its first Kyoto commitment and is on track to meet its second Kyoto commitment. But these targets were achieved without reducing Australia's absolute emissions.

During the negotiations for the Kyoto Protocol, while all other developed countries committed to reduce emissions, Australia – through a special deal negotiated by the Howard Government – was allowed to increase emissions by eight per cent over the period of 2008–2012 on 1990 levels.

The Howard Government also had an article inserted into the protocol that became known as the “Australia clause”, which allowed Australia to include carbon emissions from land clearing. This meant that Australia met its first Kyoto commitment by making small changes to land clearing laws. If we exclude changes from land clearing and land use emissions, over the first Kyoto period Australia's emissions increased by 28 per cent.⁵

Under the Kyoto Protocol, countries that beat their first commitment were able to bank and use those excess credits to meet their second commitment. With its special clause Australia easily reached its first commitment and was therefore granted these credits. At the Paris climate conference in 2015, almost all other nations, including the UK, Germany, Netherlands, Denmark and Sweden, cancelled those credits accrued from the first period – to send a positive signal of support for an ambitious climate agreement.⁶ However the current Coalition Government did not cancel their credits and instead is using them to meet their second commitment target.

Australia's second commitment was to reduce emissions by five per cent on 2000 levels in 2020. With special credits from the first commitment, Australia is currently on track to meet that target.

⁴ Insiders (2018) *Scott Morrison joins Insiders*, ABC Television, 30 September, available at <<http://www.abc.net.au/insiders/scott-morrison-joins-insiders/10322646>>

⁵ Hamilton C (2015) *Australia hit its Kyoto target, but it was more a three-inch putt than a hole in one*, The Conversation, 16 July, available at <https://theconversation.com/australia-hit-its-kyoto-target-but-it-was-more-a-three-inch-putt-than-a-hole-in-one-44731>

⁶ Taylor L (2015) *Australia isolated as developed nations cancel carryover credits from Kyoto*, The Guardian, available at <https://www.theguardian.com/australia-news/2015/dec/05/australia-climate-talks-developed-nations-cancel-carryover-emissions-reduction-credits-kyoto>

According to the Government's own emissions projections, emissions in 2020 will be the same as its emissions in 2000. This means that the entire five per cent decrease will be achieved from the credits received from beating the first Kyoto commitment. Those credits in turn were achieved not through reducing emissions, but through special deals that saw Australia achieve the target without any real changes and while increasing emissions over that period by 28 per cent.

The two Kyoto targets shows that Australia has a track record of getting special deals, not of reducing emissions to meet its commitments. The Paris commitment does not have such a special deal and if the government is to achieve its target it will need to reduce Australia's absolute emissions.

We have the policies in place

The government has also claimed that it has the policies in place to meet the target. In October the Environment Minister went on the ABC's *AM* program and said:

We do have the emissions reduction fund and that it cuts across the number of industries ... We have the Clean Energy Finance Corporation, which is investing in clean technology. We've also got Arena, which also invests in similar sort of technology. You know, we ourselves are investing in Snowy Two. Only a couple of weeks ago, we announced our new forestry plan, which is which is a plan to build one billion trees and create some 18,000 jobs ... So, I don't accept that we don't have the right mix of policies and I don't accept that we're not going to meet our targets.⁷

The Minister's own department each year produces an estimate of what Australia's emissions are going to be out to 2030 given the current policy settings. The 2017 projects are the most recent.⁸ The projections look at what policies the government has introduced and use that information to project what Australia's emissions are going to be. It is important to note that the policies the Minister noted; the Emissions Reduction Fund, the Renewable Energy Target, the Clean Energy Finance Corporation and the Australian Renewable Energy Agency (Arena) are all included in the Department of Environment's estimates.

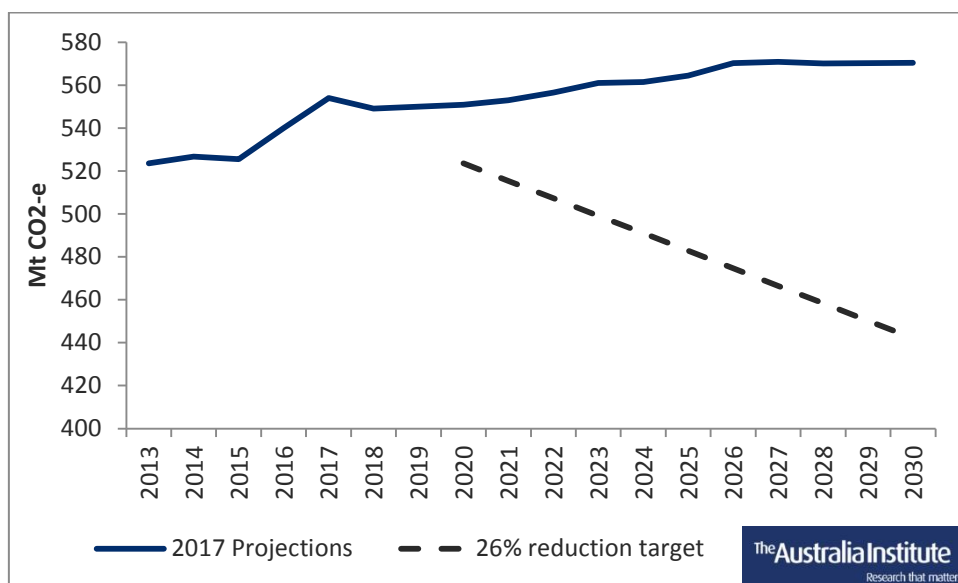
⁷ AM (2018) *Melissa Price; Paris commitment, IPCC and the Opera House*, ABC Radio, 9 October, available at <<http://www.abc.net.au/radio/programs/am/melissa-price-paris-commitment-ipcc-and-the-opera-house/10354540>>

⁸ Department of the Environment and Energy (2018) *Australia's emissions projections 2017*, available at <<http://www.environment.gov.au/climate-change/publications/emissions-projections-2017>>

Not included is Snowy 2.0 as it was still at the feasibility stage at the time the projections were put together. Also not included is the government’s plan to ‘build’ one billion trees. It is assumed that the Minister is referring to the government’s plantation tree forestry plan for the future.⁹ Neither of these projects will alter the 2017 projections substantially.

According to the government’s own emissions projections, the Minister is incorrect. Figure 4 shows the most recent emissions projections (2017) as well as a straight line pathway to the 26 per cent reduction by 2030.

Figure 4 – Australia’s 2017 emissions projections to 2030 and the Paris target



Source: Department of the Environment and Energy (2018) *Australia’s emissions projections 2017*, available at <<http://www.environment.gov.au/climate-change/publications/emissions-projections-2017>>

It shows a shortfall in the year 2030 of 128 million tonnes, and a total shortfall of 888 million tonnes between 2020 and 2030. The Government’s own figures show that it will miss the Paris target unless it introduces substantial new emissions reduction policies.

Conclusion

The Government is still not on track to meet the Paris target. The most recent emissions data shows that Australia’s emissions continue to rise, the Government

⁹ Colbeck R (2018) *Media release: A billion new plantation trees—forestry’s plan for the future*, Department of Agriculture, 12 September, available at <<http://minister.agriculture.gov.au/colbeck/Pages/Media-Releases/billion-plantation-trees.aspx>>

continues to use the same arguments that it has previously. This occurs despite the fact that the Government's own Department of Environment figures predict that Australia will fall short in 2030 by 128 million tonnes of CO₂e.

Next week the Environment Minister will go to Poland to the 24th COP where there will be increased global scrutiny on why Australia's emissions are rising.

For Australia to meet its Paris target and objectives the Government would need to announce and implement credible policies that will reduce total emissions. With Australia's emissions rising rather than falling, the longer the Government delays the harder it will be to reach the Paris target.

26 to 28 per cent reduction in emissions by 2030 is only Australia's initial Paris commitment. 26 to 28 per cent is not even Australia's fair share for limiting warming to two degrees. Two degrees of warming will have devastating impacts on Australia and it is in Australia's national interest to limit warming to no more than 1.5 degrees. Australia needs to reduce emissions by more than 26 to 28 per cent but it's on track to miss even this inadequate target.



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