

Submission: Draft Climate Change (State Action) Amendment Bill 2021

Summary

Tasmanians want to be climate leaders. Tasmania should position itself as a global leader by setting more ambitious emissions reduction targets, including overall and 5-yearly interim, sector-based emissions targets. Other opportunities for broader reforms include guiding principles for climate action, deadlines for the development of the state-wide action plan, risk assessment and sector plans, and establishing an independent Climate Change Authority. With its head start in renewable energy generation, Tasmania should now prioritise emissions reductions in high emitting sectors. Electrifying transport, buildings, and industry, as well as reducing residential and industrial gas use, and offsetting agricultural emissions will be key to Tasmania's climate transformation.

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November 2021

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The Australia Institute Tasmania acknowledges that lutruwita/Tasmania was taken forcibly and unethically and that palawa and pakana people continue to suffer the consequences of this today. The Institute offers respect to palawa and pakana Elders past and present and stands for a future that respects and acknowledges Aboriginal perspectives, culture, language, and history and a continued effort to fight for Aboriginal justice and rights.

Introduction

The Australia Institute welcomes the opportunity to make a submission to the draft *Climate Change (State Action) Amendment Bill 2021* ('The Climate Change bill'). This submission builds on our previous submission from May 2021 and outlines the Institute's response to the draft legislation.

Tasmania has the opportunity to position itself as a global leader on climate change. Having already achieved 100% renewable energy and set a target to double generation to 200% of current needs by 2040, Tasmania must now turn its attention to reducing emissions in other sectors.

The Climate Change Bill will provide an important framework for accountability, given the large-scale changes Tasmania needs to make across the economy. Urgent action is necessary to secure global net zero emissions by mid-century and keep 1.5° of warming within reach. Tasmania has a vital role to play. The Climate Change Bill is about taking action locally to deliver on the Paris Agreement.

Australia Institute research shows Tasmanians support ambitious climate action. The 2021 Climate of the Nation Report is Australia's longest running survey of Australian attitudes towards climate change.¹ The 2021 report reveals that most Tasmanians support more ambitious action on climate change including policies to support electric vehicle uptake and investment in renewables. Tasmanians want climate leadership.

The Tasmanian Government's commitment to improving the State's climate law and strengthening its response to the climate emergency is to be commended - in particular, the Government's thorough consultation process and independent review. While the legislated net zero by 2030 target, the framework for sector-based emissions reductions, action plans and regular risk assessments are a welcome start, more is needed.

The Australia Institute recommends the legislation be amended to include:

1. Sector-based emission reduction targets, including interim targets, excluding land use, land-use change and forestry (LULUCF) , to be determined within 12 months of the enactment of the Bill;
2. A deadline to complete the initial action plan, risk assessment and sector-based emissions reduction and resilience plans, such as 31 December 2022;

¹ The Australia Institute (2021) *Climate of the Nation 2021 Tasmanian Supplement*, <https://australiainstitute.org.au/wp-content/uploads/2021/10/Climate-of-the-Nation-2021-TAS-supplement.pdf>

3. Guiding principles for action with additional principles of intergenerational equity and biodiversity protection;
4. An independent Climate Change Authority and Parliamentary Standing Committee on climate change; and
5. Credible and material consequences for failing to meet the requirements of the legislation.

Tasmanians want climate leadership

Concern about climate change is at an all-time high. The Tasmanian supplement to the 2021 Climate of the Nation Report,² found that just under threequarters (73%) of Tasmanians are concerned about climate change. More than two-thirds (69%) of those surveyed agree Australia should be a world leader in finding solutions to climate change and that state governments should act, regardless of what others are doing.

Tasmanians are more likely than other respondents to agree that Australian governments are not doing enough to prepare for and adapt to the impacts of global warming (61%, compared to 55% nationally). Tasmanians also expressed stronger ambitions than other Australians on no new oil and gas projects, closing coal mines, phasing out coal-fired power, and ending fossil fuel subsidies. Tasmanians also supported a suite of electric vehicle policies.

² The Australia Institute (2021) Climate of the Nation 2021 Tasmanian Supplement, <https://australiainstitute.org.au/wp-content/uploads/2021/10/Climate-of-the-Nation-2021-TAS-supplement.pdf>

Establish sector-based targets, excluding LULUCF

Given Tasmania's success in already reaching net-zero emissions and over 100% renewable energy, far more ambitious emission reduction targets than net zero by 2030 are warranted and achievable.

Tasmania has so far largely relied on carbon sequestration from land use, land-use change and forestry (LULUCF) to reduce emissions rather than sharp decarbonisation across sectors. Excluding emissions from the LULUCF sector, Tasmanian annual emissions increased between 1990 and 2018.³

Accounting for greenhouse gas emissions with the inclusion of LULUCF is widely considered unreliable and easily manipulated.⁴ It is not appropriate to primarily rely on carbon sequestration from the LULUCF sector in achieving emissions targets, nor use the successful emissions reductions from the LULUCF sector as an excuse to delay ambitious action.

To avoid this, in addition to a net zero target, the Climate Act should include legislated targets for all sectors and include 5-yearly interim targets. Individual, sectoral emissions targets allow for clear and transparent monitoring of decarbonisation efforts outside the forestry sector. Good, legislated examples of sectoral emissions targets exist in other states and territories in Australia.

Towards a climate-positive Tasmania discusses priorities for emission reductions across the Tasmanian economy. Noting the less efficient pathway of state-based, industry specific plans (rather than a national price on carbon), the authors provide options for decarbonisation for key emitting sectors (transport, agriculture, non-transport energy and heavy industry).⁵

³ Climate Tasmania (2021) *Is Tasmania really a world leader in climate action?*
<https://www.climatetasmania.org/is-tasmania-really-a-climate-leader/>

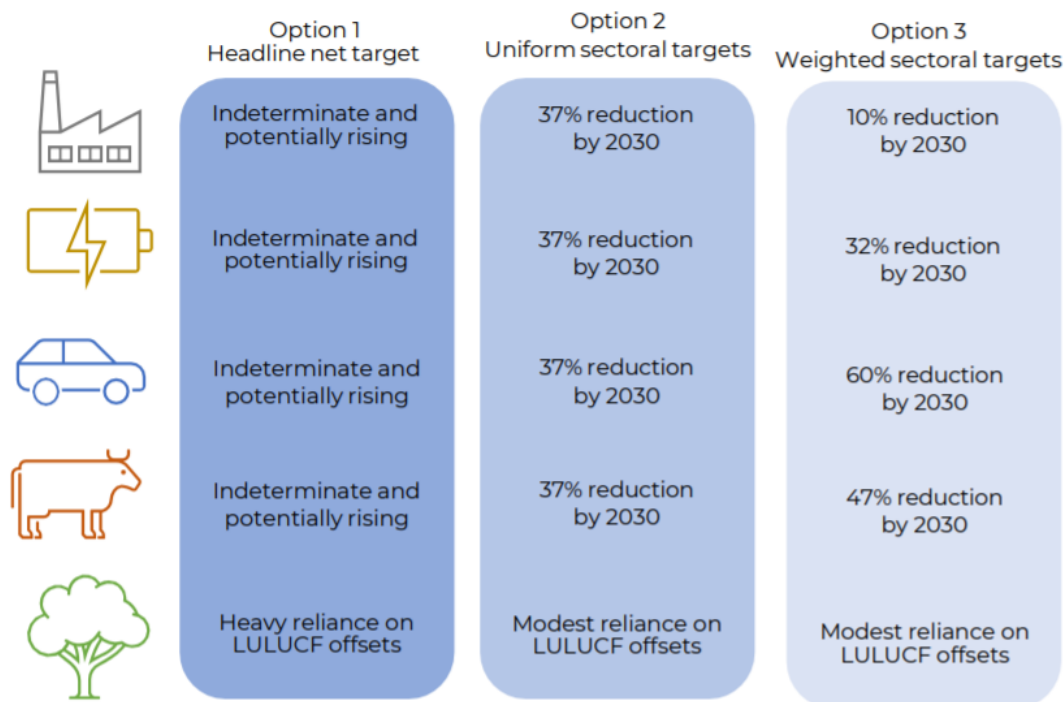
⁴ See: Climate Analytics (2011) *LULUCF Guide*, <https://climateanalytics.org/media/lulucfguide.pdf>

⁵ Tasmanian Policy Exchange (2021) *Towards a climate-positive Tasmania*,
https://www.utas.edu.au/__data/assets/pdf_file/0009/1545561/Towards-a-climate-positive-Tasmania-02112021.pdf

Both the UTAS discussion paper and a Climate Tasmania/Tasmanian Independent Science Council position paper recommend consideration be given to establishing legislated targets for reducing gross emissions for key industries and sectors.^{6,7}

For the transport sector, for example, UTAS provides a pathway to achieve an emissions reduction target of at least 37% (and up to 60% under a weighted sectoral target approach) by 2030.

Figure 1: Sectoral reductions target options as developed by the Tasmanian Policy Exchange



Source: Towards a climate-positive Tasmania

Climate Tasmania and the Tasmanian Independent Science Council consider a 60% reduction in absolute emissions (excluding LULUCF) would be ‘ambitious but achievable and would demonstrate real leadership’.⁸

Recommendation 1: Amend the legislation to include sector-based emission reduction targets, including interim targets, excluding LULUCF, to be determined within 12 months of the enactment of the Bill.

⁶ Ibid.

⁷ Climate Tasmania and the Tasmanian Independent Science Council (2021) *Action for Climate: How can lutruwita/Tasmania be a real leader?*, <https://www.climatetasmania.org/>

⁸ Ibid.

Establish a deadline for the development of plans and risk assessments

The Independent Review's Final Report recommends that plans for key sectors are to be completed before 2026, and notes that sectors with readily available and demonstrated low emissions technologies and solutions should be completed as a priority and well before then.⁹ However, this date does not sufficiently take into consideration the urgency of the climate crisis. These are unnecessarily long timelines and would make it very difficult for their implementation to meet 2030 targets.

At a recent public forum on 3 November, *Action for Climate: Can lutruwita/Tasmania be a real Climate leader?* the Minister for Climate Change, the Hon. Roger Jaensch indicated the government expected to be able to prepare sector-based plans within two years.¹⁰ However, this also does not sufficiently take into consideration the urgency of the climate crisis.

The Bill should be amended to require that the climate change action plan, sectoral decarbonisation and resilience plans and the climate change risk assessments be tabled in Parliament, and that the first of each of these documents must be completed and tabled in Parliament by a fixed date, such as 31 December 2022.

Recommendation 2: Amend the legislation to include a deadline to complete the initial action plan, risk assessment and sector-based emissions reduction and resilience plans, such as 31 December 2022.

⁹ Jacobs Australia Pty Ltd (2021) *Independent Review of the Climate Change (State Action) Act 2008*, https://www.dpac.tas.gov.au/__data/assets/pdf_file/0008/586403/Independent_Review_of_the_Climate_Change_State_Action_Act_2008_-_Final_Report_2021.PDF

¹⁰ The Tasmanian Independent Science Council (2021) Events, https://drive.google.com/file/d/1qd549kESaxFKdplbHVAscU_7FVszO5Y-/view.

Include guiding principles for action

The Australia Institute supports the Independent Review's Final Report¹¹ Recommendation #3 to include guiding principles for climate change action. In addition, principles on intergenerational equity and biodiversity conservation should be included. The UTAS discussion paper *Towards a climate-positive Tasmania* suggests principles of no harm, equity, leadership, collaboration, accountability and integrity in carbon accounting should also be included.¹²

Including intergenerational equity will help to ensure our climate is safe for both current and future generations. This principle is well recognised in international law surrounding climate change, namely in Article 3 of the United Nations Framework Convention on Climate Change.

Including a guiding principle of biodiversity conservation will help to ensure we protect nature-based solutions to climate change. Conservation of Tasmania's land and sea-based carbon sinks has important potential to mitigate impacts and help meet climate change commitments.

Blue carbon ecosystems can store up to four times as much carbon per area as land-based forests¹³ and, if undisturbed, can store carbon in sediments over hundreds or thousands of years. However, for their carbon sequestering values to be retained, we need to prevent disturbance from activities such as bottom trawling, dredging and coastal development (we now know that bottom trawling releases as much carbon as air travel¹⁴).

An Australian assessment of coastal ecosystems as global hotspots for climate change mitigation provides the most comprehensive assessment for any nation to date and demonstrates the potential for conservation of these ecosystems to underpin policy development for reducing net greenhouse gas emissions. This research found that carbon stored within Australian blue carbon ecosystems constitutes around 11% of worldwide blue carbon stocks.¹⁵

¹¹ Jacobs Australia Pty Ltd (2021) *Independent Review of the Climate Change (State Action) Act 2008*, https://www.dpac.tas.gov.au/__data/assets/pdf_file/0008/586403/Independent_Review_of_the_Climate_Change_State_Action_Act_2008_-_Final_Report_2021.PDF

¹² Tasmanian Policy Exchange (2021) *Towards a climate-positive Tasmania*, https://www.utas.edu.au/__data/assets/pdf_file/0009/1545561/Towards-a-climate-positive-Tasmania-02112021.pdf

¹³ International Partnership for Blue Carbon, <https://bluecarbonpartnership.org/> viewed 11/11/2021

¹⁴ Enric Sala, *et al.* Protecting the global ocean for biodiversity, food and climate. *Nature* **592**, 397 (2021) <https://www.nature.com/articles/s41586-021-03371>

¹⁵ Serrano, O. *et al.* (2019) *Australian vegetated coastal ecosystems as global hotspots for climate change mitigation*, <https://doi.org/10.1038/s41467-019-12176-8>

The CSIRO is currently building on this, quantifying the emissions reduction potential of Australia's mangroves, seagrasses and tidal marshes as well as the value of other benefits these ecosystems provide for coastal protection, fisheries and biodiversity.¹⁶ Meanwhile, the Clean Energy Regulator is developing a blue carbon credit method under the Emissions Reduction Fund to enable projects that store carbon through re-establishing coastal wetland to generate Australian Carbon Credit Units.

South Australia has already adopted an approach that integrates its Blue Carbon Strategy with coastal policy, planning and management at national, state, regional and local levels to help account for the myriad other uses and benefits of these natural assets in land-use planning and management and coastal conservation.¹⁷

Recommendation 3: Amend the legislation to include guiding principles for action on climate change with additional principles of intergenerational equity and biodiversity protection.

¹⁶ CSIRO (2021) *Estimating Australia's 'blue carbon' potential*, <https://www.csiro.au/en/news/news-releases/2021/estimating-australias-blue-carbon-potential>

¹⁷ Government of South Australia (2019). *Blue Carbon Strategy for South Australia* <https://www.environment.sa.gov.au/topics/climate-change/climate-change-blue-carbon-strategy>

Establish an independent Climate Change Authority

The Australia Institute supports the establishment of an independent Climate Change Authority for Tasmania as the most effective way to achieve good climate governance and provide independent advice and oversight of Tasmania's response to the climate emergency. The recent merger of Renewables Tasmania and the Tasmanian Climate Change Office to form a new authority — Renewables, Climate and Future Industries Tasmania does not achieve this.

The original *Climate Change (State Actions) Act 2008* established the Tasmanian Climate Action Council to report directly to the Minister with independent advice on climate change issues as they affected Tasmania. However, this section of the Act was repealed in 2014.

The Climate Change Authority would provide independent advice on State emissions targets and carbon budgets, adaptation measures, sectoral policies, and health impacts and draw on the best available science, energy and economic research. Its membership should include expertise in science, economics, business, government, public, environment, health and education.

Tasmania needs to develop an independent capacity to analyse and report on greenhouse gases and sector-based emissions as a basis for developing sectoral targets.

The Australia Institute also supports a Parliamentary Standing Committee to monitor government activities in response to climate change, as outlined by the Climate Tasmania/ Tasmanian Independent Science Council paper.¹⁸

Recommendation 4: Amend the legislation to establish an independent Climate Change Authority and Parliamentary Standing Committee on climate change.

¹⁸ Climate Tasmania and the Tasmanian Independent Science Council (2021) *Action for Climate: How can lutruwita/Tasmania be a real leader?*, <https://www.climatetasmania.org/>

A framework for accountability

What are the consequences for the Tasmanian government if it fails to meet milestones in reducing emissions and meeting targets? As the legislation is currently drafted, the Australia Institute cannot see what, if anything, would happen other than political embarrassment in such circumstances.

The revised legislation should provide a framework for accountability by stipulating credible and material consequences for any failure to meet commitments. The United Kingdom provides an example of how this can be achieved in England's *Climate Change Act 2008*.

The UK's Climate Change Committee describes the mechanism of carbon budgets:¹⁹

'The Climate Change Act requires the government to set legally-binding 'carbon budgets' to act as stepping stones towards the 2050 target. A carbon budget is a cap on the amount of greenhouse gases emitted in the UK over a five-year period. Budgets must be set at least 12 years in advance to allow policy-makers, businesses and individuals enough time to prepare. The CCC advises on the appropriate level of each carbon budget. The budgets are designed to reflect a cost-effective way of achieving the UK's long-term climate change objectives.'

Once a carbon budget has been put into law, the Climate Change Act places an obligation on the Government to prepare policies to ensure the budget is met. If the government does not comply, an individual citizen or group could ask the court to issue an enforcement order. This is similar to the Urgenda court decision in the Netherlands in 2019 where the court ordered the Dutch government to take more ambitious action to mitigate carbon emissions.

The first five UK carbon budgets have been put into law and run until 2032. The UK is currently in the third carbon budget period (2018 to 2022). The Committee has published its advice on the Sixth Carbon Budget and Government legislated for this in June 2021.²⁰

Recommendation 5: Amend the legislation to stipulate credible and material consequences for failing to meet the requirements of the legislation.

¹⁹ Climate Change Committee (2021) *Carbon budgets* <https://www.theccc.org.uk/about/our-expertise/advice-on-reducing-the-uks-emissions/>.

²⁰ Ibid.