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Committee Secretary
Senate Standing Committees on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee Members

Thank you for the opportunity to submit to the Inquiry into the *Climate Change Amendment (Duty of Care and Intergenerational Climate Equity) Bill 2023*. The Australia Institute strongly supports this proposed amendment to the *Climate Change Bill 2022*.

As outlined in the *Explanatory Memorandum*, this proposed amendment seeks to ensure that “decision makers should be required to consider the impact of significant decisions on the health and wellbeing of current and future Australian children” and that “decision makers should be prevented from making significant decisions involving the exploration or extraction of coal, oil or gas that could harm the health and wellbeing of current and future Australian children.”

The UNEP’s recent *Emissions Gap Report 2023: Broken Record* notes that current global mitigation efforts are unlikely to limit global warming to less than 3°C above the pre-industrial period, and *Climate Action Tracker* estimates Australia’s emission reduction policies are in line with more than 3°C of warming.¹ Every fraction of a degree of warming beyond 1.5°C holds dramatic implications for the health and wellbeing of current and future Australian children. Current and proposed expansion of fossil-fuel extraction and production in Australia will directly contribute to that warming, impacting on the health and wellbeing of Australians for generations to come. The recent *Production Gap 2023* report noted that planned fossil fuel expansion is “350% and 150% above the levels consistent with limiting warming to 1.5°C or 2°C”, and that Australia is one of the key countries contributing to that ‘production gap’.²

Currently there are no obligations on decision makers to assess the cumulative climate impacts of fossil fuel projects, nor the impacts on future generations. Decision makers must be required to consider this context when making decisions involving the exploration for, or extraction of, coal, oil, or gas.

¹ UNEP (2023) *Emissions Gap Report 2023: Broken Record*; Climate Action Tracker (2022) *Australia*, <https://climateactiontracker.org/countries/australia/>

² SEI, Climate Analytics, E3G, IISD, UNEP (2023) *Production Gap 2023: Phasing down or phasing up? Top fossil fuel producers plan even more extraction despite climate promises*, p. 4.

The impacts of fossil-fuel expansion – and the resultant global heating – on health and wellbeing are now well-known, with further research providing more and more detail on the severity and wide-ranging impacts of warming. Continued expansion of fossil fuels, leading to warming well beyond 2°C will impact the health and wellbeing of current and future Australian children in many ways, including but not limited to:

- Extreme heat and heatwaves, which are known to impact learning in schools, to reduce productivity in the economy, to cause increased load on the health-care system, and ultimately to increase mortality.³
- Increased bushfire activity, which threatens public health through smoke inhalation, as well as the obvious risk to property and lives.⁴
- Increased risk to people and property through heightened storm-surge activity, rain events, flooding, and sea-level rise.⁵
- And a growing risk of exposure to increasingly dangerous diseases.⁶

The economic impact of climate change will also be significant, and directly impact health and wellbeing outcomes. This impact will increase the more fossil fuels are extracted and burnt – though not necessarily in a linear way. The *Intergenerational Report 2023* (IGR) attempted to quantify the economic impact of warming beyond 2°C and 3°C, in some limited ways, including: lost productivity due to heat stress, reduced agricultural yield due to climatic change, and reductions in international tourism arrivals. These costs were found to be significant, though the IGR acknowledged the narrowness of this approach, noting that “there is a wide range of additional channels, including biodiversity loss, storm surge, sea level rise and health impacts, through which global temperature increases could impact the Australian economy over the next 40 years and beyond”.⁷

The Australia Institute would also like to emphasise that there is a high degree of uncertainty regarding economic and wellbeing costs, especially when calculated with ‘integrated assessment models’ (IAMs). Where Treasury costs the impacts of climate change at \$423 billion through to 2050, Professor Tom Kompas projects \$2.7 trillion in losses to the Australian economy over the same period. Deloitte puts losses at \$3.4 trillion by 2070.⁸ Going further still, the UK Institute and Faculty of Actuaries found that global GDP could be 63% smaller in 2100 if warming passes 3°C.⁹ While Australia would be largely unrecognisable at 3°C of global warming, the overwhelming point is that the economic impacts of climate

³ Melville-Rea and Verschuer (2022) *HeatWatch: Extreme heat in Western Sydney*, The Australia Institute; Campbell, et al (2018) ‘Heatwave and health impact research: A global review’, *Health and Place*, <https://doi.org/10.1016/j.healthplace.2018.08.017>

⁴ Johnson, et al (2020) ‘Particulate matter modelling techniques for epidemiological studies of open biomass fire smoke exposure: a review’, *Air Quality, Atmosphere & Health*, <https://doi.org/10.1007/s11869-019-00771-z>

⁵ Australian Academy of Science (2021) *The Risks to Australia of a 3°C Warmer World*.

⁶ Prillaman (2022) ‘Climate change is making hundreds of diseases much worse’, *Nature*, <https://doi.org/10.1038/d41586-022-02167-z>.

⁷ Treasury (2023) *Intergenerational Report 2023: Australia’s future to 2063*, pp. 104-5.

⁸ Kompas (2020) ‘What are the full economic costs to Australia from climate change?’, *University of Melbourne*, 14 Feb; Deloitte Access Economics (2020) *A new choice: Australia’s climate for growth*.

⁹ Trust et al (2023) *Emperor’s New Climate Scenarios: a warning for financial services*, Institute and Faculty of Actuaries.

change on future generations are largely unknown. Suffice to say that they are more predictable with every degree that the climate doesn't change.

These alarming projections, and the variability between them, highlights the centrality of applying the precautionary principle to all decisions being made "involving the exploration or extraction of coal, oil or gas that could harm the health and wellbeing of current and future Australian children".

Fossil fuel projects also have direct health impacts on human health, which ought to be considered by decision makers as well, with research pointing to implications ranging from heightened asthma risk to birth defects.¹⁰

In short, the Australia Institute strongly supports the *Climate Change Amendment (Duty of Care and Intergenerational Climate Equity) Bill 2023*. This amendment would be an opportunity to demonstrate leadership in Australia's climate and justice governance.

The Australia Institute would be happy to appear before the Committee, to further articulate our support for this Bill.

Regards

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The Australia Institute

¹⁰ Haswell, Hegedus and Shearman (2023) *The Risks of Oil and Gas Development for Human Health and Wellbeing: A synthesis of evidence and implications for Australia*, University of Sydney; Moss, Coram and Blashki (2013) *Is fracking good for your health? An analysis of the impacts of unconventional gas on health and climate*, The Australia Institute.