

*Submission to the Hon. Mark Butler MP regarding*  
**Federal Labor Policy on Climate Change and Renewable Energy**  
*from Climate Change Balmain-Rozelle<sup>1</sup>*

10/03/16

## **1. Fairness and Transition**

### **Jobs**

The fossil fuel energy business has become so efficient that direct employment is relatively low. In the short term, there are far more potential jobs in the renewables sector as it ramps up. Even in the longer term there is no reason to suppose that renewables offer fewer employment prospects.

Further, work in renewables will generally be less injurious to health.

In the near term, thermal coal faces a likely continuing downturn in international demand, as well as the consequences of measures to meet our Paris commitments.

### **Coal Towns**

The pain of transition will fall mainly on the mining workforce. New jobs may require new skills and relocation. This will be particularly a problem for older workers.

Replacing metallurgical coal will take rather longer. It may therefore be possible for younger workers across the coal industry to retrain, leaving older workers to continue mining metallurgical coal.

#### **Action call**

*We urge Labor to commit to*

- *well-funded retraining schemes in cleaner growth activities such as tourism; and,*
- *especially, the renewables industry;*
- *relocation assistance;*
- *start-up support for renewables businesses;*

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<sup>1</sup> <http://www.climatechangebr.org/> An Inner West Sydney community group, established 2006, not politically aligned, with 700+ readers.

## 2. Emissions Reduction

CCBR endorses Labor's commitment to an ETS, but the details matter.

### Target

ClimateActionTracker<sup>2</sup> assessed Australia's various policies and commitments for 2030. The table shows these, along with the Climate Change Authority's recommendation and the current 45% reduction suggested by Federal Labor.

### Land-Use, Land-Use Change and Forestry

LULUCF can make comparing numbers difficult. Since Australian LULUCF has been expected to decline<sup>3</sup>, it has been convenient to include it. The now anticipated runaway LULUCF in Queensland creates a major challenge for Federal policy.

Assessor	Policy	1990 base, no LULUCF	2000 base, no LULUCF	2005 base, no LULUCF	2005 base, including LULUCF
Climate Action Tracker	Current Government policy	+61%	+34%	+27%	
	Prior Labor Government policy	+34%	+10%		
	Paris commitment	-5% to +5%	-18%	-21% to -22%	-26% to -28%
	Required by the science	-56%	-64%	-65%	
Climate Change Authority	July 2015 Recommendation <sup>4</sup>		-40% to -60%	-42% to -62%	
Federal Labor	Nov 2015 Proposal <sup>5</sup>	-24% or -30%	-38% or -43%	-45%?	-45%?

While CCBR applauds the 45% reduction target as being a significant improvement, we note that it is at the bottom end of the Climate Change Authority's draft recommendation and falls well short of the level of ambition deemed appropriate by such as Climate Action Tracker.

### Flexibility and Industry Confidence

The mechanism needs to be able to adapt to changing circumstances: international agreements, scientific reports, and technological advances. As against that, both established industry and the emerging renewables industry have a need for a measure of predictability.

CCBR's view is that the original CPRS went too far in capping costs to established industry, neglected the needs of the new industry, and prevented changing circumstances from driving up

2 <http://climateactiontracker.org/countries/australia.html>

3 [http://www.environment.gov.au/system/files/resources/51b72a94-7c7a-48c4-887a-02c7b7d2bd4c/files/abatement-task-summary-report\\_1.pdf](http://www.environment.gov.au/system/files/resources/51b72a94-7c7a-48c4-887a-02c7b7d2bd4c/files/abatement-task-summary-report_1.pdf)

4 <http://climatechangeauthority.gov.au/reviews/special-review/final-report-australias-future-emissions-reduction-targets>

5 With or without LULUCF?

ambition.

## Statutory Body

CCBR deplores the 2015 stacking of the Climate Change Authority's board with Direct Action supporters and politicians<sup>6</sup>.

### **Action call**

*We seek*

- A 2030 target of 50% below 2000 levels on a non-LULUCF basis;
- Legislated carbon pricing mechanism with floors as well as caps, so as to provide confidence to the renewables industry;
- The floors and caps to be substantially adjustable with only a few years' notice;
- Restored credibility of the Climate Change Authority; and,
- if possible, safeguards to prevent repoliticisation;
- Powers granted to the authority to adjust details of the carbon pricing mechanism within prescribed limits. This would allow the body to react more quickly to events than is possible through parliament.

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<sup>6</sup> <http://reneweconomy.com.au/2015/hunt-stacks-climate-change-authority-with-coalition-advisors-and-ex-mps-30963>