

Climate Action Network Australia (CANA) congratulates the Climate Change Authority (CCA) on its draft report on *Reducing Australia's Greenhouse Gas Emissions – Targets and Progress Review*. CANA, a network of 65 organisations,ⁱ welcomes the opportunity to make this submission on the draft recommendations and conclusions on Australia's targets.

Overall comments on the review and draft report:

- CANA suggests that the CCA final report puts forward a target of at least 25% by 2020, a tighter carbon budget and recommends that longer term targets should be based on the carbon budget - not a trajectory to 80% by 2050.
- CANA supports the CCA and its role in policy making, with this draft report a good example of the valuable addition the Authority makes to policy making – with important additional analysis and useful collation of key evidence on which targets are in our national interest.
- We agree with the approach of setting a carbon budget to 2050 and that this should be based on an appropriate share of the global carbon budget and strongly agree that 5% target is inadequate for Australia's national interest. However, CANA's view is that the analysis in the draft report does not take sufficient account of uncertainty or the precautionary principle. The long-term carbon budget proposed is significantly more generous than those estimated by other studies, the 15% target pushes too much of the required effort to reduce emissions further into the future and the 2030 target range does not properly reflect the carbon budget.
- CANA strongly supports the existence of an independent body, such as the CCA, having a statutory role in shaping policy because such a body has the ability to take the long view and not be overly swayed by short-term political considerations. The Authority creates impartial analysis and policy recommendations which provide a balance to the intense politicisation of climate policy in Australia which is against our national interest.
- The draft report provides excellent analysis and the CCA should continue to provide advice to Government in a transparent manner.

We need to act on climate change for our national interest

- Australia is expected to be one of the developed countries most affected by climate change – particularly because of the likelihood of increased water stress in already drought prone country. The effects for agriculture are likely to be especially important.
- Growth in emissions is expected to have a severe and costly impact on agriculture, infrastructure, biodiversity and ecosystems in Australia. There will also be flow-on effects from the adverse impact of climate change on Australia's neighbours in the Pacific and Asiaⁱⁱ.
- Reducing greenhouse gas emissions is in the interests of our national security: As Jeffrey Mazo summarised in the Australian Strategic Policy Institute report on the issue: *"Climate change is a threat multiplier, it has the potential to generate and exacerbate destabilising conditions that could reshape the regional security environment."*ⁱⁱⁱ
- Climate change will have an increasingly negative impact on our health and social well-being – with affects on our physical and mental health.^{iv}
- Global warming has emerged as the single greatest threat to Australia's biodiversity. Scientists predict that even a 2°C global temperature rise may see 25% of the Earth's animals and plants disappear^v. Given the uniqueness of Australia's flora and fauna this is likely to have a marked impact – with a knock on effect to ecosystem services.
- Australia will be expected to consider increasing the ambition of our target to 2020 as part of UNFCCC processes from April 2014 and for targets beyond 2020 in time for the Ban Ki Moon Leaders Summit in September 2014.

We need to increase our targets and set a carbon budget that is appropriate to the risks we face

- We agree with CCA assessment that current 5% unconditional target is inadequate. It does not reflect the science-based analysis of what is necessary by developed countries, nor reflect what is best and possible for our economy and does not meet the good practice being set by other nations.
- Australia's economy is more emissions intensive than many of our trade partners and comparable countries. This means Australia already has to do more to make our industries ready for a carbon-limited future. Every year of slow, insufficient action means we are missing opportunities to spur innovation, and transform Australia into a dynamic leader in the rapidly growing clean technology sector.
- The costs of inaction are substantial. The Garnaut review found that at the global level unmitigated climate change would probably cause global economic output to fall by around 8 per cent by the end of the twenty-first century^{vi}. And the cost of inaction goes well beyond the economic, with substantial social costs expected.
- The economic benefits of acting strongly and quickly, far outweigh any cost of action. Numerous studies, including modelling by the Australian Treasury, have shown that early action is more economically efficient^{vii}. If Australia waits to act, required actions will increase and result in higher costs.
- The economic case against acting strongly is extremely weak because moving to a stronger target has very low additional macroeconomic costs. Climate Change Authority's modelling shows that the cost to the economy of choosing a 25% target over a 15% target is equivalent to 0.02% of economic growth. This is in line with other modelling^{viii}, when some usage of international permits is allowed.
- The environmental case for a stronger target is compelling. The risk of loss of species, degradation of productive habitats and high levels of ecological disruption increases as effort is weakened.
- Our most important trading partners will expect Australia to do our fair share of a successful effort to tackle climate change. It is therefore in Australia's interest to send a clear signal to the world that we will act strongly on pollution reduction, rather than contribute weakly to a currently inadequate global response. Australia's target of 5% is widely seen as inadequate and this negatively affects our ability to negotiate in the international talks on climate.
- It is in our national interest to galvanise international action not inhibit it – increasing our target to 25% by 2020 will encourage action by other countries. Many countries with high emissions (notably China and the US) are already reducing emissions. Australia should be part of this group rather than lagging behind with those countries who are deferring action at cost to themselves and the world. If action is not increased we are on a path to global warming of 3.5-6°C with devastating social, environmental and economic consequences.

Australians care deeply about climate change and want their Government to do more

- The majority of Australians are in favour of stronger action on climate – 61% according to VoteCompass which polled 1.2 million people^{ix}. Other polling which included questions on targets show that most people support at least a 5% target. There is also substantial support for increasing targets – varying on how the precise question of between 41%^x and 53%^{xi}. Whilst support varied by voting patterns, there is a strong bipartisan element.

Current draft report is a valuable analysis, but one which does not make sufficient allowance for risk

- Strongly support an independent body such as the Climate Change Authority having a role in shaping policy as such a body has the ability to take the long view. The Authority creates impartial analysis and policy recommendations which provide a balance to the intense politicisation of climate policy in Australia which is against our national interest.
- The draft report provides excellent analysis and the CCA should continue to provide advice to Government in a transparent manner.

- In our view setting a carbon budget to 2050 based on a reasonable allocation of the global carbon budget is the correct approach. However we consider the actual budget set, which gives a 67% chance of limiting mean global warming to two degrees, does not set an appropriate level of response to risk.
- We consider a 1 in 3 chance of exceeding 2°C an excessive risk to take which is not in our national interest. A more measured and prudent approach would be to set a budget that has at least a 75 per cent chance of avoiding the chosen temperature limit. And even allowing for the probability chosen for setting a carbon budget, the analysis sets an over-generous carbon budget in our view as compared to other analyses^{xii}.
- We also think that setting emission reduction to only 15% by 2020 results in a reduction trajectory beyond 2020 which is steeper than is prudent and, as the CCA report notes, would make it very difficult to increase ambition further should global developments deem it necessary.
- Given the scale of action which will be required to limit climate change to safe level, it would be better to start acting strongly more quickly. This would help avoid more dramatic and costly emission reductions at a later date to avoid dangerous climate impacts.

Our suggested recommendations

- Australia should move to an unconditional target of at least 25% by 2020. This would help avoid more dramatic and costly emission reductions at a later date to avoid dangerous climate impacts.
- The carbon budget proposed should ensure that Australia is doing its fair share within a global carbon budget that gives at least a 75% certainty of limiting climate change and using the more stringent limit of 1.5°C of warming by 2100 from pre-industrial levels.
- The CCA should set 2025 and 2030 targets based on the carbon budget selected and not a trajectory to 80% by 2050. It is the carbon budget which reflects the impact of our emissions on the climate – rather than a spot target for pollution reduction.

ⁱ For full list see: <http://cana.net.au/hot-topics/cana-member-organisations>

ⁱⁱ Synopsis of key points Chapter 6 www.garnautreview.org.au/synopsis.htm#chp6 Accessed 26/11/13

ⁱⁱⁱ Cited p16: www.aspi.org.au/publications/special-report-issue-49-heavy-weather-climate-and-the-australian-defence-force Accessed 26/11/13

^{iv} The Our Uncashed Dividend: The Health Benefits of Climate report http://caha.org.au/wp-content/uploads/2010/11/OurUncashedDividend_CAHAandTCI_August20121.pdf Accessed 26/11/13

^v IPCC report (2007) Working Group II: Impacts, Adaptation and Vulnerability Chapter 19.3.4 http://www.ipcc.ch/publications_and_data/ar4/wg2/en/ch19s19-3-4.html Accessed 26/11/13

^{vi} [The four types of benefits of climate change mitigation](http://www.garnautreview.org.au/update-2011/update-papers/up1-weighing-costs-benefits-climate-change-action.html) Garnaut Review Update Paper <http://www.garnautreview.org.au/update-2011/update-papers/up1-weighing-costs-benefits-climate-change-action.html> Accessed 26/11/13

^{vii} Overview Key points p1 cache.treasury.gov.au/treasury/carbonpricemodelling/content/report/downloads/Modelling_Report_Consolidated.pdf accessed 26/11/13

^{viii} p3 http://awsassets.wwf.org.au/downloads/cl045_costs_and_benefits_of_greater_australian_emissions_reduction_ambition_3jun13.pdf accessed 26/11/13

^{ix} www.abc.net.au/news/2013-08-26/vote-compass-climate-change-environment/4908224 Accessed 26/11/13

^x www.afr.com/p/national/coalition_honeymoon_cut_short_eadplvJYy2dBZubXuxRaeO Accessed 26/11/13

^{xi} Survey of 1,034 Australians from 7-11 November 2013 by Essential Research Data on record with GetUp!

^{xii} E.g. Ecofys for WWF awsassets.wwf.org.au/downloads/fs067a_australia_carbon_budget_based_on_global_effort_sharing_24oct13.pdf Accessed 26/11/13; TCI Section 9 www.climateinstitute.org.au/verve/resources/TCI_OperatingInLimits_PolicyBrief.pdf Accessed 26/11/13