



Additional comments from Deputy Chair Mr Josh Wilson MP and Mr Josh Burns MP

- 1.1 At present Australia's system of greenhouse gas accounting and reporting is structured to be in compliance with agreements that are in turn covered by the United Nations Framework Convention on Climate Change. Within this system all participating nations are responsible for measuring and reporting certain emission data, and in Australia under the National Greenhouse and Energy Reporting (NGER) (Measurement) Determination 2008 only scope 1 (or direct) and scope 2 (or indirect) emissions are reported.
- 1.2 While the Climate Change Authority among others have argued persuasively that the collection and reporting of scope 3 emissions should not be required under the NGER Scheme, there is no doubt that the concept of scope 3 emissions has some value in the broad conversation and analysis about the global task of emission reduction in order to prevent catastrophic climate change.
- 1.3 In order to reflect the evidence provided to the Committee on this point, Labor members sought to include the following observation in the report:
 - 2.48A Some inquiry participants pointed to the fact that claims are made in relation to the role that Australian coal and gas exports play in reducing emissions in other countries by virtue of the comparatively lower emission intensity of these fuels, yet to some degree these claims really depend on some form of scope 3 calculation.
- 1.4 The point to be taken here is that any claim made in Australia about the extent to which the export of Australian fuels results in a lower-emission outcome in another country can only be advanced by having in mind the

comparative emission potential (or scope 3 emission) of Australian fuel in comparison to a higher-emission non-Australian fuel that would otherwise be used.

1.5 The addition of this paragraph was not supported by the Committee.

1.6 In relation to the fact that a number of Australian companies voluntarily disclose scope 3 emissions it seemed important to observe that doing so is clearly both possible and economically viable, and so when considering the evidence from the Department of Industry, Science, Energy, and Resources (DISER) that it couldn't be sure about the rigour of these estimates, it seems clear there would be value in DISER undertaking a limited assessment of the method, cost, and accuracy of such voluntary scope 3 disclosures. Labor members therefore put forward the following paragraph for inclusion in the report:

2.49A The Committee acknowledges that as more than a quarter of ASX200 companies are reporting scope 3 emissions the complexity and cost of doing so cannot be prohibitive, and considering DISER's uncertainty about the accuracy of these accounts it may be worth DISER undertaking a preliminary assessment on a sample basis of the quality of such estimates.

1.7 But the addition of this paragraph was not supported by the Committee.

1.8 We also note that some inquiry contributors raised concerns about the timing and regularity of NGGI reporting, and specifically the release of quarterly emissions data by the responsible Minister. For example, the Australasian Centre for Corporate Responsibility gave evidence as follows:

In 2018, FOI requests revealed that the then minister for the environment, Josh Frydenberg, and subsequently Melissa Price sat on the quarterly emissions data for seven weeks. The department had initially provided the minister with the report on 9 August 2018 and then again on 6 September 2018. It was finally published on the afternoon of Friday 28 September 2018, a public holiday in Victoria and the day before the weekend of the AFL and NRL finals matches. While that is probably the most egregious example of delay, according to Dr Martin Rice of the Climate Council:

The Federal Government not only delays releasing climate information, it also tries to bury it. We've seen emissions data quietly released on Christmas Eve, or on a Friday evening, at a time it's least likely to attract attention or scrutiny.¹

1 Mr Daniel Gocher, Director of Climate and Environment, Australasian Centre for Corporate

- 1.9 Needless to say there will be a diminution of public trust and confidence where the action of Ministers or the outcome of some other part of governmental process involves unnecessary delay, inconsistency, a lack of transparency, and the release of information in circumstances where it is less likely to be noticed or attract attention and proper scrutiny.
- 1.10 Evidence was provided to the Committee that building and maintaining public trust in Australia's system of greenhouse gas accounting and reporting was important. It appears there are improvements the government should consider in relation to the provision of emissions data to the Australian public.

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Deputy Chair

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