Coalition Senators' additional comments

1.1 Coalition Senators note the content of the report and consider that the evidence provided will help inform consideration of these issues in the future.

1.2 Australia is well positioned to meet the challenge of climate change. Australia has mature financial, welfare and regulatory systems, well-governed institutions and internationally-recognised scientific expertise.

1.3 Coalition Senators make the following additional comments:

- The Australian Government is committed to playing its role in global efforts to reduce emissions. Australia has a strong track record of meeting its international emissions reduction commitments. We successfully beat our first Kyoto target by 128 million tonnes and are on track to meet and beat our 2020 target of five per cent below 2000 levels by 294 million tonnes.
- As part of the Paris Agreement, Australia has committed to reduce emissions by 26 to 28 per cent below 2005 levels by 2030. This will see Australia's emissions per person halve and the emissions intensity of our economy reduce by two-thirds. These reductions are among the largest of any major economy.
- The 2017 review of climate change policies concluded that the current policy suite, with some adjustments, provides the right approach to meeting Australia's 2030 target and Paris Agreement Commitments.
- As part of the 2017 climate change review, the Australian Government has agreed to develop a long-term emissions reduction strategy by 2020. In the 2018–19 Budget the Government provided $900,000 over two years to develop the long-term whole-of-economy emissions reduction strategy.

Climate Information and Guidance

1.4 Coalitions Senators note the Australian Government has a comprehensive range of initiatives and support mechanisms to ensure information and guidance is made available to decision-makers to manage risks from a changing climate. This was reflected in a range of submissions to the Inquiry. Some of the measures noted during the Inquiry include:

- The Australian Government has funded the $145 million National Environmental Science Program, which is delivered through six research hubs. The Earth Systems and Climate Change Hub supports research to help address the challenges posed by a changing climate across multiple sectors, including the built environment. Other hubs, such as the Clean Air and Urban Landscape hub, are supporting research into climate change adaptation, with a more specific and practical focus on Australia's urban areas.
- The independent National Climate Science Advisory Committee, established by the Australian Government in April 2016, is informing the future direction

of Australia's climate science capability and research priorities. The Advisory Committee is developing a national climate science strategy to assist Australian scientists address research questions including observed and projected changes to climate variables such as sea level and storm surge intensity, air temperature and precipitation and the frequency of extreme weather, including heatwaves, bushfires, floods, and cyclones.

- In the 2017–18 Budget, the Australia Government announced an Adaptation Partnership comprising the National Climate Change Adaptation Research Facility, CSIRO and the Department of the Environment and Energy. The Partnership is developing targeted products which allow decision-makers to manage risks from a changing climate.
- The National Climate Change Adaptation Research Facility is publishing information products from its research projects including synthesis summaries, climate change adaptation briefing notes, policy guidance briefs and an adaptation library for policymakers and decision-makers. The Inquiry heard how the CoastAdapt online tool, developed by the Facility is providing access to locally-relevant coastal climate projections data. In addition, the tool provides guidance on how to use that information to manage associated impacts, such as erosion and flooding caused by sea level rise.

Climate Policies

1.5 Coalition Senators note the Government's climate policies are working. The $2.55 billion Emissions Reduction Fund is successfully supporting Australian businesses, communities and landholders to reduce emissions. It is supporting practical projects, including projects such as improving energy efficiency, capturing methane from landfills and storing carbon in forests and soils. So far it has secured more than 190 million tonnes of emissions reduction at a price of less than $12 per tonne. This is the largest ever emissions reduction commitment by Australian businesses and landholders.

1.6 The Government is also supporting a transition in the energy sector, which is the largest source of Australia's emissions.

1.7 In addition, to supporting the renewable technologies of today, the Government is also investing in the renewable energy technologies, energy storage and the infrastructure of the future. For example:

- Funding through the Australian Renewable Energy Agency is supporting CSIRO and major Australian universities undertake 20 solar R&D projects to reduce costs, increase efficiency and create new breakthroughs.
- Investments in pumped hydro energy storage projects in Queensland, South Australia and Snowy Hydro 2.0, which will be the biggest battery in the Southern Hemisphere, will help make wind and solar more reliable.

1.8 Coalition Senators note the Government's approach is to deliver a secure and affordable energy system as it transitions to a lower emissions future.

1.9 The Government is also strongly supporting investment in clean energy innovation through the Clean Energy Finance Corporation (CEFC) and the Australian Renewable Energy Agency (ARENA). The $10 billion CEFC uses debt and equity funding to promote investment in clean energy technologies. ARENA provides research, development and deployment grant funding to improve the affordability and supply of renewable energy in Australia.

The National Energy Guarantee

1.10 Coalition Senators note that the Government has accepted the recommendation of the independent expert Energy Security Board for a new National Energy Guarantee to deliver more affordable and reliable electricity while meeting our international commitments.

1.11 The National Energy Guarantee has been welcomed by a broad and diverse cross section, including energy users, energy suppliers, energy consumers groups, industry groups, and farmers.

1.12 Under the Guarantee the transition towards renewables will continue but importantly, electricity retailers will need to also have enough dispatchable electricity generation capacity available. This is essential to ensure the grid can supply power to households and businesses at all times of the day and night which is affordable.

1.13 Dispatchable capacity includes technologies and fuels which can be controlled independent of the weather, for example, gas, hydro, biomass, coal, batteries, and pumped hydro storage.

Infrastructure

1.14 Coalition Senators also note that climate change is considered as part of the Australian Government's support for infrastructure development.

1.15 Infrastructure Australia (IA) is required to assess business cases of projects seeking greater than $100 million in Government funding against an Assessment Framework which includes consideration of disaster risk. For example:

- Robust cost benefit analysis assists with quantifying the additional costs incurred by addressing uncertainties (i.e. higher capital costs) or by accepting a degree of risk that can be managed in other ways through the project life-cycle (for example, higher maintenance and operational costs). This is an important part of ensuring a balanced approach to considering a range of risks—including climate risks—without unnecessary 'gold plating' of infrastructure.

1.16 A range of other examples include:

- Funding Austroads to develop road design principles to ensure roads are built to a standard. For example, Austroads released the new Australian Bridge

Code in March 2017 to consider changes in the Australian climate, sustainability and safety-in-design.

- Funding flood mitigation projects through the Infrastructure Investment Program, such as the upgrade of the Yeppen Floodplain crossing on the Bruce Highway, to duplicate the Highway on an elevated carriageway.
- Managing the Critical Infrastructure Resilience Strategy—a policy statement and a plan for practical implementation to ensure the continued operation of critical infrastructure in the face of all hazards.
- Implementing the National Strategy for Disaster Resilience, which continues to provide high-level strategic direction for all governments to build the nation's resilience to natural disasters.
- Coordinating Australia's implementation of, and reporting against, the Sendai Framework for Disaster Risk Reduction 2015–2030. Agreed by United Nations Member States in 2015, the Framework emphasises management of disaster risk, as opposed to focusing solely on disaster response or recovery. Progress in implementing the Framework also represents progress towards meeting the Sustainable Development Goals, ten of which relate to disaster risk reduction and climate action.
- As a priority, the National Resilience Taskforce, working with all levels of government and with key private (including insurance and finance) and community partners, is leading the development of a national, five year, risk reduction framework (The Framework). The Framework will deliver strategic national guidance on how all levels of government and non-government sectors (including the critical infrastructure sector) can take a coordinated and targeted approach to reduce climate influenced disaster risk, in an effort to prevent or limit the physical, social and economic impact of hazards. The National Resilience Taskforce will also progress the development of a national disaster risk information services capability to equip decision-makers and Australians with the knowledge they need to prepare for disasters.
- New disaster recovery arrangements to take effect on 1 November 2018. The new arrangements introduce a funding model for the rebuilding of essential public assets that gives the states and territories greater autonomy to rebuild their infrastructure in a way that best suits the needs of disaster-affected communities. The arrangements also provide incentives to spend savings from the efficient delivery of reconstruction projects on disaster mitigation activities, such as building more disaster-resilient infrastructure to withstand future disasters.

Senator Jonathon Duniam
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