

Citizens' Climate Lobby Australia www.ccl.org.au

21/05/2020

Dear Senate Standing Committees on Environment and Communications,

On behalf of Citizens' Climate Lobby Australia and our 3,000 plus members nation-wide, thank you for this opportunity to make a submission to the EPBC Amendment (Climate Trigger) Bill 2020.

Citizens' Climate Lobby (CCL) is a non-profit, non-partisan, grassroots advocacy and education organisation, focused on advancing climate change solutions through democracy. Many of our members have joined us because they are concerned for humanity's future and the planet our children will inherit. CCL exists to create the political will for a liveable world; i.e. a world where everything possible is done to reduce greenhouse emissions, and preserve the world as we know it.

We support the concept of a 'climate trigger' that guarantees environmental protection instruments are sensitive to emissions-intensive activities. The big question is what would happen once the climate trigger is activated by a particular project? Complex regulatory processes will be needed that are likely to lead to protracted legal and political actions.

An efficient and effective carbon price would make emissions intensive activities unviable in the first place, and enable proponents to invest in other projects or find low-emission ways of achieving their objectives. While it is clear carbon pricing is difficult to achieve in the current context, it remains a vital policy tool for transitioning our economy towards zero carbon and should not be discounted. It is an important foundation for the many initiatives required to decarbonise our economy.



Reducing carbon emissions is a huge task requiring many complementary solutions. For this reason CCL advocates the adoption of a carbon price that is simple, transparent and elector-friendly as well as being efficient at driving down emissions. Our preference is a revenue-neutral dividend model<sup>[1]</sup>, known as a Carbon Fee and Dividend (CFD). Dr. Richard Holden and Dr. Rosalind Dixon at the University of New South Wales have modelled a CFD policy in the Australian economy and presented it as the Australian Climate Dividend Plan<sup>[2]</sup>). A recent community survey found 73% community support for such a policy<sup>[3]</sup>.

The effectiveness of carbon pricing has been demonstrated in the Australian context. Australian carbon emissions dropped by 1.4 per cent in the second year after the carbon price was introduced in 2012. According to the Centre for Public Impact, this is "the largest recorded annual decrease in the previous decade"<sup>[4]</sup>. As mentioned above, expert modelling suggests the Carbon Fee and Dividend proposal is the most effective market-based solution for lowering emissions and encouraging investment in natural and technological solutions, while also stimulating the economy and creating jobs.

Many companies, industry groups, economists and civil-society organisations are calling for a carbon price. It is vital that these calls are supported by inquiries such as this so that the inevitable introduction of carbon pricing comes sooner rather than later.

A climate trigger in the EPBC Act is far preferable to a status-quo which leaves it to Australians in general having to pay for emissions reduction subsidies and (with the rest of the world) the costs of unregulated emissions.

CCL principally supports amendment of the Environment Protection and Biodiversity

<sup>&</sup>lt;sup>1</sup> https://au.citizensclimatelobby.org/carbon-fee-and-dividend/

<sup>&</sup>lt;sup>2</sup> https://www.auscarbondividend.com/

<sup>&</sup>lt;sup>3</sup> https://newsroom.unsw.edu.au/news/business-law/new-carbon-dividend-proposal-gets-community-support

<sup>&</sup>lt;sup>4</sup> https://www.centreforpublicimpact.org/case-study/carbon-tax-australia/



Conservation Act 1999 (EPBC Act) to include triggers that:

- addresses climate risk in development proposals; and
- supports a carbon price mechanism to guide the investment decisions of proponents that are likely to activate the trigger.

Thank you for your consideration of our submission. If needed, I can be reached at <a href="mailto:submissions@ccl.org.au">submissions@ccl.org.au</a>.

Yours sincerely,

Rod Mitchell

National Chair, Citizens Climate Lobby Australia