

## The Hon Greg Hunt MP

## Minister for the Environment



MC15-044043

28 JAN 2016

Dr Dennis Jensen MP Chair House of Representatives Standing Committee on Petitions PO Box 6021 Parliament House CANBERRA ACT 2600

Dear Dr Jensen Ollum

Thank you for your letter of 2 December 2015 concerning a petition from the citizens of Wangaratta and surrounding district regarding action to restrict global warming, reference number 1115/1616. I regret the delay in responding.

The Australian Government accepts the science of climate change and remains committed to its unconditional target to reduce greenhouse gas emissions by 5 per cent below 2000 levels by 2020 and by 26-28 per cent below 2005 levels by 2030. The Government is also committed to caring for the unique Australian landscape through direct and practical policy measures under the four pillars of clean air, clean land, clean water and national heritage. Further information on these four pillars can be found at the Department's website at: www.environment.gov.au/topics/cleaner-environment.

As part of the clean air pillar the Government has repealed the carbon tax and is now implementing its Direct Action Plan on climate change. By replacing the carbon tax with the Direct Action Plan, the Government has removed a \$15 billion tax impost on the economy (in its first two years of operation) that increased energy costs for businesses and households.

The Direct Action Plan includes the \$2.55 billion Emissions Reduction Fund (ERF) to provide incentives for cleaning up our environment through activities such as revegetation, investing in soil carbon, cleaning up power stations, capturing gas from landfill, and increasing energy efficiency. The ERF is already providing the impetus for businesses and the community to improve practices, invest in new technologies, and reduce our emissions. In the two successful ERF auctions so far, the Government has contracted to purchase over 92 million tonnes of emission reductions from 275 projects at an average price of \$13.12 per tonne of abatement. This is the largest emissions reduction commitment by business ever in Australia and will be built upon in subsequent ERF auctions. The full results of both auctions are available on the Clean Energy Regulator's website at: www.cleanenergyregulator.gov.au.

The Government is committed to supporting a sustainable renewable energy sector, and has recently settled on reforms to the Renewable Energy Target (RET) following careful consideration and extensive consultations. These reforms will provide certainty to industry, encourage further investment in renewable energy and better reflect market conditions. The new target for large-scale generation of 33,000 GWh in 2020 is estimated to lead to double the amount of large-scale renewable energy being delivered by the scheme, and lift the share of renewables to around 23.5 per cent of Australia's electricity in 2020.

Australia is actively participating in international forums to reach a global agreement to reduce emissions. The Government announced on 11 August 2015 that Australia will reduce emissions to 26-28 per cent below 2005 levels by 2030. This target is strong, credible and responsible. When measured against a common 2005 base, Australia's target is comparable with those of the European Union (34%), Canada (30%), New Zealand (30%), Japan (25%) and the United States (26-28% by 2025). Meeting Australia's target will require real effort – it will see Australia's emissions per capita halved and emissions intensity reduced by two-thirds. Australia's per capita emissions reductions, in particular, will be the largest of all major developed economies – up to 52 per cent below 2005 levels by 2030. This is a bigger reduction than other major developed economies – the United States (46%), Canada (44%), the EU (36%) and Japan (21%).

The Government's approach to climate change is to focus on practical responses which provide positive local environmental outcomes. The Government believes that, through the range of policies outlined above, Australia will meet its unconditional target to reduce greenhouse gas emissions by 5 per cent below 2000 levels by 2020 and by 26-28 per cent below 2005 levels by 2030.

Thank you for writing on this matter.

Greg Hunt