

APPENDIX 3

Terms of reference: Multi-Party Climate Change Committee

1. The Multi-Party Climate Change Committee ('the Committee') is established to:
 - 1.1. Consult, negotiate, and report to the Cabinet, through the Minister for Climate Change and Energy Efficiency, on agreed options for the implementation of a carbon price in Australia; and
 - 1.2. Provide advice on, and participate in, building community consensus for action on climate change.
2. The Committee decisions will be reached by consensus or, if there are differences that remain after good faith discussions, these will be presented to the Cabinet, but with every effort made to produce workable options.
3. The Committee is established on the basis that a carbon price is an economic reform that is required to reduce carbon pollution, to encourage investment in low emissions technologies and complement other measures including renewable energy and energy efficiency.
4. The Committee will consider mechanisms for introducing a carbon price (including a broad-based emissions trading scheme, a broad-based carbon levy, a hybrid of both, and economy-wide and sector-based approaches) and will consider issues such as coverage, international linking, implementation issues, assistance measures for households and businesses (including emissions-intensive trade-exposed businesses) and review provisions.
5. From time to time the Committee, by agreement, may discuss other aspects of climate change policy that would benefit from multi-party consideration and discussion. However, the Committee's deliberations will be broadly limited to the issue of a carbon price.
6. The Committee will be informed by, and responsible for, measures including but not limited to:
 - 6.1. Inviting Professor Ross Garnaut to update the Garnaut Climate Change Review and to provide advice on pricing carbon;
 - 6.2. Consider the findings of an expert body, which will be tasked with calculating the carbon price equivalent of measures taken by other countries;
 - 6.3. Inviting experts to conduct a public forum in Parliament House on the economic, environmental and social impacts of climate change;

- 6.4. Receiving up-to-date date assessments of the science (from the Climate Change Commission, Australian Academy of Science, the Bureau of Meteorology and CSIRO, and eminent scientists);
 - 6.5. Considering whether a Citizens' Assembly on Climate Change should be established and, if so, its objectives, format and timeframes; and
 - 6.6. Considering the objectives, functions, form and membership of the Climate Change Commission.
7. The Committee will establish a work program that addresses these terms of reference.
 8. The Committee will ensure its deliberations and papers remain confidential to the Committee and the Cabinet until a final position is agreed or all parties to the Committee agree otherwise. At its initial meeting the Committee will determine the mechanism by which it will provide updates of its work.
 - 8.1. As part of building community consensus around the need for action on climate change and a carbon price, the Committee may choose to make some of its materials available to the public.
 - 8.1.1. Committee members may not act unilaterally in this regard.
 - 8.1.2. Committee members will be mindful of the need to balance public participation against effective and genuine negotiation.
 9. The Committee will meet regularly, usually monthly, until the end of 2011, at which time the ongoing need for the Committee will be considered.
 10. In making its recommendations, the Committee shall have regard to:
 - 10.1. The Copenhagen Accord;
 - 10.2. Australia's national economic, social and environmental interests;
 - 10.3. The views and ideas of the Australian people as determined through consultation and public forums;
 - 10.4. The views and ideas of experts, and key stakeholders;
 - 10.5. International trends, including action taken by other countries;
 - 10.6. Commonwealth, state and territory climate change policies; and
 - 10.7. The impacts of, and interactions between, proposed carbon price mechanisms and complementary measures.
 11. The Committee will be supported by:
 - 11.1. Up to four permanent expert advisers appointed by the Government to regularly advise the Committee on their areas of expertise.

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- 11.2. A Secretaries' Group, comprising Secretaries of the Departments of Prime Minister and Cabinet, the Treasury, Finance and Deregulation, Resources, Energy and Tourism, Climate Change and Energy Efficiency (chair), Agriculture, Fisheries and Forestry, Families, Housing, Community Services and Indigenous Affairs, Foreign Affairs and Trade, Infrastructure and Transport, Innovation, Industry, Science and Research, Sustainability, Environment, Water, Population and Communities, with others participating as required;
 - 11.3. The Department of Climate Change and Energy Efficiency (in relation to most policy matters), and the Treasury (in relation to modelling, macroeconomic impacts, budgetary impacts and any changes to the tax and transfer systems to compensate certain households for price impacts of any scheme).
12. The Committee would generally meet in the Cabinet room. The Cabinet Division of the Department of Prime Minister and Cabinet will be responsible for minute-taking.

Source: <http://www.climatechange.gov.au/en/government/initiatives/multi-party-committee/terms-of-reference.aspx> (accessed 16 August 2011)