

Federal Opposition climate policy

April 2016

Overview

The Federal Opposition Leader, the Hon Bill Shorten MP, and Shadow Minister for Environment, Climate Change and Water, the Hon Mark Butler MP, today announced the Federal Opposition's climate change policy.

The policy commits to the following pollution reduction targets:

- 45 per cent emissions reduction on 2005 levels by 2030, consistent with advice from the Climate Change Authority;
- Net Zero Pollution by 2050 consistent with the Paris agreement to achieve a balance between emissions generated and those offset, sequestered or removed in the second half of this century;
- 50 per cent renewable energy by 2030; and
- 2025 emissions reduction target released within one year if Labor is elected at the 2016 election.

The announcement also outlined the following additional elements to the Opposition's climate policy:

Emissions Trading Scheme

The policy proposes a two phased Emissions Trading Scheme (ETS).

- Phase one of the ETS will operate for two years, from 1 July 2018 until 30 June 2020, to align with the second (and final) period of the Kyoto Protocol. It would impose a cap on carbon pollutions produced by facilities emitting more than 25,000 tonnes of carbon pollution per year ("liable entities"). It would not impose a direct cost on these liable entities.
- Phase two of the ETS would operate from 1 July 2020. Under this ETS, pollution levels will be capped and reduced over the course of the decade. The design of the 2020 ETS would be finalised during the 2016-2019 Parliament and commence after the 2019 election, following industry consultation.

The Emissions Trading Scheme would provide industry with access to international carbon offsets. **It will not include a fixed price or carbon tax.**

The policy outlined a separate Electricity ETS under which electricity generators will be covered by a "cap" on carbon pollution that reflects a proportional share of overall emissions reduction. Generators which produce emissions above the cap will be able to purchase from generators who produce below the cap.

Emissions standards for motor vehicles

The policy commits to the introduction of mandatory light vehicle standards (consistent with advice from the Climate Change Authority). It would reduce the emissions intensity for all light vehicles from the current 192g CO₂/km to 105g CO₂/km in 2025. This would align Australian standards with those currently being introduced in the United States.



It also includes a commitment to policies that promote the growth of low emissions vehicles.

Community Power Network

The policy commits to the establishment of a Community Power Network (CPN). The CPN will

- be a solution broker;
- develop a series of regional hubs;
- bring legal and technical expertise to the passion of community ideas;
- provide start-up funding to help kick-start;
- clean energy projects across Australia; and
- develop an online community of ideas and support.

A “just transition” out of coal-fired power

The policy outlines a framework that will decarbonise the electricity sector. One of the key principles outlined as part of this framework includes forcing power generators to pay for the closure of dirty brown-coal fired plants. A further element of the framework includes the establishment of a “Just Transition” Unit in the Department of Environment to co-ordinate the implementation of the Paris Agreement clauses that require a transition to a clean energy future.

Jobs and Industry

The policy details the establishment of a Strategic Industries Taskforce to undertake engagement with emissions intensive, trade exposed (EITE) industries and identify options to support their future competitiveness. The Taskforce would provide advice to the Government around unique policies to support each sector. This has been described as a job creation measure.

Capture carbon on the land

The policy commits a Labor Government to establishing a Climate Trigger that allows the Commonwealth to regulate broad-scale land clearing across the nation. Labor’s policy also commits to consistent reporting of land clearing across the Commonwealth and States. It also outlines that a future Labor Government would engage with industry and stakeholders to develop an appropriate “trigger” in federal environmental protection laws that relate to Australia’s national and international climate change commitments.

Further information

Other Hawker Britton Occasional Papers on the Climate Change Mitigation and Adaptation Policies can be viewed [here](#).

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