



Climate Change Authority	
Party:	Australian Greens
Summary of proposal: The proposal consists of 4 components and would have effect from 1 July 2022. Component 1: Establish a national climate emergency National Climate Action Taskforce, which includes the Prime Minister, Leader of the Opposition, Greens Leader and State Premiers to oversee a whole of government response to the climate and environmental emergency. The National Climate Action Taskforce would implement a plan to achieve Australia's climate and environment 2030 and 2035 targets and post net-zero negative emission drawdown programs. Component 2: Allocate \$27 million a year to a revamped Climate Change Authority to advise the National Climate Action Taskforce on the impacts of the climate crisis (particularly in the Asia-Pacific region) and to develop sectoral net zero plans for each sector of the economy to guide the decisions of the National Climate Action Taskforce (ongoing funding). Component 3: Allocate \$30 million of funding over two years to the Climate Change Authority to conduct a national security assessment of the impacts of the climate crisis on Australia's economy and society. Component 4: Allocate \$24 million of funding in 2022-23 to the Climate Change Authority to develop 8 sectoral net zero plans for each sector of the economy and to develop a post net-zero negative emission drawdown program.	

Costing overview

The proposal would be expected to decrease both the fiscal and underlying cash balances by around \$162 million over the 2022-23 Budget forward estimates period, which is entirely driven by an increase in departmental expenses.

The proposal would have an impact beyond the 2022-23 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2032-33 is provided at Attachment A.

The Parliamentary Budget Office (PBO) has not undertaken any analysis to assess whether the proposed expenditures would be sufficient to achieve the objective of the policy proposals.

Table 1: Financial implications (\$m)^{(a)(b)}

	2022-23	2023-24	2024-25	2025-26	Total to 2025-26
Fiscal balance	-66.0	-42.0	-27.0	-27.0	-162.0
Underlying cash balance	-66.0	-42.0	-27.0	-27.0	-162.0

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) PDI impacts are not included in the totals.

Key assumptions

The PBO has made the following assumptions in costing this proposal.

- The full capped funding amounts would be allocated.
- All specified funding amounts would be departmental expenses.

Methodology

Financial impacts were as specified under the proposal.

Financial implications were rounded consistent with the PBO's rounding rules as outlined on the PBO Costings and budget information webpage.¹

Data sources

The Department of Finance and the Treasury provided economic parameters as at the *Pre-election Economic and Fiscal Outlook 2022*.

¹ https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Budget_Office/Costings_and_budget_information

Attachment A – Climate Change Authority – financial implications

Table A1: Climate Change Authority – Fiscal and underlying cash balances (\$m)^(a)

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
Expenses													
Departmental													
<i>Component 1 & 2: National Climate Emergency “National Climate Action Taskforce” – secretariat support and advice</i>	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-108.0	-297.0
<i>Component 3: National security assessment</i>	-15.0	-15.0	-	-	-	-	-	-	-	-	-	-30.0	-30.0
<i>Component 4: Net zero plans</i>	-24.0	-	-	-	-	-	-	-	-	-	-	-24.0	-24.0
Total – expenses	-66.0	-42.0	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-162.0	-351.0
Total (excluding PDI)	-66.0	-42.0	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-27.0	-162.0	-351.0

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

Table A2: Climate Change Authority – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
<i>Fiscal balance</i>	-0.7	-2.0	-2.8	-3.5	-4.2	-5.0	-5.9	-6.9	-8.0	-9.1	-10.9	-9.0	-59.0
<i>Underlying cash balance</i>	-0.7	-1.8	-2.7	-3.4	-4.1	-4.9	-5.8	-6.8	-7.8	-9.0	-10.7	-8.6	-57.7

- (a) As this table is presented as a memorandum item, these figures are not reflected in the totals in the table above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary².
- (b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

² [Online budget glossary – Parliament of Australia \(aph.gov.au\)](https://aph.gov.au)