



Minister for Climate Change and Water

10 SEP 2008

Ms Julia Irwin MP
Chair
Standing Committee on Petitions
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Ms Irwin *Julia*

Thank you for your letter of 27 May 2008 concerning a petition regarding greenhouse gas emissions submitted to the Standing Committee on Petitions.

The Australian Government recognises that climate change is an urgent issue and dealing with climate change is one of the highest priorities of the Government. In his first act as Prime Minister, the Hon Kevin Rudd MP committed Australia to play its part by ratifying the Kyoto Protocol and leading the Australian delegation to the Bali climate change negotiations. Australia was instrumental in securing agreement on the Bali roadmap for the international community to agree on post-2012 action on climate change.

The Government's climate change policy is built on three pillars: reducing Australia's greenhouse gas emissions; adapting to climate change that we cannot avoid; and helping to shape a global solution. The Government is moving quickly to implement its comprehensive framework for tackling climate change in Australia.

With respect to the specifics of the petition, the Government has committed to a 60 per cent emissions reduction target from 2000 levels by 2050. We were one of the first countries to commit to such a national goal. Australia's target is informed by scientific advice and is consistent with those few countries that have also committed to such a goal. We will also set a medium-term target range, drawing on inputs including economic modelling from the Treasury and the independent Garnaut Climate Change Review. The key instrument to meet our 60 per cent target will be the introduction of a Carbon Pollution Reduction Scheme, to commence in 2010.

The Government recognises the important role energy efficiency has to play in assisting Australian to reduce its greenhouse gas emissions. The National Energy Efficiency Framework, established in 2004, governs the cooperative delivery of energy efficiency measures across all states and territories. The framework provides a range of comprehensive measures across key sectors to ensure coordinated and efficient delivery of energy efficiency programs. It aims to achieve a major enhancement of Australian energy efficiency performance, reducing energy demand and lowering greenhouse gas emissions.

The Government, in conjunction with all jurisdictions, is currently working to progress Stage One of the energy efficiency policy packages under the National Energy Efficiency Framework. Stage One builds on the existing residential, commercial and government capacity and capabilities in energy efficiency.

In addition, the existing Minimum Energy Performance Standards program will be extended to harness cost-effective emissions reductions as well as energy efficiency opportunities. We have announced \$14 million to help families identify the most energy efficient and cost effective appliances for their homes with a 10-star appliance rating system. We are also encouraging businesses to be more efficient in their operations with the \$240 million Clean Business Australia initiative.

The Council of Australian Governments (COAG) is also pursuing options to accelerate uptake of energy efficiency measures through its Working Group on Climate Change and Water, which I chair. Those options will be discussed at COAG later this year.

With regard to renewable energy, the Government has committed to a national Renewable Energy Target of increasing renewable energy to 20 per cent of Australia's electricity supply by 2020. This commitment includes a legislated target of 45 000 gigawatt-hours of renewable electricity supply in 2020. Legislation for the target will be introduced in 2009.

We have also announced a range of measures to support the uptake of renewable energy including \$500 million for the Renewable Energy Fund to support the development of innovative renewable energy technologies. A further \$150 million has been provided to the Energy Innovation Fund to focus on developing clean energy research and development capabilities in Australia, including \$100 million for solar thermal and photovoltaic research and development.

In addition, the Government has allocated \$1 billion to assist households and communities to be more energy efficient including rebates for solar power systems, solar hot water systems and low interest green loans to install energy efficient technologies including renewables.

We are also progressing the gradual phase-out of inefficient hot water systems and have recently allocated \$7.9 million for this purpose. We will work with the state and territory governments and industry to develop nationally consistent greenhouse performance standards for domestic hot water products to meet new performance requirements. These standards will enable the gradual phase-out of greenhouse-intensive hot water systems in new homes and areas with access to reticulated natural gas in 2010, extending to all homes in 2012.

Thank you for referring this petition to me under Standing Order 209(a) of the Standing Committee on Petitions. I am pleased to offer this response to the petition, consistent with Standing Order 209(b).

Yours sincerely

Penny Wong