



LEGISLATIVE COUNCIL

PORTFOLIO COMMITTEE NO. 7

# Climate Change (Net Zero Future) Bill 2023

Report 20

November 2023

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Portfolio Committee No. 7 - Planning and Environment

# **Climate Change (Net Zero Future) Bill 2023**

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Climate Change (Net Zero Future) Bill 2023

"November 2023"

Chair: Ms Sue Higginson MLC



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## Terms of reference

That:

- (a) the Climate Change (Net Zero Future) Bill 2023 be referred to Portfolio Committee No. 7 – Planning and Environment for inquiry and report
- (b) the committee report by 17 November 2023.

The terms of reference for the inquiry were referred to the committee by the Legislative Council on 12 October 2023.<sup>1</sup>

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<sup>1</sup> *Minutes*, NSW Legislative Council, 12 October 2023, pp 583-584.

## Committee details

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### Committee members

<b>Ms Sue Higginson MLC</b>	The Greens	<i>Chair</i>
<b>Hon John Ruddick MLC</b>	Liberal Democratic Party	<i>Deputy Chair</i>
<b>Hon Mark Buttigieg MLC</b>	Australian Labor Party	
<b>Hon Anthony D'Adam MLC</b>	Australian Labor Party	
<b>Hon Scott Farlow MLC</b>	Liberal Party	
<b>Hon Jacqui Munro MLC</b>	Liberal Party	
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### Secretariat

Sarah Newlands, Principal Council Officer

Andrew Ratchford, Council Officer

Kate Mihaljek, Director

Emma Rogerson, Director



## Chair's foreword

On 12 October 2023 the Legislative Council referred the Climate Change (Net Zero Future) Bill 2023 to Portfolio Committee No. 7 – Planning and Environment for inquiry and report by 17 November 2023.

The purpose of the bill is to hold the increase in global average temperature to well below 2 degrees Celsius above pre-industrial temperatures and ideally below 1.5 degrees.

The bill has four objectives: to establish guiding principles for action to address climate change, to set targets for net greenhouse gas emissions reductions in New South Wales, to make the state more resilient to climate change, and to establish the Net Zero Commission.

Despite the short timeframe, the inquiry received over 100 submissions and approximately 200 responses to an online questionnaire. The committee also heard from over 30 witnesses during two public hearings. This level of engagement speaks to the vital importance of climate change, reducing greenhouse gas emissions and the need for action by government. The committee is grateful to all of the inquiry participants, particularly given the short timeline.

Climate change is an existential threat that is no longer ahead of us, it is upon us and the harmful impacts caused by climate change will become more frequent and more severe. It is the biggest single threat we face as a global community. No single government can address the problem, it will take every government to do all that it can to reduce emissions as quickly as possible and to build resilience within the people and places they govern.

The strong message from stakeholders who participated in the inquiry is that the bill will go some way to mitigating the causes and impacts of climate change which are being felt by many communities across New South Wales. However, participants emphasised that the government must be more ambitious and act immediately to address these concerns. Much of the evidence focused on the greenhouse gas emissions targets proposed in the bill. Specifically, that New South Wales reduce emissions by 50 per cent on 2005 levels by 2030 and achieve net zero by 2050. The vast majority of inquiry participants supported targets, but called for them to be more ambitious and stressed the importance of front-loading emissions reduction effort, the earlier we reduce emissions, the better. Stakeholders stressed the importance of interim targets and expressed concern that the target to reduce emissions by 70 per cent on 2005 levels by 2035 which is currently in place, in regulation, in New South Wales is absent from the bill. Without this or more ambitious targets the bill may be a backward step from current policy settings.

There was concern that the targets, while in legislation, are not actually binding and without some mechanism requiring the targets to be met there is a risk that they are merely ornamental. It was noted that other like jurisdictions have climate legislation with binding targets. The establishment of an independent Net Zero Commission, with members with appropriate skills and qualifications is welcomed. However, many witnesses suggested that the independence and scope of the commission could be improved. The lack of a clear mechanism for the commission to take action and influence government agencies to achieve emissions reductions was of particular concern.

While the bill sets out guiding principles for actions to address climate change, there were concerns about the emphasis on fiscal responsibility; however, many witnesses noted potential and existing economic opportunities to the state as the bill will enable government policies which encourage investment in renewable energy technology.

The importance of adapting to a changing climate, with the objective of being more resilient is a welcome aspect of this bill. It is vital that we learn from disasters such as the floods of 2022 and the Black Summer bushfires and ensure that communities are better equipped to respond and adapt to future extreme events.

The committee thanks the secretariat for their diligence and professional capacity for making it possible to undertake this inquiry in such a short timeframe.

The committee has recommended that the Legislative Council proceed to debate the Climate Change (Net Zero) Bill 2023 and that the concerns raised by stakeholders be addressed during debate in the House.



Ms Sue Higginson MLC  
**Committee Chair**

## Recommendation

### Recommendation 1

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That the Legislative Council proceed to debate the Climate Change (Net Zero Future) Bill 2023, and that the concerns identified by stakeholders as set out in this report be addressed during debate in the House.

## Conduct of inquiry

The terms of reference for the inquiry were referred to the committee by the Legislative Council on 12 October 2023.

The committee received 111 submissions and two supplementary submissions.

The committee also received 203 responses from individual participants to an online questionnaire.

The committee resolved not to accept proformas.

The committee held two public hearings at Parliament House in Sydney.

Inquiry related documents are available on the committee's website, including submissions, hearing transcripts, tabled documents and answers to questions on notice.

# Chapter 1 Background

This chapter briefly outlines the national and state frameworks for greenhouse gas emissions reductions. It also discusses the key provisions of the Climate Change (Net Zero Future) Bill 2023.

## Background to the Climate Change (Net Zero Future) Bill 2023

- 1.1** The Hon Penny Sharpe MLC, Minister for Climate Change, introduced the Climate Change (Net Zero Future) Bill 2023 into the Legislative Council on 12 October 2023.<sup>2</sup> The bill was referred to Portfolio Committee No. 7 – Planning and Environment for inquiry and report on the same day.<sup>3</sup> The committee conducted an online questionnaire, received 111 submissions and held two public hearings.
- 1.2** The Climate Change (Net Zero Future) Bill 2023 would operate within a broader framework of national and state policies and actions to reduce emissions. The following sections set out how these systems operate.

## National emissions reduction framework

- 1.3** The Australian Government, as well as certain other states and territories, have legislated emissions reduction targets.<sup>4</sup> The following section provides an overview of the national emissions reduction framework, including Australia's commitment to the Paris Agreement, the *Climate Change Act 2022* (Cwlth) and the work of the Climate Change Authority.

### The Paris Agreement

- 1.4** The Paris Agreement is an international treaty on climate change that seeks to hold the increase in the global average temperature to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C.<sup>5</sup> To achieve these objectives, signatories to the agreement submit emissions reduction commitments, known as Nationally Determined Contributions (NDC), every five years that must progress, or ratchet up, beyond the previous target.<sup>6</sup>
- 1.5** The Paris Agreement came into force in Australia in 2016. Australia is currently committed to reducing its emissions to 43 per cent below 2005 levels by 2030 and will update its commitment in 2025.<sup>7</sup>

<sup>2</sup> *Minutes*, NSW Legislative Council, 12 October 2023, p 583.

<sup>3</sup> *Minutes*, NSW Legislative Council, 12 October 2023, pp 583-584.

<sup>4</sup> *Hansard*, NSW Legislative Council, 12 October 2023, p 30 (Penny Sharpe).

<sup>5</sup> United Nations Climate Change, The Paris Agreement, <https://unfccc.int/process-and-meetings/the-paris-agreement>.

<sup>6</sup> United Nations Climate Change, The Paris Agreement, <https://unfccc.int/process-and-meetings/the-paris-agreement>.

<sup>7</sup> Australian Government, Department of Climate Change, Energy, the Environment and Water, 20 October 2023, International climate action, <https://www.dceew.gov.au/climate->

- 1.6 The Australian Government's Department of Climate Change, Energy, the Environment and Water works with the Department of Foreign Affairs to negotiate and meet Australia's obligations under the Paris Agreement.<sup>8</sup>
- 1.7 Australia is also committed to the United Nations Framework Convention on Climate Change and the Kyoto Protocol.

### *Climate Change Act 2022 (Cwlth)*

- 1.8 The *Climate Change Act 2022* (Cwlth) sets out the national emissions reduction targets. The primary objective of the act is '... to advance an effective and progressive response to the urgent threat of climate change drawing on the best available scientific knowledge'.<sup>9</sup> To achieve this objective and others, the act sets out Australia's greenhouse gas emissions reduction targets, specifically:
- reducing Australia's net greenhouse gas emissions to 43 per cent below 2005 levels by 2030
  - reducing Australia's net greenhouse gas emissions to zero by 2050
  - committing to preparing, adjusting and communicating NDC as required by the Paris Agreement.<sup>10</sup>
- 1.9 The act also requires the Minister to prepare an annual climate change statement.<sup>11</sup> Additionally, it sets out the role of the Climate Change Authority in advising the Minister on the preparation of the climate change statement and the greenhouse gas emissions reduction targets to be included in a new or adjusted NDC.<sup>12</sup>

### **Climate Change Authority**

- 1.10 The Climate Change Authority is an independent statutory body established under the *Climate Change Authority Act 2011* (Cwlth) to provide expert advice to the Australian Government on climate change policy. As previously mentioned, the authority provides independent advice to the Minister regarding the annual climate change statement and greenhouse gas emissions reduction targets to be included in new or adjusted NDC. The Climate Change Authority also:

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change/international-commitments#:~:text=Australia%20is%20party%20to%20the,efforts%20to%20address%20climate%20change.

<sup>8</sup> Australian Government, Department of Climate Change, Energy, the Environment and Water, 20 October 2023, International climate action, <https://www.dcceew.gov.au/climate-change/international-commitments#:~:text=Australia%20is%20party%20to%20the,efforts%20to%20address%20climate%20change>.

<sup>9</sup> *Climate Change Act 2022* (Cwlth), s 3(aa).

<sup>10</sup> *Climate Change Act 2022* (Cwlth), s 10.

<sup>11</sup> *Climate Change Act 2022* (Cwlth), s 12.

<sup>12</sup> *Climate Change Act 2022* (Cwlth), s 14.

- undertakes reviews and makes recommendations on the Carbon Farming Initiative (Emissions Reduction Fund), the National Greenhouse and Energy Reporting System, and other matters as requested by the Minister responsible for climate change or the Parliament
- conducts and commissions its own independent research and analysis.<sup>13</sup>

**1.11** Division 2 of the *Climate Change Authority Act 2011* (Cwlth) details the membership of the authority, including its composition, the process of appointing members, and the period of appointments.<sup>14</sup>

**1.12** The *Climate Change Act 2022* (Cwlth) expanded the authority's legislated responsibilities to include advice to the Minister on:

- annual progress towards emissions reduction targets
- advice on targets as Australia's NDC to the Paris Agreement.<sup>15</sup>

**1.13** In developing this advice, the authority must also:

... include advice on the social, employment and economic benefits of any new and adjusted emissions reduction target and associated policies, including on rural and regional Australia

include advice on the physical impacts of climate change on Australia, including rural and regional Australia

include an explanation of how the any new target has taken into account matters set out in Article 2 of the Paris Agreement, including its global temperature goals of below 2° and limiting the increase to 1.5° above pre-industrial levels.<sup>16</sup>

## Victoria's emissions reduction framework

**1.14** The Victorian Government introduced a legislative framework for emissions reduction targets with the introduction of the *Climate Change Act* in 2017.<sup>17</sup> In May 2023 they announced a new target to reduce Victoria's emissions by 75 - 80 per cent by 2035 and a target to achieve net zero emissions by 2045. These targets will be included in legislation.<sup>18</sup>

<sup>13</sup> Climate Change Authority, About the Authority, <https://www.climatechangeauthority.gov.au/about-cca>.

<sup>14</sup> *Climate Change Authority Act 2011* (Cwlth), ss 17, 18 and 19.

<sup>15</sup> *Climate Change Act 2022* (Cwlth) s 13.

<sup>16</sup> *Climate Change Act 2022* (Cwlth) s 15.

<sup>17</sup> Victoria's 2035 emission reductions target – driving real climate action, Victoria State Government, May 2023, p 24.

<sup>18</sup> Victoria's 2035 emission reductions target – driving real climate action, Victoria State Government, May 2023, p 5.

- 1.15 The *Climate Change Act 2017* (Vic) places a specific responsibility on the Minister and Premier for achieving the target in the legislation: 'The Premier and the Minister must ensure that the State achieves the long-term emissions reduction target'.<sup>19</sup>

## **New South Wales' emissions reduction framework**

- 1.16 New South Wales has its own approach to addressing climate change which includes the *NSW Climate Policy Framework*, the *Net Zero Plan*, the Energy and Utilities Administration Regulation 2021 and various other policies and strategies.
- 1.17 The *NSW Climate Policy Framework* was released in 2016 and set 'aspirational' long-term objectives of achieving net zero by 2050 and making the state more resilient to climate change.<sup>20</sup> It also endorsed the Paris Agreement and set out the government's policy directions and steps to implement the framework.<sup>21</sup>
- 1.18 In 2020, the NSW Department of Planning, Industry and Environment released its *Net Zero Plan Stage 1: 2020-2030*. The plan set out priorities and actions for New South Wales to reach zero emissions by 2050, including a target to reduce emissions by 35 per cent compared to 2005 by 2030.<sup>22</sup> The plan was updated in 2021 to include a target to reduce emissions by 50 per cent below 2005 levels by 2030.<sup>23</sup> In 2022, the NSW Government advised that the state was projected to reduce its emissions by 70 per cent below 2005 levels by 2035.<sup>24</sup>
- 1.19 The Energy and Utilities Administration Regulation 2021 established the Net Zero Emissions and Clean Economy Board and detailed the state's emissions reduction targets. The regulation set out the functions of the board, including that it advise on the design of net zero programs and policies, opportunities for low emissions research and strategies to support existing industries to decarbonise.<sup>25</sup> Additionally, the regulation specified that in exercising its functions, the board must consider the following emission reductions objectives:
- to achieve net zero emissions by 2050
  - to achieve a reduction of at least 70 per cent of 2005 emissions levels by 2035
  - to achieve a reduction of at least 50 per cent of 2005 emissions levels by 2030.<sup>26</sup>
- 1.20 Other NSW Government climate change strategies and plans, include:
- *NSW Electricity Strategy*
  - *NSW Transmission Infrastructure Strategy*

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<sup>19</sup> *Climate Change Act 2017* (Vic), s 8.

<sup>20</sup> NSW Government, *NSW Climate Change Policy Framework*, 2016, p 1.

<sup>21</sup> NSW Government, *NSW Climate Change Policy Framework*, 2016, pp 4 and 9.

<sup>22</sup> NSW Department of Planning, Industry and Environment, *Net Zero Plan Stage 1: 2020-2030*, 2020, p 2.

<sup>23</sup> Office of Energy and Climate Change, *Net Zero Plan Implementation Update 2022*, 2022, p 6.

<sup>24</sup> Office of Energy and Climate Change, *Net Zero Plan Implementation Update 2022*, 2022, p 7.

<sup>25</sup> Energy and Utilities Administration Regulation 2021, s 8.

<sup>26</sup> Energy and Utilities Administration Regulation 2021, s 8(2)(a).



- *NSW Electric Vehicle Strategy*
- *NSW Hydrogen Strategy*
- *Electricity Infrastructure Roadmap*.<sup>27</sup>

**1.21** Finally, the NSW Environment Protection Authority released its *Climate Change Policy* in January 2023. The policy describes how the authority will regulate the causes and consequences of climate change in New South Wales and support decarbonisation and transformation to a low-carbon economy.<sup>28</sup>

### **The provisions of the Climate Change (Net Zero Future) Bill 2023**

**1.22** As previously mentioned, the Hon Penny Sharpe MLC, Minister for Climate Change, introduced the Climate Change (Net Zero Future) Bill 2023 into the Legislative Council on 12 October 2023.<sup>29</sup> In her Second Reading speech, the Minister explained the rationale for the bill, noting that there is scientific evidence of human actions causing irregular changes to the climate:

There is overwhelming scientific evidence that human activity is causing abnormal changes to our climate. To meet our global goals and to secure a sustainable future for the people of New South Wales, effective and progressive responses to the urgent threat of climate change are needed.<sup>30</sup>

**1.23** Ms Sharpe stated that climate change had led to extreme weather events and natural disasters across Australia and the globe resulting in significant loss of human life, the natural environment and biodiversity.<sup>31</sup> Moreover, she said that definitive action needed to be taken to address climate change: 'The bill is about taking action now, embracing the challenges and seizing the opportunities'.<sup>32</sup>

**1.24** The NSW Government also asserted that the bill upheld Australia's commitments to the Paris Agreement, emphasised the economic case for achieving net zero, and discussed the importance of 'meaningful' engagement with stakeholders, particularly Aboriginal communities, during this transition.<sup>33</sup>

**1.25** The Climate Change (Net Zero Future) Bill 2023 has four key objects:

- to establish guiding principles for action to address climate change

<sup>27</sup> NSW Government, NSW Climate Change and Energy Action, Government strategies and frameworks, <https://www.energy.nsw.gov.au/nsw-plans-and-progress/government-strategies-and-frameworks>.

<sup>28</sup> Evidence, Mr Tony Chappel, Chief Executive Officer, Environment Protection Authority, Department of Planning and Environment, 30 October 2023, p 52.

<sup>29</sup> *Minutes*, NSW Legislative Council, 12 October 2023, p 583.

<sup>30</sup> *Hansard*, NSW Legislative Council, 12 October 2023, p 31 (Penny Sharpe). Also see, Hon Penny Sharpe MLC, Public Interest Statement, Climate Change (Net Zero Future) Bill 2023, p 1.

<sup>31</sup> *Hansard*, NSW Legislative Council, 12 October 2023, p 31 (Penny Sharpe).

<sup>32</sup> *Hansard*, NSW Legislative Council, 12 October 2023, p 31 (Penny Sharpe).

<sup>33</sup> *Hansard*, NSW Legislative Council, 12 October 2023, pp 30-32 (Penny Sharpe).

- to set targets for 2030 and 2050 net greenhouse gas emissions reductions in New South Wales
- for New South Wales to be more resilient to a changing climate
- to establish the Net Zero Commission and its functions.<sup>34</sup>

**1.26** The following sections detail the provisions of the bill. Further discussion, including stakeholder views, is provided in Chapter 2.

### **Guiding principles for action to address climate change**

**1.27** Clause 8 of the Climate Change (Net Zero Future) Bill 2023 sets out its guiding principles. The first listed principle is that climate change is a 'serious threat' to the social, economic and environmental wellbeing of New South Wales. The subsequent guiding principles underpin how climate change will be addressed, including that actions should:

- be taken 'as early as possible' in a way that is fiscally responsible, promote economic growth and consider the economic risks of delay
- be consistent with the right to a clean, healthy and sustainable environment and also be consistent with the principles of ecologically sustainable development
- involve appropriate consultation with affected people, communities and stakeholders, particularly Aboriginal communities
- take into account the best available science
- consider impacts on communities, economies, consumer costs, utilities and infrastructure, education and skills, jobs and health.<sup>35</sup>

**1.28** The final guiding principle is that the NSW Government is responsible for 'urgently' developing and implementing strategies, policies and programs to address climate change, and pursuing best practice in addressing climate change.<sup>36</sup>

### **Targets for reduction in net greenhouse gas emissions**

**1.29** Clause 9 of the Climate Change (Net Zero Future) Bill 2023 sets out the targets for reducing net greenhouse gas emissions in New South Wales, specifically:

- to reduce greenhouse gas emissions in New South Wales by at least 50 per cent from the 2005 level by 30 June 2030
- achieve net zero emissions by 30 June 2050.<sup>37</sup>

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<sup>34</sup> *Hansard*, NSW Legislative Council, 12 October 2023, p 33 (Penny Sharpe).

<sup>35</sup> Climate Change (Net Zero Future) Bill 2023 cl 8; *Hansard*, NSW Legislative Council, 12 October 2023, p 33 (Penny Sharpe).

<sup>36</sup> Climate Change (Net Zero Future) Bill 2023 cl 8; *Hansard*, NSW Legislative Council, 12 October 2023, p 33 (Penny Sharpe).

<sup>37</sup> Climate Change (Net Zero Future) Bill 2023, cl 8.

**1.30** The NSW Government referred to the targets as 'ambitious but achievable' and advised: 'It is important to note that the targets are floors, not ceilings. They provide a critical foundation on which coordinated policies, programs and innovation can be built across government.'<sup>38</sup>

**1.31** Additionally, clause 9(2) of the bill allows for a regulation made under clause 26 to determine how to implement and measure progress towards these targets. Clause 9(3) states that the regulations cannot add additional interim targets. Ms Sharpe explained: '... only Parliament will have the power to add further interim targets, informed by advice and recommendations from the Net Zero Commission'.<sup>39</sup>

### **Establishment of the Net Zero Commission**

**1.32** Part 3 of the Climate Change (Net Zero Future) Bill 2023 establishes the Net Zero Commission. The commission is proposed to build on and replace the functions of the existing Net Zero Emissions and Clean Economy Board.<sup>40</sup> It is expected that the commission will '... provide the necessary independence, scrutiny and rigour to position and oversee the State's transition to net zero and increased resilience'.<sup>41</sup>

**1.33** The commission will have a number of functions including:

- monitoring, reviewing and reporting on the state's progress towards its emissions reduction targets and the adaptation objective
- monitoring and reviewing actions taken in New South Wales to address climate change
- identifying and recommending action the NSW Government should take to address climate change
- educating and informing the government and other stakeholders to promote action to address climate change
- advising the Minister about actions to achieve the objects of the bill, such as ways to reduce net greenhouse gas emissions across the state.<sup>42</sup>

**1.34** Additionally, the commission must consult with relevant stakeholders.<sup>43</sup>

**1.35** The commission will consist of between five and seven permanent commissioners who will be appointed for up to five years. It will also include the Chief Scientist and up to three temporary commissioners who may be appointed for up to 18 months. Appointments will be made upon the recommendation of the Minister based on the collective skills, qualifications and experience of the commission in various fields including climate science, economics and technologies.<sup>44</sup>

<sup>38</sup> *Hansard*, NSW Legislative Council, 12 October 2023, p 32 (Penny Sharpe).

<sup>39</sup> *Hansard*, NSW Legislative Council, 12 October 2023, p 33 (Penny Sharpe).

<sup>40</sup> *Hansard*, NSW Legislative Council, 12 October 2023, p 34 (Penny Sharpe).

<sup>41</sup> *Hansard*, NSW Legislative Council, 12 October 2023, p 33 (Penny Sharpe).

<sup>42</sup> Climate Change (Net Zero Future) Bill 2023, cls 14(1) and 14(2).

<sup>43</sup> Climate Change (Net Zero Future) Bill 2023, cl 16.

<sup>44</sup> Climate Change (Net Zero Future) Bill 2023, cl 12.

- 1.36** The bill also sets out the commission's reporting requirement to the NSW Parliament and time frames for government responses.<sup>45</sup>

**Other provisions and information**

- 1.37** The Climate Change (Net Zero Future) Bill 2023 includes other provisions to support its operation, including:
- a review of the act be undertaken every five years following assent
  - regulations, that are not inconsistent with the provisions of the bill, can be made to support its objectives
  - the Minister may abolish the Net Zero Board.<sup>46</sup>
- 1.38** Separately, the NSW Government foreshadowed that should the bill be passed, it will move to establish a joint standing committee, to be known as the Net Zero Future Committee, to inquire into and report on the findings, reports and operations of the Net Zero Commission.<sup>47</sup>

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<sup>45</sup> Climate Change (Net Zero Future) Bill 2023, cls 18 and 19.

<sup>46</sup> Climate Change (Net Zero Future) Bill 2023, cls 25 and 26, and Schedule 2(2).

<sup>47</sup> *Hansard*, NSW Legislative Council, 12 October 2023, p 34 (Penny Sharpe).

## Chapter 2 Key issues

This chapter canvasses the key issues raised by stakeholders about the provisions of the Climate Change (Net Zero Future) Bill 2023. Initially, the chapter details support for the bill. It then discusses concerns with the objects of the bill: the setting of emissions reduction targets and the establishment of the Net Zero Commission, the guiding principles, and making New South Wales more resilient to the changing climate.

### Support for the Climate Change (Net Zero Future) Bill 2023

**2.1** Most inquiry participants supported the Climate Change (Net Zero Future) Bill 2023 ('the bill') but urged further ambition, including:

- climate scientists
- experts in environmental law
- Aboriginal organisations
- property groups
- business groups
- the steel industry
- insurance companies
- electricity generators and transmission network operators
- environmental organisations
- technology and engineering experts
- trade unions
- community based organisations.<sup>48</sup>

**2.2** Many individuals also expressed their support via an online questionnaire. The online questionnaire received 203 valid responses. Eighty-four participants, approximately 41 per cent of respondents, indicated their partial support for the Climate Change (Net Zero Future) Bill 2023. A further 58 participants responded that they 'support' the bill (around 29 per cent) and

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<sup>48</sup> See, for example: Submission 18, ARC Centre for Climate Extremes, p 2; Evidence, Professor Penny Sackett, Distinguished Honorary Professor, ANU Institute for Climate, Energy, and Disaster Solutions, 30 October 2023, p 20; Submission 34, Environment and Planning Law Association, p 2; Evidence, Mrs Alison Sentance, Managing Director, Aboriginal Biodiversity Conservation Foundation, 30 October 2023, p 15; Submission 53, Property Council of Australia and Green Building Council Australia, p 3; Submission 22, Australian Steel Institute, p 6; Submission 28, Insurance Council of Australia, p 2; Submission 59, Transgrid, p 2; Submission 49, Lock the Gate, p 2; Submission 46, Nature Conservation Council of Australia, WWF Australia and the Australian Conservation Foundation, p 3; Evidence, Mr Peter Derbyshire, Director Policy and Government Relations, Australian Academy of Technology and Engineering, 30 October 2023, p 43; Evidence, Mr Allen Hicks, Electrical Trades Union, 30 October 2023, p 40; Submission 43, Farmers for Climate Action, p 2; Submission 38, Sydney Knitting Nanas and Friends, p 2.

another 56 respondents supported the bill with amendments (about 28 per cent). Only four participants, approximately 2 per cent of respondents, opposed the bill.<sup>49</sup>

**2.3** Most stakeholders who supported the bill noted scientific consensus recognised that climate change had resulted in increased significant weather events in Australia and overseas. Their support for the bill often stemmed from their concern about the impact that climate change is having on the environment and the community at large. For example, Professor Andy Pitman, Director, Australian Research Council, Centre of Excellence for Climate Extremes, University of New South Wales, detailed the concerns of the scientific community and called for immediate action to reduce emissions:

Over last decades, there has been a vast amount of science done that all link increases in greenhouse gases in the atmosphere to both emergence of extreme events that have not been previously observed, amplified risk of tipping points—for instance, collapse of ice sheets, failure of ocean currents, vulnerability of reef systems and so on. The amount of evidence now is—it's not controversial at all. That all points to the rationale behind the Paris Agreement, which is that we have a clear and present danger from climate change and the solution to that is to very urgently and deeply cut emissions.<sup>50</sup>

**2.4** In her submission, Professor Penny Sackett, Distinguished Honorary Professor, ANU Institute for Climate, Energy, and Disaster Solutions, referred to the 2022 Intergovernmental Panel on Climate Change (IPCC) assessment report which stated that climate change exacerbated existing vulnerabilities and social inequalities:

Increasing climate risks are projected to exacerbate existing vulnerabilities and social inequalities ... These include inequalities between Indigenous and non-Indigenous Peoples, between generations, rural and urban areas, incomes and health status, increasing the climate risks and adaptation challenges faced by some groups and places. Resultant climate change impacts include the displacement of some people and businesses, and threaten social cohesion and community wellbeing.<sup>51</sup>

**2.5** Inquiry participants identified other consequences of climate change, including:

- environmental loss which unduly impacts Aboriginal communities<sup>52</sup>
- poor health and wellbeing outcomes, such as increased presentations to emergency departments and growing levels of climate anxiety particularly in young people<sup>53</sup>
- increasing insurance costs<sup>54</sup>

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<sup>49</sup> Portfolio Committee No. 7 – Planning and Environment, NSW Legislative Council, Report on the online questionnaire *Inquiry into the Climate Change (Net Zero Future) Bill 2023*, p 2.

<sup>50</sup> Evidence, Professor Andy Pitman, Director, Australian Research Council, Centre of Excellence for Climate Extremes, University of New South Wales, 27 October 2023, p 3.

<sup>51</sup> Submission 50, Professor Penny Sackett, p 4.

<sup>52</sup> Evidence, Mrs Sentance, 30 October 2023, pp 15 and 16.

<sup>53</sup> Evidence, Dr Shaun Watson and Dr Cybele Dey, Doctors for the Environment, 27 October 2023, pp 57-60.

<sup>54</sup> Evidence, Ms Kylie MacFarlane, Chief Operating Officer, Insurance Council of Australia, 30 October 2023, pp 32-33.

- damage to agriculture and decreased access to water supply<sup>55</sup>
- challenges attracting and retaining skilled labour in regional areas.<sup>56</sup>

**2.6** Inquiry participants anticipated that the Climate Change (Net Zero Future) Bill 2023 would go some way to mitigating the impact of climate change and improving economic outcomes, such as:

- increase the economic capacity of Aboriginal people<sup>57</sup>
- improve climate resilience and adaptation<sup>58</sup>
- encourage greater investment and enhance job opportunities in the renewable energy industry in New South Wales<sup>59</sup>
- deliver energy bill savings for businesses and households.<sup>60</sup>

**2.7** Despite in principle support, stakeholders raised the following issues with the bill:

- whether the emissions targets are sufficiently ambitious
- whether the bill on its own is sufficient, due to both a lack of mechanisms for change outlined in the bill and a lack of linkage with other legislation
- whether the bill will override the current interim emissions target of 70 per cent reduction from 2005 levels by 2035
- whether the Net Zero Commission is independent and represents all stakeholders
- whether the guiding principles overemphasise fiscal responsibility.

**2.8** These issues are discussed throughout this chapter.

**2.9** Support for the bill was not unanimous. For example, the Institute of Public Affairs described legislating net zero by 2050 as a 'policy mistake'.<sup>61</sup>

## **Targets to reduce net greenhouse gas emissions**

**2.10** As noted in Chapter 1, clause 9 of the Climate Change (Net Zero Future) Bill 2023 sets out the targets for reducing net greenhouse gas emissions in New South Wales, specifically:

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<sup>55</sup> Evidence, Professor Pitman, 27 October 2023, p 11; Evidence, Mrs Sentance, 30 October 2023, p 17.

<sup>56</sup> Evidence, Mr Edward Cavanough, Chief Executive Officer, The McKell Institute, 30 October 2023, p 8.

<sup>57</sup> Evidence, Mrs Sentance, 30 October 2023, pp 15 and 18.

<sup>58</sup> Evidence, Mr Michael Player, NSW Policy Manger, Property Council of Australia, 27 October 2023, p 16.

<sup>59</sup> Evidence, Mr Tim Buckley, Founder and Director, Climate Energy Finance, 27 October 2023, p 39.

<sup>60</sup> Evidence Mr Player, 27 October 2023, p 15; Evidence, Mr Hicks, NSW, 30 October 2023, p 40.

<sup>61</sup> Evidence, Mr Daniel Wild, Deputy Executive Director, Institute of Public Affairs, 30 October 2023, p 2.

- to reduce greenhouse gas emissions in New South Wales by at least 50 per cent from the 2005 level by 30 June 2030
- achieve net zero emissions by 30 June 2050.<sup>62</sup>

### Support for targets

**2.11** Almost all inquiry participants provided in principle support to the mandated targets.<sup>63</sup> Professor Pitman called the proposed targets 'realistic and extremely ambitious'.<sup>64</sup> Mr Edward Cavanough, Chief Executive Officer, The McKell Institute, said of the proposed targets:

I think it's very, very important ... particularly in this political climate ... that governments are seen to be able to achieve what they commit to. I note that the bill doesn't necessarily preclude future ambition. It's not setting a ceiling on reducing emissions. I think it's setting a relatively appropriate ambition by 2030 of 50 per cent. ... it's important for governments to effectively put forward targets that they can achieve, and to show that they can achieve and ideally exceed those.<sup>65</sup>

**2.12** There were stakeholders who did not support mandating targets. In particular, the Institute of Public Affairs indicated legislated targets may have detrimental consequences, including:

- job losses in high emitting industries which are often concentrated in regional areas, such as manufacturing, agriculture and energy supply
- cancellation of all coal gas and oil projects in the construction pipeline
- conflict with current government policy to extend the lifespan of the Eraring power station.
- increased retail power prices as a result of removal of baseload power from the grid
- increased litigation from conservation groups if the targets are not met.<sup>66</sup>

**2.13** The Mining and Energy Union, while making it clear they were 'not in a position to comment on emissions reduction targets, including those proposed by the NSW Government in this Bill',<sup>67</sup> expressed concerns about the impact of power station closures on workers who had been made redundant. The union cited research that suggested these workers often earned significantly less income in their new roles. The submission also emphasised the need for 'quality' job creation in new renewables industries.<sup>68</sup>

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<sup>62</sup> Climate Change (Net Zero Future) Bill 2023, cl 8.

<sup>63</sup> See, for example, Submission 64, Yancoal, p 2; Evidence, Associate Professor Gabriel Abramowitz, Australian Research Council, Centre of Excellence for Climate Extremes, University of New South Wales, 27 October 2023, p 2; Evidence, Mrs Sentance, 30 October 2023, p 16.

<sup>64</sup> Evidence, Professor Pitman, 27 October 2023, p 10.

<sup>65</sup> Evidence, Mr Cavanough, . 30 October 2023, p 9.

<sup>66</sup> Evidence, Mr Wild, 30 October 2023, p 2.

<sup>67</sup> Submission 60, Mining and Energy Union, p 2.

<sup>68</sup> Submission 60, Mining and Energy Union, p 3.



### Call for more ambitious targets

- 2.14** A significant cohort of stakeholders, including online questionnaire participants, supported more ambitious and immediate targets.<sup>69</sup> Indeed, the committee heard that the proposed targets in the bill are 'insufficient to meet the urgency of the challenge facing us'.<sup>70</sup>
- 2.15** Mr Ian Dunlop, Chair, Australian Security Leaders Climate Group, was scathing in his assessment of the target of net zero by 2050, arguing it would fail:
- Net zero by 2050 is, essentially, kicking the can down the road. We know that. It was a political subterfuge to push off the challenge to the future and let future generations deal with it. We've done it time and time again over my experience, over the last 50 years in trying to address climate change. The problem is that what it does is institutionalise failure.<sup>71</sup>
- 2.16** Inquiry participants suggested the targets should include:
- reducing emissions by 50 per cent by 2030 as per the Energy and Utilities Administration Regulation 2021<sup>72</sup>
  - reducing emissions by 75 per cent by 2035<sup>73</sup>
  - targeting net zero by 2045 rather than 2050.<sup>74</sup>
- 2.17** These stakeholders presented evidence that it was imperative to set more ambitious targets to minimise the release of emissions into the atmosphere. Professor Sackett, stated that it is vital to limit emissions in the period leading up to 2050. She noted 'there are many different ways to get to net zero by 2050. Some of them put a lot of greenhouse gases into the air, and some of them less.' Professor Sackett went on to explain that it is possible to meet the net zero targets but miss the real goal of holding global warming below two degrees, due to the amount of greenhouse gases released in the interim period.<sup>75</sup>
- 2.18** Both Professor Sackett, ANU Institute for Climate, Energy, and Disaster Solutions, and Professor Ken Baldwin, Australian Academy of Technological Sciences and Engineering,

<sup>69</sup> Portfolio Committee No. 7 – Planning and Environment, NSW Legislative Council, Report on the online questionnaire *Inquiry into the Climate Change (Net Zero Future) Bill 2023*, pp 4-5.

<sup>70</sup> Evidence, Mr Derbyshire, 30 October 2023, p 43.

<sup>71</sup> Evidence, Mr Ian Dunlop, Chair, Australian Security Leaders Climate Group, 30 October 2023, p 26.

<sup>72</sup> See for example, Submission 50, Professor Penny Sackett, p 7; Evidence Mr Buckley, 27 October 2023, p 46; Evidence, Ms Jacqui Mumford, CEO, Nature Conservation Council, 27 October 2023, p 47; Evidence, Dr Brad Smith, Policy and Advocacy Director, Nature Conservation Council, 27 October 2023, p 49; Submission 33, Doctors for the Environment, p 4; Evidence, Mr Hicks, 30 October 2023, p 40.

<sup>73</sup> Submission 45, Climate Energy Finance, p 4; Submission 33, Doctors for the Environment, p 4.

<sup>74</sup> Evidence, Ms Grace Huang, Board Director and Convenor of the Memberships, Partnerships and Personnel Portfolio, National Environmental Law Association, 27 October 2023, p 23.

<sup>75</sup> Evidence, Professor Sackett, 30 October 2023, p 21 – 22.

described the trajectory of emissions, in the intervening periods, as being as important as the target.<sup>76</sup>

- 2.19** Likewise, Associate Professor Gabriel Abramowitz, Australian Research Council, Centre of Excellence for Climate Extremes, University of New South Wales, explained that meeting a net zero 2050 target by cutting very early is potentially twice as beneficial for risk mitigation compared to cuts closer to 2050. This is because the amount of carbon emitted will be much less.<sup>77</sup>
- 2.20** Stakeholders also noted the importance of having interim targets. As noted in Chapter 1, the Australian Government sets five-yearly targets based on the ratcheting mechanism in the Paris Agreement. The Nature Conservation Council suggested that the Climate Change (Net Zero Future) Bill 2023 should include a similar review and a ratchet mechanism for all targets.<sup>78</sup>
- 2.21** The Law Society of NSW noted that these ratcheting mechanisms are based on the non-regression principle and are reflected in other states' climate change legislation.<sup>79</sup> Moreover, the Law Society of NSW noted that rolling interim targets are more responsive to changes in climate and new technologies.<sup>80</sup> Mr Tennant Reed, Director Climate Change and Energy, Australian Industry Group, stated that interim targets of at least five years would assist industry.<sup>81</sup>
- 2.22** Mr Tim Buckley, Founder and Director, Climate Energy Finance, raised the importance of stronger targets to attract financial investment, stating that higher levels of commercial investment would stem from 'an ambitious medium-term target'. Mr Buckley said that 'confidence for investors and for corporations that those targets have substance' was important for economic activity. Mr Buckley also noted that New South Wales was falling behind Queensland and Victoria when it came to setting more ambitious targets, timelines and policies for emissions reductions.<sup>82</sup>

### **Lack of mechanisms to achieve targets**

- 2.23** A number of stakeholders were concerned that the bill, while setting targets and establishing the composition and role of the Net Zero Commission, did not go far enough in terms of mechanisms for ensuring emissions reductions.<sup>83</sup>
- 2.24** For example, Ms Rachel Walmsley, Head of Policy and Law Reform, Environmental Defenders Office, suggested that the targets are 'ornamental' and aspirational, with no consequences for

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<sup>76</sup> Evidence, Professor Penny Sackett, 30 October 2023, pp 20, 22 and 23; Evidence, Professor Ken Baldwin, Australian Academy of Technological Sciences and Engineering, 30 October 2023, pp 43, 44, 48 – 50.

<sup>77</sup> Evidence, Associate Professor Abramowitz, 27 October 2023, p 3.

<sup>78</sup> Evidence, Ms Mumford, 27 October 2023, p 47.

<sup>79</sup> Evidence, Ms Ilona Millar, Partner, Gilbert and Tobin, representing the Law Society of NSW, 27 October 2023, p 30.

<sup>80</sup> Evidence, Ms Millar, 27 October 2023, p 29.

<sup>81</sup> Evidence, Mr Tennant Reed, Director Climate Change and Energy, Australian Industry Group, 30 October 2023, p 32.

<sup>82</sup> Evidence, Mr Buckley, 27 October 2023, pp 39-40.

<sup>83</sup> See, for example, Evidence, Mr Jeff Angel, Total Environment Centre, 27 October 2023, p 49.

not achieving the targets. She added that there should be 'duties on decision-makers—duties on Ministers—to make sure these targets are met'.<sup>84</sup>

**2.25** In its submission, the National Environment Law Association also proposed that the bill must impose a responsibility on the Minister to achieve the targets.<sup>85</sup>

**2.26** A common theme raised by inquiry participants was the disconnect between the intent of the bill and existing government policies and practices. Examples of this include:

- the decision by the government to extend the life of the Eraring power station<sup>86</sup>
- the bill's silence on the fate of the existing pipeline of projects to expand coal mines in New South Wales.<sup>87</sup>

**2.27** In addition, a number of stakeholders put forward that the bill needs to include more detail about other related legislation and, in turn, how it would affect other legislation and government agencies, including:

- a recommendation that the bill be amended to include a schedule of related legislation that needs to be amended to include a reference to the new legislative targets and guiding principles<sup>88</sup>
- that the bill should place specific obligations and provide guidance for government agencies.<sup>89</sup>

**2.28** On the other hand, Mr Reed, who had served on the independent expert panel advising the Victorian Government on meeting 2035 emissions targets, observed that the approach in Victoria was at times 'rigid'. He said: 'The process of seeking commitments and buy-in and obligation from across the whole of government rather than just from within the portfolio of the climate Minister of the day is necessarily quite complex and fraught in any government'.<sup>90</sup>

**2.29** In response to these concerns, the NSW Government advised that mandated targets will help guide its decision making and future actions. For example, the NSW Environment Protection Authority (EPA) told the committee the targets will 'give greater weight' to the EPA's regulatory efforts, particularly in developing targets and enforceable emission limits for the sectors it regulates.<sup>91</sup> Mr Tony Chappel, Chief Executive Officer, Environment Protection Authority, characterised the bill as providing the 'ratchet of ambition' which was already underway through existing government policies.<sup>92</sup>

<sup>84</sup> Evidence, Ms Rachel Walmsley, Head of Policy and Law Reform, Environmental Defenders Office, 27 October 2023, p 22.

<sup>85</sup> Submission 47, National Environmental Law Association, p 7.

<sup>86</sup> See, for example, Evidence, Mr Buckley, 27 October 2023, p 43; Evidence, Ms Walmsley, 27 October 2023, p 27.

<sup>87</sup> Evidence, Mr Nic Clyde, Coordinator, Lock the Gate, 27 October 2023, pp 48-49.

<sup>88</sup> Evidence, Ms Walmsley, 27 October 2023, p 20.

<sup>89</sup> Evidence, Ms Millar, Partner, 27 October 2023, p 29.

<sup>90</sup> Evidence, Mr Reed, 30 October 2023, pp 32 and 34.

<sup>91</sup> Evidence, Mr Tony Chappel, Chief Executive Officer, Environment Protection Authority, 30 October 2023, p 52.

<sup>92</sup> Evidence, Mr Chappel, 30 October 2023, p 61.

- 2.30** Ms Danijela Karac, Executive Director Strategic Services, Department of Planning and Environment, posited that legislated targets would give agencies extra leverage for setting higher standards with industry and extending the scope of policies such as the Sustainable Buildings SEPP. Ms Karac also suggested that advice from the Net Zero Commission could also be useful to assist the department in identifying where there are gaps in policy approaches.<sup>93</sup>
- 2.31** With respect to the issue of coal and gas projects in the planning pipeline, Mr Matthew Riley, Director Climate and Atmospheric, Science Economics and Insights, Department of Planning and Environment, indicated that current projections, formulated in 2021,<sup>94</sup> which are expected to be revised by the end of the year, to reduce emissions are on track for a 56 per cent reduction in emissions by 2030 and have taken these projects into account.<sup>95</sup>

### **Regulations cannot set interim targets**

- 2.32** Clause 9(3) of the Climate Change (Net Zero Bill) 2023 states that '... regulations must not set a specific interim target to reduce net greenhouse gas emissions in New South Wales by a particular date occurring before 30 June 2050'.<sup>96</sup> Some stakeholders expressed concerns that this would limit the ability of the NSW Government to quickly adjust targets or set a target for net zero prior to 2050.
- 2.33** The Environment and Planning Law Association highlighted that 'No milestones are provided for in the bill, and the bill specifically forbids the regulations from introducing targets which are to be achieved prior to 2050. We consider that to be a defect'.<sup>97</sup>
- 2.34** The Environmental Defenders Office were of the view that clause 9(3) placed a prohibition on moving to net zero more quickly than by 2050 and should be deleted.<sup>98</sup>
- 2.35** Mr Jeff Angel, Director, Total Environment Centre, was also concerned that introducing targets into legislation takes a lot longer than introducing regulations.<sup>99</sup>
- 2.36** Other evidence put to the committee was that targets need to be a 'floor' not a 'ceiling' and it is possible that the effect of such a regulation could create a 'ceiling' for targets.<sup>100</sup>

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<sup>93</sup> Evidence, Ms Danijela Karac, Executive Director Strategic Services, Department of Planning and Environment, 30 October 2023, pp 61-62.

<sup>94</sup> NSW Government, Office of Energy and Climate Change, Net Zero Plan Implementation Update 2022, December 2022, pp 48 and 53.

<sup>95</sup> Evidence, Mr Matthew Riley, Director Climate and Atmospheric, Science Economics and Insights, Department of Planning and Environment, 30 October 2023, p 56-57.

<sup>96</sup> Climate Change (Net Zero Future) Bill 2023, cl 9(3).

<sup>97</sup> Evidence, Mr Paul Crennan, President, Environment and Planning Law Association, 27 October 2023, p 21.

<sup>98</sup> Submission 44, Environmental Defenders Office, p 6.

<sup>99</sup> Evidence, Mr Angel, 27 October 2023, p 48.

<sup>100</sup> Evidence, Mr Cavanough, 30 October 2023, p 11.

### **The effect of the bill on the objectives of the Energy and Utilities Administration Regulation 2021**

- 2.37** As noted in Chapter 1, the Energy and Utilities Administration Regulation 2021 established the Net Zero and Clean Economy Board. The regulation requires that in exercising its functions, the board consider achieving certain emissions reductions targets. It was noted during the inquiry that the Climate Change (Net Zero Future) Bill reflects two of the regulation's targets. However, the objective to achieve a reduction of at least 70 per cent of 2005 emissions levels by 2035 is not included in the bill.
- 2.38** As previously discussed, the committee received evidence about the importance of reducing emissions as quickly as possible. Consequently, stakeholders emphasised the desirability of maintaining the existing 2035 target. According to the Nature Conservation Council if the 2035 target was removed 'then the rate of emissions reductions reduces really significantly. It drops ... I think around four million tonnes. It's a significant reduction in the ambition and the rate of decarbonisation.'<sup>101</sup> Likewise, the Environmental Defenders Office recommended that the previously agreed target of 70 per cent reduction by 2035 should be legislated, as a minimum.<sup>102</sup>
- 2.39** There was discussion during the inquiry about whether the 2035 target in the regulation would still be in force if the Net Zero and Clean Economy Board was abolished. The Environment and Planning Law Association was of the view that the new targets, once enacted in legislation, would override the existing targets.<sup>103</sup>
- 2.40** On the other hand, the NSW Government advised that as the 2035 target will not be repealed by the bill it would remain in place once the board was abolished:

The Bill does not repeal the 2035 emissions reduction target prescribed in section 8(2)(a)(ii), or any other part, of the Energy and Utilities Administration Regulation 2021 (EUA Regulation). The Bill only confers on the Minister the power to abolish the Net Zero Board: Schedule 2, Part 2, section 2(1). This means that the 2035 target remains in the statute book unless and until it is otherwise repealed.<sup>104</sup>

### **The use of offsets to reduce emissions**

- 2.41** While the Climate Change (Net Zero Future) Bill 2023 does not specify mechanisms for achieving emissions reduction targets, some stakeholders were strongly opposed to the use of offsets for reducing total greenhouse emissions.<sup>105</sup>

<sup>101</sup> Evidence, Dr Smith, 27 October 2023, p 52.

<sup>102</sup> Submission 44, Environmental Defenders Office, p 6.

<sup>103</sup> Evidence, Mr Crennan, 27 October 2023, p 23.

<sup>104</sup> Answers to questions on notice, NSW Environment Protection Authority, Department of Planning and Environment, received 6 November 2023, p 1.

<sup>105</sup> See, for example, evidence, Mr Rod Campbell, Director, The Australia Institute, 30 October 2023, p 9; evidence, Mr Dunlop, 30 October 2023, p 25.

- 2.42** Associate Professor Abramowitz explained that offsets, such as carbon storage in trees, are risky as they are vulnerable to fire.<sup>106</sup> On the other hand, the Property Council of Australia noted for some industries, the use of offsets was necessary to get over the final hurdle for net zero. In particular, this is an issue for the building industry.<sup>107</sup>
- 2.43** Professor Baldwin agreed that offsets would not be sufficient for net zero. There would need to be use of technologies such as carbon capture and storage, but the technology for this is still in early development and not ready for commercial use.<sup>108</sup>
- 2.44** Conversely, Mrs Alison Sentance, Managing Director, Aboriginal Biodiversity Conservation Foundation, discussed the opportunities for generating income for Aboriginal communities by carbon banking on their land, which is a form of offset.<sup>109</sup>

### **Emissions budgets**

- 2.45** The Climate Change (Net Zero Future) Bill 2023 sets out that the Net Zero Commission may provide advice and make recommendations to the Minister on emissions budgets. Emission budgets set the amount of greenhouse gas that can be emitted for a given level of global warming.<sup>110</sup>
- 2.46** The committee heard evidence from stakeholders about considerations for the Net Zero Commission for ensuring emissions stay within budget.
- 2.47** Some stakeholders suggested that these emission budgets should be set at both economy level and sector level. For example, Mr Michael Player, NSW Policy Manager, Property Council of Australia, put forward that:

Setting emissions budgets by sector and defining sectoral pathways to transition to net zero will be critical in providing policy certainty to industry, government and the broader community and will help drive investments in low-emissions and renewable technologies.<sup>111</sup>

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<sup>106</sup> Evidence, Associate Professor Abramowitz, 27 October 2023, p 2.

<sup>107</sup> Evidence, Mr Player, 27 October 2023, p 17.

<sup>108</sup> Evidence, Professor Baldwin, 30 October 2023, p 44.

<sup>109</sup> Evidence, Mrs Sentance, , 30 October 2023, pp 15 and 18.

<sup>110</sup> Like a household budget, climate science sets a carbon budget for the amount of greenhouse gases that can be ‘spent’ (emitted) for a given level of global warming. If we exceed this budget, global temperatures will become higher.  
[https://www.environment.act.gov.au/\\_data/assets/pdf\\_file/0006/1297707/What-is-a-Carbon-Budget.pdf](https://www.environment.act.gov.au/_data/assets/pdf_file/0006/1297707/What-is-a-Carbon-Budget.pdf)

<sup>111</sup> Evidence, Mr Player, 27 October 2023, p 14.

- 2.48** The inclusion of methane in emission budgets was also discussed. Professor Sackett noted that over a 20-year period, methane has more than 80 times the effect, tonne for tonne, than carbon dioxide.<sup>112</sup> The Nature Conservation Council of NSW had a similar view, describing methane as a 'fast acting' greenhouse gas.<sup>113</sup>
- 2.49** The importance of accounting for methane in emissions budgets is already recognised by the NSW Government. Mr Chappel of the EPA advised that the authority is currently commissioning experts and trialling various technologies for monitoring methane. This includes monitoring of coalfields.<sup>114</sup>
- 2.50** There was also discussion about scope 3 emissions and their inclusion in the emissions budget. Scope 3 emissions are emissions from fossil fuel exports and are currently not accounted for in the New South Wales emissions inventory.
- 2.51** The ARC Centre for Excellence for Climate Extremes expressed the view that emissions associated with the export of coal and gas should be included in planning for net zero:
- At present, Scope 3 emissions associated with export of coal and gas are not charged against the New South Wales emissions inventory. It should be clear that atmosphere does not respect the source of emissions; that is coal mined and burned in NSW has precisely the same climate impact as coal mined in NSW and burned overseas. We suggest that NSW needs to be planning for Net Zero *including* its Scope 3 emissions.<sup>115</sup>
- 2.52** Ms Walmsley argued that all emissions should be accounted for:
- It's quite clear that it's very artificial to talk about scope 1, 2 and 3, really. As former chief scientist Penny Sackett has said ... every tonne of carbon pollution contributes to this problem of climate change which is impacting New South Wales and our communities.<sup>116</sup>
- 2.53** Transgrid, the operator and manager of the high voltage electricity transmission network in NSW and ACT, explained in its submission that it has already set science based targets for reducing scope 3 emissions.<sup>117</sup>

## Functions, composition and independence of the Net Zero Commission

- 2.54** Part 3 of the Climate Change (Net Zero Future) Bill 2023 relates to the establishment of a Net Zero Commission, an agency that would have the functions of monitoring, reviewing and providing advice and recommendations to the Minister on progress and action taken in relation to the 2030 and 2050 targets, the adaption objective and matters to address climate change.

<sup>112</sup> Evidence, Professor Sackett, 30 October 2023, p 23.

<sup>113</sup> Evidence, Dr Smith, 27 October 2023, p 52.

<sup>114</sup> Evidence, Mr Chappel, 30 October 2023, p 59.

<sup>115</sup> Submission 18, ARC Centre of Excellence for Climate Extremes, University of New South Wales, p 5 [emphasis as per original].

<sup>116</sup> Evidence, Ms Walmsley, 27 October 2023, p 26.

<sup>117</sup> Submission 59, Transgrid, p 2.

- 2.55** Under the bill, the Commission is to consist of five to seven Commissioners appointed by the Governor, on the recommendation of the Minister, as well as three temporary Commissioners appointed by the Minister and the Chief Scientist. Under clause 12(3) of the bill, Commissioners are required to have particular skills, qualifications and experience, such as experience in relation to climate change science; economics and technologies relating to climate change; the effects of climate change on human health and safety and/or the interests of Aboriginal communities.
- 2.56** While a number of stakeholders supported the bill's creation of a Net Zero Commission,<sup>118</sup> there were a few suggestions put forward to strengthen the independence, role and composition of the proposed agency.
- 2.57** The Environmental Defenders Office noted that it is important for Commissioners to be 'truly independent of the industry that will be impacted by their decisions'. Acknowledging that technical expertise for Commissioners is relevant, but that independence and objectivity is critical, the Environmental Defenders Office called for a majority of Commissioners to come from academic, Aboriginal and/or community backgrounds. In addition, it suggested that there could be value in stipulating that expertise could include lived experience of climate impacts.<sup>119</sup>
- 2.58** The Environmental Defenders Office therefore recommended that clause 12(3) of the bill be amended to make it clear that there should be an even spread of the skills, qualifications and experience among Commission members.<sup>120</sup> It also called for the majority of Commissioners to be independent and not associated or affiliated with the fossil fuel industry.<sup>121</sup> The Australia Institute also voiced this view, calling for representatives of the fossil fuel industry to be excluded from potential membership of the Commission.<sup>122</sup>
- 2.59** The Environmental Defenders Office also raised concerns with the role of the Commission, noting that it is an advisory body, and as currently proposed by the bill, the advice will not be directly operationalised or considered in critical planning or EPA decisions. Commenting on this, it stated that 'this reduces the impact of the Commission if the remit of their role is limited to 2030 and 2050 targets, but their advice cannot be applied further afield'.<sup>123</sup>
- 2.60** Noting that this could limit the Commission's role on matters such as coal projects currently being considered by the EPA, the Environmental Defenders Office recommended that the Commission's role should also include modelling new and proposed coal projects against the targets and carbon budgets for New South Wales, as well as the global carbon budget to keep temperature increase to 1.5 degrees.<sup>124</sup> Mr Nic Clyde, Coordinator, Lock the Gate, also supported the role of the Commission to be expanded to advise on coal projects before they

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<sup>118</sup> See, for example, Evidence, Mr Crennan, 27 October 2023, p 20; Evidence, Ms Millar, 27 October 2023, p 29; Evidence, Mr Buckley, 27 October 2023, p 38; Evidence, Mr Cavanough, 30 October 2023, p 8; Evidence, Professor Sackett, 30 October 2023, p 20.

<sup>119</sup> Submission 44, Environmental Defenders Office, p 18.

<sup>120</sup> Submission 44, Environmental Defenders Office, p 18.

<sup>121</sup> Submission 44, Environmental Defenders Office, p 19; Evidence, Ms Walmsley, 27 October 2023, p 26.

<sup>122</sup> See, for example, Submission 54, The Australia Institute, p 5.

<sup>123</sup> Submission 44, Environmental Defenders Office, pp 16-17.

<sup>124</sup> Submission 44, Environmental Defenders Office, pp 16-17.



proceed, as did the Nature Conservation Council of Australia, WWF-Australia and Australian Conservation Foundation.<sup>125</sup>

- 2.61** Additionally, the Environmental Defenders Office suggested that there should be tighter timeframes for the Minister to respond to Commission advice and reports. It also recommended that the Commission give the Minister a report within six months of its constitution, and then at yearly intervals thereafter, to ensure the Commission is giving regular advice to the Minister in relation to actions to address climate change and meet legislated targets.<sup>126</sup>
- 2.62** The Australian Academy of Technological Sciences and Engineering proposed that the Net Zero Commission should 'explicitly' aim to keep warming below 1.5 degrees and be free to recommend more ambitious targets.<sup>127</sup>
- 2.63** The National Environmental Law Association also made suggestions on how to improve the independence, effectiveness and composition of the Net Zero Commission. In particular, it recommended that the Commission:
- be strengthened to ensure effectiveness and independence from political and financial interests
  - be empowered to provide advice and make recommendations on ways to achieve the loss and damage objective in the bill (which is to minimise and address the loss and damage associated with the adverse effects of climate change suffered by human and non-human communities)
  - also be able to advise on giving effect to the guiding principles in the bill (as contained in clause 8 of the bill)
  - have its powers expanded in terms of requiring the production of information by persons not including a government agency
  - be able to seek out and acknowledge diverse perspectives in the exercise of its functions, including perspectives from non-human communities, which it stated would invite 'ecocentric perspective into what is otherwise a primarily human-centric bill' and young people.<sup>128</sup>
- 2.64** The National Environmental Law Association further contended that Commissioners with qualifications in the interests of Aboriginal communities should possess knowledge gained and recognised according to Aboriginal cultural laws, as determined by custodians of Aboriginal knowledge.<sup>129</sup>

<sup>125</sup> Evidence, Mr Clyde, 27 October 2023, p 48; Submission 46, Nature Conservation Council of Australia, WWF-Australia and Australian Conservation Foundation, p 8.

<sup>126</sup> Submission 44, Environmental Defenders Office, p 19.

<sup>127</sup> Evidence, Mr Derbyshire, Director, 30 October 2023, p 43.

<sup>128</sup> Submission 47, National Environmental Law Association, pp 13-17.

<sup>129</sup> Submission 47, National Environmental Law Association, p 15; Evidence, Ms Grace Huang, Board Director and Convenor of the Memberships, Partnerships and Personnel Portfolio, National Environmental Law Association, 27 October 2023, p 26.

- 2.65** On this point, Ms Anne Dennis, Councillor, North Western Region, NSW Aboriginal Land Council, emphasised the need for Aboriginal perspectives to be 'embedded within the proposed Commission', calling for the bill to be amended to legislate that an Aboriginal-identified position be part of the Commission, having skills, qualifications and experience in relation to the interests of Aboriginal communities.<sup>130</sup>
- 2.66** Mrs Sentance, was also concerned that 'Aboriginal communities' was too broad. She observed that there are urban communities but remote communities suffer from greater impacts from climate change. She also expressed concern about the independence of commission members.<sup>131</sup>
- 2.67** Mr Angel, of the Total Environment Centre, commented that the Net Zero Commission, as it stands under the bill, 'is a fairly passive mild organisation rather than an agent for change.' The centre suggested that the Commission be required to provide advice on the current trajectory and interim targets by 30 June 2024. It also raised concerns that the Commission has no implementation powers, questioning whether the advice of the Commission will be diluted if implementation issues are left to the EPA, which is subject to ministerial direction.<sup>132</sup>
- 2.68** Other suggestions put forward in relation to the creation of the Net Zero Commission included:
- the bill being amended to include reporting obligations for government agencies to demonstrate to the Commission how they are implementing the guiding principles, undertaking climate change risk assessment and developing their own emission reduction targets and transition plans<sup>133</sup>
  - strengthening the wording in clause 14(2) of the bill to ensure the Commission 'shall' provide advice rather than 'may' provide advice<sup>134</sup>
  - the functions being amended to require the Commission to audit government agencies and departments to identify opportunities to reduce emissions.<sup>135</sup>
- 2.69** The Electrical Trades Union emphasised the need to involve representatives of the skilled trade sectors in advising the Commission by inclusion in an advisory committee. They also felt that the Commission itself should include a representative of employees or workers.<sup>136</sup>

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<sup>130</sup> Evidence, Ms Anne Dennis, Councillor, North Western Region, NSW Aboriginal Land Council, 27 October 2023, p 34.

<sup>131</sup> Evidence, Mrs Sentance, 30 October 2023, pp 16 and 19.

<sup>132</sup> Evidence, Mr Angel, 27 October 2023, p 47; Submission 21, Total Environment Centre, p 2.

<sup>133</sup> Evidence, Ms Millar, 27 October 2023, p 32.

<sup>134</sup> Evidence, Mr Smith, 27 October 2023, p 54.

<sup>135</sup> Submission 46, Nature Conservation Council of Australia, WWF-Australia and Australian Conservation Foundation, p 8.

<sup>136</sup> Evidence, Mr Hicks, 30 October 2023, p 42.

## Guiding principles

**2.70** As noted in Chapter 1, clause 8 of the Climate Change (Net Zero Future) Bill 2023 sets out its guiding principles. Most stakeholders supported the guiding principles and suggested such principles would greatly assist the Net Zero Commission in its work.<sup>137</sup>

**2.71** A key concern for some inquiry participants was that the bill placed too much weight on fiscal responsibility as opposed to environmental outcomes. Mr Jeff Angel, Director, Total Environment Centre, cautioned that there was potential for government departments to misuse clause 8(4) of the bill:

Well, (a) and (b) will just be grabbed onto by any department that says, "Well, we're going to have economic growth. We're fiscally responsible. We've considered the cost of climate change. Goodbye." These things aren't equal.<sup>138</sup>

**2.72** In a similar vein, The Australia Institute suggested that principles of effectiveness, efficiency and that promote equality are more appropriate than those of fiscal responsibility and economic growth.<sup>139</sup>

**2.73** On the other hand, the Property Council of Australia was supportive of the bill's balance between the government's fiscal responsibilities and the economic costs of action and inaction.<sup>140</sup>

**2.74** The committee also received evidence that the guiding principles could be improved by amending the bill to:

- ensure the appropriate Aboriginal communities are adequately engaged<sup>141</sup>
- recognise the basic human needs of food, water, air and housing<sup>142</sup>
- safeguard the health and wellbeing of both the people and environment of New South Wales<sup>143</sup>
- refer to reaching the emissions reduction targets<sup>144</sup>
- set out specific obligations for distribution network service providers, such as Ausgrid, to deliver net zero infrastructure.<sup>145</sup>

<sup>137</sup> Evidence, Mr Player, , 27 October 2023, p 18; Evidence, Paul Crennan, President, Environment and Planning Law Association, 27 October 2023, p 20; Evidence, Mr Cavanough, 30 October 2023, p 12.

<sup>138</sup> Evidence, Mr Angel, 27 October 2023, p 54.

<sup>139</sup> Submission 54, The Australia Institute, pp 3-4.

<sup>140</sup> Evidence, Mr Player, 27 October 2023, p 16.

<sup>141</sup> Evidence, Mrs Sentance, , 30 October 2023, p 18.

<sup>142</sup> Submission 36, Urban Development Institute of Australia (NSW), p 3.

<sup>143</sup> Evidence, Professor Sackett, 30 October 2023, p 24.

<sup>144</sup> Evidence, Professor Sackett, 30 October 2023, p 24.

<sup>145</sup> Submission 63, Ausgrid, p 3.

## Ensuring New South Wales is more resilient to the changing climate

- 2.75** As noted in Chapter 1, clause 4 of the Climate Change (Net Zero Future) Bill 2023 sets out its objects, including that New South Wales adapt and be more resilient to a changing climate.
- 2.76** The Insurance Council of Australia was particularly supportive of the concept of adaptation and resilience. Ms Kylie MacFarlane, Chief Operating Officer, explained that since the 2019-2020 Black Summer bushfires insurers have paid out \$16.8 billion in extreme weather claims. She said these claims will continue to grow if there are not controls over where houses can be built. Given this, the Insurance Council supported increased investment in resilience and mitigation by government.
- 2.77** Ms MacFarlane told the committee that there is already knowledge of areas of greater vulnerability to extreme weather events such as floods or cyclones, and in order to address this vulnerability planning laws should be changed to prevent new homes being built in high risk areas and building codes improved to make new builds more resilient. In terms of current building stock, Ms MacFarlane acknowledge existing retrofitting programs but also called for more buybacks, including pre-emptive buybacks in high risk areas.<sup>146</sup>
- 2.78** The National Environmental Law Association suggested that the bill include 'climate loss and damage as an objective and priority of the bill, in addition to the climate adaptation objective ... in order to prepare New South Wales for the challenges that lie ahead ... should be explicitly included as an objective of the bill.'<sup>147</sup> The Law Society of NSW agreed that this object could be considered.<sup>148</sup>
- 2.79** Mr Paul Crennan, President of the Environment and Planning Law Association expressed concern about the lack of a 'process of assessment of risk, response, re-evaluation and reset' with respect to the objectives of the bill.<sup>149</sup>
- 2.80** Evidence from Mr Stephen Hartley, Executive Director Resilience and Urban Sustainability, Department of Planning and Environment, advised that the State Disaster Mitigation Plan, due by 14 December 2023, will provide a framework that includes resilience, planned retreat and buybacks within the planning system.<sup>150</sup>

## Committee comment

- 2.81** During this inquiry, the committee heard from a range of stakeholders over two days of hearings; received over 100 submissions; and had approximately 200 individuals respond to an online questionnaire about the proposed bill. We are extremely grateful for the time, knowledge and expertise of witnesses, submission authors and questionnaire respondents.

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<sup>146</sup> Evidence, Ms MacFarlane, 30 October 2023, pp 32, 34-35.

<sup>147</sup> Evidence, Ms Huang, 27 October 2023, p 21.

<sup>148</sup> Evidence, Ms Millar, 27 October 2023, p 32.

<sup>149</sup> Evidence, Mr Crennan, President, 27 October 2023, p 21.

<sup>150</sup> Evidence, Mr Stephen Hartley, Executive Director Resilience and Urban Sustainability, Department of Planning and Environment, 30 October 2023, p 58.

- 2.82** The NSW Government requested that the Climate Change (Net Zero Future) Bill 2023 be sent to Portfolio Committee No.7 – Planning and Environment for review, in order to 'seek input from all stakeholders who will be impacted.' It is unfortunate that many stakeholders were concerned about the short timeframe for consideration of and consultation on this bill. Some key experts were unavailable at such short notice to appear before the committee, while others did not have sufficient time to make a considered submission.
- 2.83** The committee understands there is support for the bill from organisations across many different sectors and stakeholder groups. There was strong agreement of the need to reduce emissions, that damage was currently occurring due to rising temperatures and that targets are important. Extensive evidence was also received regarding the proposed targets not being sufficiently ambitious, that early action is vital to achieving net zero, and that emissions from all sources and of all varieties of gases need to be taken into account.
- 2.84** We note the evidence of the NSW Department of Planning and Environment that legislated targets will strengthen the NSW Government's position in developing and enforcing policies and standards around reducing carbon emissions.
- 2.85** The committee notes the concerns expressed by the Institute of Public Affairs that the introduction of legislated emission targets may have negative impacts such as significant job losses, particularly in regional and rural New South Wales, and that retail electricity prices will rise significantly by 2030. The committee investigated these claims for accuracy and integrity and found that the conclusions had not been peer reviewed.
- 2.86** The committee notes that many other organisations gave evidence about the opportunities provided by the development of renewable energy technologies, including in regional areas. The committee also heard evidence that these very communities were the ones suffering the greatest impacts from climate change, such as bushfires and flooding, which in turn has a negative effect on employment and economic development in the regions.
- 2.87** There is also a view that as New South Wales only contributes a proportionately small amount of emissions compared to other countries such as the United States of America and China, hence any action taken here is pointless and will not have effect. The committee does not share this view. The committee believes that this bill provides an opportunity for New South Wales to show leadership and make a meaningful contribution to the global effort to reduce emissions.
- 2.88** Be that as it may, many stakeholders said a policy signal from government that shows clear support for renewable energy production and emissions reduction projects will encourage extensive economic investment into the state. The committee agrees with the importance of having targets enshrined in the legislation itself, and the fact that this sends a strong signal to stakeholders.
- 2.89** The committee recognises that some questions about the bill are still open, such as its impact on the current target in regulation, and the operation of clause 9(3) which prohibits regulations setting targets to reduce emissions before 2050. This is believed to reduce the ability to ratchet up target ambitions.
- 2.90** Despite assurances from the NSW Government, the committee is concerned that the target of 70 per cent reduction by 2035, which exists in regulation will no longer have meaningful effect once the Net Zero and Clean Economy Board is abolished.

- 2.91** Whilst the committee agrees that the bill should be supported given it will set up a framework by establishing targets, the Net Zero Commission and guiding principles, we are of the view it could go further by providing guidance on mechanisms or ensure ministerial accountability for failure to reach targets.
- 2.92** The committee recommends that debate on the Climate Change (Net Zero Future) Bill 2023 proceed taking into account the committee comments documented in this report and the concerns raised by stakeholders during this inquiry.

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**Recommendation 1**

That the Legislative Council proceed to debate the Climate Change (Net Zero Future) Bill 2023, and that the concerns identified by stakeholders as set out in this report be addressed during debate in the House.

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## Appendix 1 Submissions

No.	Author
1	Citizens' Climate Lobby, Australia
2	Master Electricians Australia
3	Hunter Environment Lobby Inc.
4	Ms Kym Kilpatrick
5	Mr Geoffrey Miell
5a	Mr Geoffrey Miell
6	Ms Hannah Tall
7	Dr Peter Sainsbury
8	Ms Penny Cooke
9	Mr Kim Zegenhagen
10	Dr Claudia Koller
11	Dr Rod Anderson
12	Ms Jennifer Cuthbertson
13	Mr Martin Watts
14	Name suppressed
15	Name suppressed
16	Name suppressed
17	Climate Council of Australia Ltd
18	ARC Centre of Excellence for Climate Extremes
19	Australian Security Leaders Climate Group (ASLCG)
20	Business NSW
21	Total Environment Centre
22	Australian Steel Institute (ASI)
23	Institute of Public Affairs
24	NSW Ports
25	Ms Gail Mensinga
26	Mr David Rowe
27	Name suppressed
28	Insurance Council of Australia
29	Mr Thomas Ebersoll
30	The Climate Risk Group

<b>No.</b>	<b>Author</b>
31	Ms Susie Russell
31a	Ms Susie Russell
32	Ms Emily Edwards
33	Doctors for the Environment Australia (DEA)
34	Environment and Planning Law Association (NSW) Inc
35	Bushfire Survivors for Climate Action
36	Urban Development Institute of Australia NSW (UDIA)
37	Climate and Health Alliance
38	Sydney Knitting Nannas and Friends
39	Central West Environment Council
40	Beyond Zero Emissions
41	Climate Change Balmain-Rozelle
42	Jewish Climate Network
43	Farmers for Climate Action
44	Environmental Defenders Office
45	Climate Energy Finance
46	Nature Conservation Council of Australia, WWF Australia and Australian Conservation Foundation
47	National Environmental Law Association (NELA)
48	The McKell Institute
49	Lock the Gate Alliance
50	Professor Penny Sackett
51	NSW Minerals Council
52	Law Society of New South Wales
53	Property Council of Australia and Green Building Council Australia
54	The Australia Institute
55	Wollar Progress Association
56	People for the Plains Inc
57	Net Zero Initiative and Sydney Environment Institute
58	Anna Nadolny
59	Transgrid
60	Mining & Energy Union
61	Australian Pipelines & Gas Association
62	Australian Academy of Science
63	Ausgrid



<b>No.</b>	<b>Author</b>
64	Yancoal Australia Ltd
65	Australian Land Conservation Alliance
66	Wollongong City Council
67	Australian Lawyers for Human Rights
68	Surfers for Climate
69	Lane Cove Coal and Gas Watch
70	Newtown Climate
71	Parents for Climate
72	Shire Climate Action Network (ShireCAN)
73	Climate Action Burwood Canada Bay
74	Vets for Climate Action
75	Humane Society International Australia
76	1 Million Women
77	Sweltering Cities
78	Protect Our Water Catchment Incorporated
79	North East Forest Alliance Inc
80	Boundless Earth
81	Smart Energy Council
82	Rewiring Australia
83	BirdLife Southern NSW
84	NSW Bird Atlassers
85	Parramatta Climate Action Network
86	Dr Jai Allison
87	Mudgee District Environment Group
88	Mr Richard Weller
89	Ms Christine Jinga
90	Gordon Kennard
91	Ms Elizabeth O'Hara
92	Mr Tim Sullivan
93	Name suppressed
94	Dr Deidre Stuart
95	Mr Les Johnston
96	Community Environment Network
97	Name suppressed
98	Mr Derek Bolton

<b>No.</b>	<b>Author</b>
99	Dr Sally Gillespie
100	Mora Main
101	Mr William D'Arcy
102	Ms Pat Schultz
103	Mr Adrian Ingleby
104	Ms Pamela Ditton
105	Ms Ingrid Cattley
106	Name suppressed
107	Ms Alicia Braithwaite
108	Name suppressed
109	Mrs Michele Speck
110	Australian Forests and Climate Alliance
111	Animal Liberation

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## Appendix 2 Witnesses at hearings

Date	Name	Position and Organisation
Friday 27 October 2023 Jubilee Room Parliament House, Sydney	Professor Andy Pitman	Director, Australian Research Council, Centre of Excellence for Climate Extremes, University of NSW
	A/Professor Gabriel Abramowitz	Australian Research Council, Centre of Excellence for Climate Extremes, University of NSW
	Mr Michael Player	NSW Policy Manager, Property Council of Australia
	Mr Paul Crennan	President, Environment and Planning Law Association (NSW) Inc
	Ms Grace Huang	Board Director and Convenor of the Memberships, Partnerships and Personnel Portfolio, National Environmental Law Association
	Ms Rachel Walmsley <i>(via videoconference)</i>	Head of Policy and Law Reform, Environmental Defenders Office
	Ms Ilona Miller	Partner, Gilbert and Tobin, representing Law Society of NSW
	Ms Anne Dennis <i>(via videoconference)</i>	Councillor, North Western Region, NSW Aboriginal Land Council
	Mr Tim Buckley	Founder and Director, Climate Energy Finance
	Ms Jacqui Mumford	Chief Executive Officer, Nature Conservation Council
	Dr Brad Smith	Policy and Advocacy Director, Nature Conservation Council
	Mr Jeff Angel	Director, Total Environment Centre
Mr Nic Clyde	Coordinator, Lock the Gate Alliance	

<b>Date</b>	<b>Name</b>	<b>Position and Organisation</b>
	Dr Shaun Watson	Co-Chair of the Doctors for the Environment Australia NSW Committee
	Dr Cybele Dey	Co-Chair of the Doctors for the Environment Mental Health Special Interest Group
<b>Monday 30 October 2023 Preston Stanley Room Parliament House, Sydney</b>	Mr Daniel Wild <i>(via videoconference)</i>	Deputy Executive Director, Institute of Public Affairs
	Mr Saxon Davidson <i>(via videoconference)</i>	Research Fellow, Institute of Public Affairs
	Mr Rod Campbell <i>(via videoconference)</i>	Director, The Australia Institute
	Mr Edward Cavanough <i>(via videoconference)</i>	The McKell Institute
	Mrs Alison Sentance <i>(via videoconference)</i>	Managing Director, Aboriginal Biodiversity Conservation Foundation
	Professor Penny Sackett <i>(via videoconference)</i>	Distinguished Honorary Professor, ANU Institute for Climate, Energy, and Disaster Solutions
	Mr Ian Dunlop	Chair, Australian Security Leaders Climate Group
	Mr Tennant Reed <i>(via videoconference)</i>	Director Climate Change and Energy, Australian Industry Group
	Ms Kylie MacFarlane <i>(via videoconference)</i>	Chief Operating Officer, Insurance Council of Australia
	Mr Allen Hicks <i>(via videoconference)</i>	NSW/ACT Divisional Branch Secretary, Electrical Trades Union NSW
	Professor Ken Baldwin	Australian Academy of Technology and Engineering
	Mr Peter Derbyshire	Director, Policy and Government Relations, Australian Academy of Technology and Engineering

Date	Name	Position and Organisation
	Ms Danijela Karac	Executive Director Strategic Services, Department of Planning and Environment
	Mr Stephen Hartley	Executive Director Resilience and Urban Sustainability, Department of Planning and Environment
	Mr Tony Chappel	Chief Executive Officer, Environment Protection Authority, Department of Planning and Environment
	Mr Matthew Riley	Director Climate and Atmospheric, Science Economics and Insights, Department of Planning and Environment

## Appendix 3 Minutes

### Minutes no. 6

Friday 13 October 2023

Portfolio Committee No. 7 – Planning and Environment

Room 1136, Parliament House, 3.02 pm

#### 1. Members present

Ms Higginson, *Chair* (via videoconference)

Mr Buttigieg (via videoconference)

Mr D'Adam (via videoconference)

Mr Farlow

Ms Munro

Mr Primrose (via videoconference)

#### 2. Apologies

Mr Ruddick, *Deputy Chair*

#### 3. Inquiry into Climate Change (Net Zero Future) Bill 2023

##### 3.1 Terms of reference

The committee noted the terms of reference referred by the House on 12 October 2023:

That:

- (a) the Climate Change (Net Zero Future) Bill 2023 be referred to Portfolio Committee No. 7 – Planning and Environment for inquiry and report
- (b) the committee report by 17 November 2023.

##### 3.2 Proposed timeline

Resolved, on the motion of Mr Primrose: That the committee adopt the following timeline for administration of the inquiry:

- Monday 23 October 2023 – closing date for submissions (1 week)
- Monday 23 October 2023 – closing date for online questionnaire (1 week)
- Friday 27 October 2023 – hearing
- Monday 30 October 2023 – half day hearing (reserve)
- Monday 13 November 2023 – circulation of chair's draft report
- Wednesday 15 November 2023 – report deliberative
- Friday 17 November 2023 – report tabling.

##### 3.3 Stakeholder and witness list

Resolved, on the motion of Mr Primrose: That members be provided with the opportunity to nominate additional stakeholders to make a submission and/or appear as a witness to give evidence by 5.00 pm, Monday 16 October 2023 and that the committee agree to additional stakeholders by email, unless a meeting of the committee is required to resolve any disagreement.

##### 3.4 Post-hearing responses

Resolved, on the motion of Mr D'Adam: That transcript corrections, clarifications to evidence and additional information be provided within 48 hours of the receipt of the transcript by the witness.

### 3.5 Online questionnaire

Resolved, on the motion of Ms Munro: That the committee conduct an online questionnaire to capture individuals' views with the following questions and preamble:

On 12 October 2023, the NSW Legislative Council's Portfolio Committee No. 7 – Planning and Environment commenced an inquiry into the Climate Change (Net Zero Future) Bill 2023.

The objects of this Bill are as follows—

- (a) to establish guiding principles for action to address climate change,
- (b) to set targets for the reduction in net greenhouse gas emissions in New South Wales by 2030 and 2050,
- (c) to set an objective for New South Wales to be more resilient to a changing climate (the adaptation objective),
- (d) to establish the Net Zero Commission to independently monitor, review and report on progress in New South Wales towards the 2030 and 2050 targets, the adaptation objective and other matters,
- (e) to provide for other minor and consequential matters.

Further information about the inquiry, including the terms of reference, can be found on the committee's [website](#).

As part of the inquiry, the committee is seeking online submissions through the following questions. Responses are due by 23 October 2023.

Responses may be used in the committee's report. Names and contact details of respondents will not be published. The questionnaire will take approximately 5 minutes to complete.

1. Please enter your contact details.

Name:

Email address:

Postcode:

2. Are you a resident of NSW? Select one of these options:

a. Yes

b. No

3. Position on the bill:

The objects of this Bill are as follows—

- (a) to establish guiding principles for action to address climate change,
- (b) to set targets for the reduction in net greenhouse gas emissions in New South Wales by 2030 and 2050,
- (c) to set an objective for New South Wales to be more resilient to a changing climate (the adaptation objective),
- (d) to establish the Net Zero Commission to independently monitor, review and report on progress in New South Wales towards the 2030 and 2050 targets, the adaptation objective and other matters,
- (e) to provide for other minor and consequential matters.

Based on your own understanding and the description above, what is your position on the Climate Change (Net Zero Future) Bill 2023? Select one of these options:

- a. Support
  - b. Partially support
  - c. Support with amendments
  - d. Oppose
4. *Based on the response selected at question 3, the respondent will be directed to a customised question asking them to explain their position on the bill:*
- a. Please explain why you support the bill. (max 300 words)
  - b. Please explain why you partially support the bill (max 300 words)
  - c. What amendments would you like incorporated? (max 300 words)
  - d. Please explain why you oppose the bill? (max 300 words)
5. Do you have any other comments (max 300 words)

Resolved, on the motion of Mr Primrose: That the committee not accept proformas.

### **3.6 Questionnaire report**

Resolved, on the motion of Mr Farlow: That the secretariat prepare a summary report of responses to the online questionnaire for publication on the website and use in the report, and that:

- only responses from NSW participants will be analysed in the report
- the committee authorises the secretariat to publish the questionnaire report on the inquiry website unless any member raises an objection to publication via email
- individual responses be kept confidential on tabling.

## **4. Adjournment**

The committee adjourned at 3.15 pm, until Friday 27 October 2023, TBC, Parliament House (Climate Change (Net Zero Future) Bill 2023 – public hearing).

Emma Rogerson  
**Committee Clerk**

## **Minutes no. 7**

Friday 27 October 2023

Portfolio Committee No. 7 – Planning and Environment

Jubilee Room, Parliament House, Sydney, 9.01 am

### **1. Members present**

Ms Higginson, *Chair*

Mr Ruddick, *Deputy Chair*

Mr Buttigieg (via videoconference until 10.00 am, then from 2.15 pm in person)

Mr D'Adam (via videoconference)

Mr Farlow (until 2.53 pm, then from 4.34 pm until 5.18 pm)

Ms Munro (until 5.18 pm)

Mr Primrose (until 12.30 pm, then from 4.14 pm)

### **2. Apologies**

Ms Boyd (participating member for the duration of the inquiry)

### **3. Previous minutes**

Resolved, on the motion of Mr Primrose: That draft minutes no. 6 be confirmed.



#### 4. Correspondence

The committee noted the following items of correspondence:

##### *Received*

- 13 October 2023 – Email from Ms Abigail Boyd MLC to secretariat, advising that Ms Boyd will be a participating member for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 17 October 2023 – Email from Mr Michael Cornish, Policy Lead, Australian Land Conservation Alliance, to secretariat, requesting a submission deadline extension until Friday 23 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 17 October 2023 – Email from Ms Lucy Kelley, Policy Lawyer, New South Wales Bar Society, to secretariat, requesting a submission deadline extension until Friday 24 November 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 18 October 2023 – Email from Ms Lucy Kelley, Policy Lawyer, New South Wales Bar Society, to secretariat, advising the Bar Association won't be making a submission to the inquiry into Climate Change (Net Zero Future) Bill 2023
- 18 October 2023 – Email from Carly Davey, Science and Technology Association, advising the Association won't be making a submission to the inquiry into Climate Change (Net Zero Future) Bill 2023
- 19 October 2023 – Email from Maxine Newlands, Australian Academy of Science, requesting a submission extension until Friday 27 October for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 23 October 2023 – Email from Ms Alison Goodwin, National Research and Policy Officer, Mining & Energy Union, to secretariat, requesting a submission deadline extension until Friday 27 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 23 October 2023 – Email from Ms Alison Goodwin, National Research and Policy Officer, Mining & Energy Union, to secretariat, declining the committee's invitation to appear as a witness at the hearing on 27 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 23 October 2023 – Email from Ms Lucy Kelley, Policy Lawyer, New South Wales Bar Society, to secretariat, declining the committee's invitation to appear as a witness at the hearing on 27 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 23 October 2023 – Email from Mr Ben Moxham, Director, Industrial and Policy, Australian Council of Trade Unions, to secretariat, declining the committee's invitation to appear as a witness at the hearing on 27 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 23 October 2023 – Email from Ms Renaire Druery, Deputy Campaigns Officer, GetUp!, to secretariat, declining the committee's invitation to appear as a witness at the hearing on 27 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 24 October 2023 – Email from Dr Sally Ann Walford, National & State Priorities Director (NSW), CSIRO, to secretariat, declining the committee's invitation to appear as a witness at the hearing on 30 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 24 October 2023 – Email from Ms Carrie Liu, Office Admin Assistant, Unions NSW, to secretariat, declining the committee's invitation to appear as a witness at the hearing on 27 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 24 October 2023 – Email from Gabriella Warden, Manager, Research and Government Relations, Carbon Markets Institute, to secretariat, declining the committee's invitation to appear as a witness at the hearings on 27 and 30 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 24 October 2023 – Email from Mr Harry Martin, Advocacy & Government Affairs Advisor, Climate Council, to secretariat, declining the committee's invitation to appear as a witness at the hearing on 30 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 24 October 2023 – Email from Ms Annette Turnbull, Administrative Assistant, Business Council of Australia, to secretariat, declining the committee's invitation to appear as a witness at the hearing on 30 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023

- 24 October 2023 – Email from Mr Daniel Maloney, Director Government & Industry Relations, NSW Minerals Councils, to secretariat, declining the committee's invitation to appear as a witness at the hearing on 30 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 25 October 2023 – Email from Mr Dominic Kelly, Manager Policy and Government Affairs, Australian Energy Market Operator, to secretariat, declining the committee's invitation to appear as a witness at the hearing on 27 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 25 October 2023 – Text message from Nick Savage, NSW Farmers, to secretariat declining the committee's invitation to appear as a witness at the hearing on 30 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 25 October 2023 – Email from Michael Player, NSW Policy Manager, Property Council of Australia, requesting an opportunity to appear at a hearing of the inquiry into Climate Change (Net Zero Future) Bill 2023
- 26 October 2023 – Letter from Ms Kate Aubrey Poiner, A/Executive Director Land and Strategy, NSW Aboriginal Land Council, to secretariat, providing a statement for the inquiry into Climate Change (Net Zero Future) Bill 2023.

**Sent**

- 17 October 2023 – Email from secretariat to Mr Michael Cornish, Policy Lead, Australian Land Conservation Alliance, granting request for a submission deadline extension until Friday 27 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 19 October 2023 – Email from secretariat to Dr Maxine Newlands, Policy Analyst, Australian Academy of Science, granting request for a submission deadline extension until Thursday 26 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 23 October 2023 – Email from secretariat to Ms Alison Goodwin, National Research and Policy Officer, Mining and Energy Union, granting request for a submission deadline extension until Thursday 26 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 25 October 2023 – Email from secretariat to Mr Shay Singh, Senior Manager Policy and Government Relations, Green Building Council of Australia, granting request for a submission deadline extension until Friday 27 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023.

Resolved, on the motion of Mr Farlow: That the committee keep the correspondence from Ms Kate Aubrey Poiner, A/Executive Director Land and Strategy, NSW Aboriginal Land Council, providing a statement for the inquiry into Climate Change (Net Zero Future) Bill 2023, dated 26 October 2023, confidential, as per the request of the author.

**5. Inquiry into Climate Change (Net Zero Future) Bill 2023****5.1 Submission deadline extension**

The committee noted that as agreed via email, the submission deadline was extended from Monday 23 October to Wednesday 25 October 2023.

**5.2 Submission deadline requests**

The committee noted that that the Chair will grant all submission extension deadline requests until Friday 27 October. Additionally, stakeholders will be advised that a late submission may preclude the committee from considering them as possible witnesses at the public hearing.

**5.3 Public submissions**

The following submissions were published by the committee clerk under the authorisation of the resolution appointing the committee: submission nos. 1-13, 17-26, 28-33.

Resolved, on the motion of Mr D'Adam: That the committee authorise the publication of submission nos. 34-53.

#### 5.4 Partially confidential submissions

Resolved, on the motion of Mr D'Adam: That the committee keep the following information confidential, as per the request of the author: names and/or identifying and sensitive information in submissions nos. 14-16, 27.

#### 5.5 Sequence of questions

Resolved, on the motion of Mr Farlow: That the allocation of questions to be asked at the hearing be left in the hands of the Chair.

#### 5.6 Public hearing

Witnesses, the public and the media were admitted.

The Chair made an opening statement regarding the broadcasting of proceedings and other matters.

The following witnesses were sworn and examined:

- Professor Andy Pitman, Director, Australian Research Council, Centre of Excellence for Climate Extremes, University of NSW
- A/Professor Gabriel Abramowitz, Australian Research Council, Centre of Excellence for Climate Extremes, University of NSW.

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Mr Michael Player, NSW Policy Manager, Property Council of Australia

The evidence concluded and the witness withdrew.

The following witnesses were sworn and examined:

- Mr Paul Crennan, President, Environment and Planning Law Association (NSW) Inc
- Ms Grace Huang, Board Director and Convenor of the Memberships, Partnerships and Personnel Portfolio, National Environmental Law Association
- Ms Rachel Walmsley, Head of Policy and Law Reform, Environmental Defenders Office (via videoconference)

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Ms Ilona Miller, Partner, Gilbert and Tobin, representing Law Society of NSW

The evidence concluded and the witness withdrew.

The following witness was sworn and examined:

- Ms Anne Dennis, Councillor, North Western Region, NSW Aboriginal Land Council (via videoconference)

The evidence concluded and the witness withdrew.

The following witness was sworn and examined:

- Mr Tim Buckley, Director, Climate Energy Finance

The evidence concluded and the witness withdrew.

The following witnesses were sworn and examined:

- Ms Jacqui Mumford, Chief Executive Officer, Nature Conservation Council
- Dr Brad Smith, Policy and Advocacy Director, Nature Conservation Council
- Mr Jeff Angel, Director, Total Environment Centre
- Mr Nic Clyde, Coordinator, Lock the Gate Alliance

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Dr Shaun Watson, Co-Chair of the Doctors for the Environment Australia NSW Committee
- Dr Cybele Dey, Co-Chair of the Doctors for the Environment Mental Health Special Interest Group

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 5.26 pm. The public and the media withdrew.

#### **5.7 Tendered documents**

Resolved, on the motion of Mr Primrose: That the committee accept and publish the following documents tendered during the public hearing:

- Submission to Portfolio Committee No.2 - Health inquiry into the equity, accessibility and appropriate delivery of outpatient and community mental health care in NSW, tendered by Dr Cybele Dey, Co-Chair of the Doctors for the Environment Mental Health Special Interest Group
- How Climate Change affects mental health in Australia, tendered by Dr Cybele Dey, Co-Chair of the Doctors for the Environment Mental Health Special Interest Group.

#### **5.8 Timeline for supplementary questions**

Resolved, on the motion of Mr Primrose: That members may lodge supplementary questions with the committee secretariat by 5.00 pm within one business day following a hearing.

### **6. Adjournment**

The committee adjourned at 5.32 pm, until 9.00 am, Monday 30 October 2023, Preston Stanley Room, Parliament House, Inquiry into Climate Change (Net Zero Future) Bill 2023.

Sarah Newlands  
**Committee Clerk**

### **Minutes no. 8**

Monday 30 October 2023

Portfolio Committee No. 7 – Planning and Environment

Preston Stanley Room, Parliament House, Sydney at 9.03 am

#### **1. Members present**

Ms Higginson, *Chair*

Mr Ruddick, *Deputy Chair*

Mr Buttigieg (from 9.19 am, until 9.53 am via videoconference, and from 12.17 pm)

Mr D'Adam (via videoconference)

Ms Munro

Mr Nanva (substituting for Mr Buttigieg from 9.03 am, until 9.09 am via videoconference)

Mr Primrose

#### **2. Apologies**

Ms Boyd

Mr Farlow

#### **3. Correspondence**

Committee noted the following items of correspondence:

##### ***Received:***

- 25 October 2023 – Email from Ms Liza Booth, Head of Commercial and Advisory Law Reform, Law Society of NSW, to secretariat, requesting extension for a submission to the inquiry into Climate Change (Net Zero Future) Bill 2023

- 25 October 2023 – Email from Ms Naomi Wynn, Manager Regulatory Policy, Market Development & Strategy, Ausgrid, to secretariat, requesting extension for a submission to the inquiry into Climate Change (Net Zero Future) Bill 2023
- 26 October 2023 – Email from Ms Alex Lucchetti, Policy and Research Officer, Australian Academy of Science, to secretariat, advising representatives are unable to attend the hearings on 27 and 30 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 26 October 2023 – Email from Ms Lisa Ryan, Regional Campaigns Manager, Animal Liberation, to secretariat, requesting extension for a submission to the inquiry into Climate Change (Net Zero Future) Bill 2023
- 26 October 2023 – Email from Ms Anna Ortiz, Executive Assistant, Australian Energy Council, to secretariat, declining invitation to appear as a witness at the hearing on 30 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 26 October 2023 – Email from Ms Polly Hemming, Director – Climate & Energy Program, The Australia Institute, to secretariat, requesting extension for a submission to the inquiry into Climate Change (Net Zero Future) Bill 2023
- 26 October 2023 – Email from Anna Freeman, Policy Director – Decarbonisation, Clean Energy Council, to secretariat, advising representatives are unable to attend the hearings on 27 and 30 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 27 October 2023 – Email from Office of Hon Bob Nanva, Government Whip, to secretariat, advising Mr Nanva will substitute for Mr Buttigieg from 9-9.30am via videoconference at the hearing on Monday 30 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023.

***Sent:***

- 25 October 2023 – Email from secretariat to Ms Liza Booth, Head of Commercial and Advisory Law Reform, Law Society of NSW, granting request for a submission deadline extension until Thursday 26 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 25 October 2023 – Email from secretariat to Ms Naomi Wynn, Manager Regulatory Policy, Market Development & Strategy, Ausgrid, granting request for a submission deadline extension until Friday 27 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 26 October 2023 – Email from secretariat to Ms Polly Hemming, Director – Climate & Energy Program, The Australia Institute, granting request for a submission deadline extension until 1.00 pm, Friday 27 October 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 26 October 2023 – Email from secretariat to Ms Lisa Ryan, Regional Campaigns Manager, Animal Liberation, granting request for a submission deadline extension until Friday 3 November 2023 for the inquiry into Climate Change (Net Zero Future) Bill 2023.

#### **4. Inquiry into Climate Change (Net Zero Future) Bill 2023**

##### **4.1 Submissions**

Resolved, on the motion of Mr Primrose: That the committee authorise the publication of submission no. 54.

##### **4.2 Sequence of questions**

Resolved on the motion of Mr Primrose: That the allocation of questions to be asked at the hearing be left in the hands of the Chair.

##### **4.3 Public hearing**

The committee proceeded to take evidence in public.

Witnesses were admitted to the hearing room and via videoconference.

The Chair made an opening statement regarding the broadcasting of proceedings and other matters.

The following witnesses were sworn and examined:

- Mr Daniel Wild, Deputy Executive Director, Institute of Public Affairs (via videoconference)
- Mr Saxon Davidson, Research Fellow, Institute of Public Affairs (via videoconference).

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Mr Rod Campbell, Director, The Australia Institute (via videoconference)
- Mr Edward Cavanough, The McKell Institute (via videoconference).

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Mrs Alison Sentance, Managing Director, Aboriginal Biodiversity Conservation Foundation (via videoconference).

The evidence concluded and the witness withdrew.

The following witness was sworn and examined:

- Professor Penny Sackett, Distinguished Honorary Professor, ANU Institute for Climate, Energy, and Disaster Solutions (via videoconference).

The evidence concluded and the witness withdrew.

The following witness was sworn and examined:

- Mr Ian Dunlop, Chair, Australian Security Leaders Climate Group.

The evidence concluded and the witness withdrew.

The following witnesses were sworn and examined:

- Mr Tennant Reed, Director Climate Change and Energy, Australian Industry Group (via videoconference)
- Ms Kylie MacFarlane, Chief Operating Officer, Insurance Council of Australia (via videoconference).

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Mr Allen Hicks, NSW/ACT Divisional Branch Secretary, Electrical Trades Union NSW (via videoconference).

Mr Buttigieg declared that he is a member of the Electrical Trades Union.

The evidence concluded and the witness withdrew.

The following witnesses were sworn and examined:

- Professor Ken Baldwin, Australian Academy of Technology and Engineering
- Mr Peter Derbyshire, Director, Policy and Government Relations, Australian Academy of Technology and Engineering.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Ms Danijela Karac, Executive Director Strategic Services, Department of Planning and Environment
- Mr Stephen Hartley, Executive Director Resilience and Urban Sustainability, Department of Planning and Environment
- Mr Tony Chappel, Chief Executive Officer, Environment Protection Authority, Department of Planning and Environment
- Mr Matthew Riley, Director Climate and Atmospheric, Science Economics and Insights, Department of Planning and Environment.

The evidence concluded and the witnesses withdrew.

The hearing concluded at 5.30 pm. The public and the media withdrew.

**5. Adjournment**

The committee adjourned at 5.34 pm until Thursday 2 November 2023, 9.00am, Macquarie Room, Budget Estimates 2023-2024 public hearing (Climate Change, Energy, the Environment and Heritage portfolio).

Sarah Newlands  
Committee Clerk

**Draft minutes no. 11**

Wednesday, 15 November 2023

Portfolio Committee No. 7 – Planning and Environment

Room 1136, Parliament House, 9.35 am

**1. Members present**

Ms Higginson, *Chair* (via videoconference)  
Mr Ruddick, *Deputy Chair* (via videoconference)  
Mr Buttigieg  
Mr D'Adam  
Mr Farlow  
Ms Munro  
Mr Primrose

**2. Previous minutes**

Resolved, on the motion of Ms Munro: That draft minutes nos. 7, 8, 9 and 10 be confirmed.

**3. Correspondence**

The committee noted the following items of correspondence:

***Received:***

- 26 October 2023 – Email from Ms Kathy Rankin, NSW Farmers, to the secretariat advising a representative is unable to attend the hearing for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 26 October 2023 – Email from Ms Anna Freeman, Policy Director, Clean Energy Council, to the secretariat advising representatives are unable to attend the hearings on 27 and 30 October for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 30 October 2023 – Email from Ms Petrana Lorenz to the secretariat advising Dr Karl Mallon of the Climate Risk Group is unable to attend the hearing of the hearings on 27 and 30 October for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 31 October 2023 – Email from Professor Andy Pitman to secretariat, regarding post hearing responses for 27 October 2023 hearing for the inquiry into Climate Change (Net Zero Future) Bill 2023
- 2 November 2023 – Letter from Mr Xavier Martin, President, NSW Farmers Association to Chair, providing the Association's views on the Climate Change (Net Zero Future) Bill 2023
- 3 November 2023 – Email from Mr Peter Derbyshire, Director, Policy and Government Relations, Australian Academy of Technological Sciences and Engineering, to the committee, providing additional information regarding the inquiry into Climate Change (Net Zero Future) Bill 2023
- 9 November 2023 – Email from the Office of Minister Sharpe giving approval for advice to be sought from the Crown Solicitor on the Climate Change (Net Zero Future) Bill 2023.

***Sent***

- 9 November 2023 – Letter from the secretariat to Minister Sharpe seeking approval for advice to be sought from the Crown Solicitor on the Climate Change (Net Zero Future) Bill 2023

- 9 November 2023 – Letter from the Clerk to the Crown Solicitor's Office seeking advice regarding how the objectives of the Energy and Utilities Administration Regulation 2021 would operate should the Climate Change (Net Zero Future) Bill 2023 pass.

Resolved on the motion of Mr Primrose: That the committee publish correspondence from Mr Xavier Martin, NSW Farmers Association, providing views on the Climate Change (Net Zero Future) Bill 2023, dated 2 November 2023.

#### **4. Inquiry into Climate Change (Net Zero Future) Bill 2023**

##### **4.1 Public submissions**

The committee noted that submission nos. 31a, 55-92, 94-96, 98-105, 107 and 109-111 were published by the Committee Clerk under the resolution appointing the committee.

Resolved, on the motion of Mr D'Adam: That the committee authorise the publication of submission no. 5a.

##### **4.2 Partially confidential submissions**

Resolved, on the motion of Mr Farlow: That the committee keep the following information confidential, as per the request of the author: names and/or identifying and sensitive information in submissions nos. 93, 97, 106 and 108.

##### **4.3 Report of online questionnaire**

Committee noted that the online questionnaire report was published by the committee clerk as per the resolution of the meeting on 13 October 2023.

##### **4.4 Answers to questions on notice and supplementary questions**

The following answers to questions on notice and supplementary questions were published by the committee clerk under the authorisation of the resolution appointing the committee:

- Answers to questions on notice from Professor Andy Pitman, received on 31 October 2023
- Answers to questions on notice from NSW Aboriginal Land Council, received on 1 November 2023
- Answers to questions on notice from The Australia Institute, received on 1 November 2023
- Answers to questions on notice from The McKell Institute, received on 1 November 2023
- Answers to questions on notice from Property Council of Australia (NSW), received on 2 November 2023
- Answers to questions on notice and supplementary questions from A/Professor Gab Abramowitz, received on 2 November 2023
- Answers to questions on notice from Environment and Planning Law Association (NSW), received on 2 November 2023
- Answers to questions on notice from NSW Department of Planning and Environment, received on 2 November 2023
- Answers to questions on notice from the Insurance Council of Australia, received on 2 November 2023
- Answers to questions on notice from the National Environment Law Association, received on 2 November 2023
- Answer to questions on notice from the Institute of Public Affairs, received on 3 November 2023
- Answers to questions on notice from Professor Penny Sackett, received on 6 November 2023
- Answers to questions on notice from Mr Tim Buckley, Director, Climate Energy Finance, received 6 November 2023
- Answers to questions on notice from Mr Tony Chappel, CEO, Environment Protection Authority, Department of Planning and Environment, received 6 November 2023.

Resolved, on the motion of Mr D'Adam: That the committee authorise the publication of the answers to questions on notice from Mrs Alison Sentance, Managing Director, Aboriginal Biodiversity Conservation Foundation, received 10 November.



#### 4.5 Seeking advice from the Crown Solicitor's Office

The committee noted that as agreed via email, the Clerk has sought advice on behalf of the committee from the Crown Solicitor's Office to clarify how the objectives of the Energy and Utilities Administration Regulation 2021 would operate should the Climate Change (Net Zero Future) Bill 2023 pass.

#### 4.6 Consideration of the Chair's draft report

The Chair submitted her draft report entitled *Climate Change (Net Zero Future) Bill 2023*, which having been previously circulated, was taken as read.

##### Chapter 1

Resolved, on the motion of Ms Munro: That paragraph 1.31 be amended by omitting 'allows for the regulation' and inserting 'allows for a regulation made under clause 26.'

Resolved, on the motion of Ms Munro: That paragraph 1.31 be amended by omitting 'states that the regulation cannot' and inserting 'states that the regulations cannot'.

Resolved, on the motion of Ms Munro: That paragraph 1.35 be amended by inserting 'made upon the recommendation of the Minister' after 'Appointments will be'.

##### Chapter 2

Resolved, on the motion of Ms Munro: That paragraph 2.1 be amended by inserting 'but urged further ambition' after '(the bill)'.

Resolved, on the motion of Ms Munro: That the following new paragraph be inserted after paragraph 2.21:

'Mr Tim Buckley, Founder and Director, Climate Energy Finance, raised the importance of stronger targets to attract financial investment, stating that higher levels of commercial investment would stem from 'an ambitious medium-term target.' Mr Buckley said that 'confidence for investors and for corporations that those targets have substance' was important for economic activity. Mr Buckley also noted that NSW was falling behind Queensland and Victoria when it came to setting more ambitious targets, timelines and policies for emissions reductions.' [FOOTNOTE: Evidence, Mr Tim Buckley, Founder and Director, Climate Energy Finance, 27 October 2023, pp 39-40.]

Resolved, on the motion of Ms Munro: That paragraph 2.30 be amended by inserting 'formulated in 2021, which are expected to be revised by the end of the year' after 'current projections'.

[FOOTNOTE: NSW Government, Office of Energy and Climate Change, Net Zero Plan Implementation Update 2022, December 2022, pp 48 and 53; Evidence, Mr Matthew Riley, Director Climate and Atmospheric, Science Economics and Insights, Department of Planning and Environment, 30 October 2023, pp 56-57.]

Resolved, on the motion of Mr Primrose: That:

The draft report, as amended, be the report of the committee and that the committee present the report to the House;

The transcripts of evidence, submissions, tabled documents, answers to questions on notice and supplementary questions, summary report of the online questionnaire and correspondence relating to the inquiry be tabled in the House with the report;

Upon tabling, all unpublished attachments to submissions and individual responses to the online questionnaire be kept confidential by the committee;

Upon tabling, all unpublished transcripts of evidence, submissions, tabled documents, answers to questions on notice and supplementary questions, responses to the online questionnaire and summary report of these responses and correspondence relating to the inquiry, be published by the committee, except for those documents kept confidential by resolution of the committee;

The committee secretariat correct any typographical, grammatical and formatting errors prior to tabling;

The committee secretariat be authorised to update any committee comments where necessary to reflect changes to recommendations or new recommendations resolved by the committee;

Dissenting statements be provided to the secretariat within 24 hours after receipt of the draft minutes of the meeting;

The secretariat is tabling the report at 10.00 am Friday, 17 November 2023.

The Chair to advise the secretariat and members if they intend to hold a press conference, and if so, the date and time.

**5. Adjournment**

The committee adjourned at 10.02 am, until 10.00 am, Monday 20 November 2023, Room 1043 (private briefing – Inquiry into the planning system and the impacts of climate change on the environment and communities).

Sarah Newlands  
**Committee Clerk**



