

Statement on the Climate Change Policy Package released by the Australian Government

"This is a strong climate change policy package. It will allow Australia to do its fair share in an effective global effort to reduce the risks of climate change, and to do so at reasonable cost.

I attach particular importance to the governance arrangements for the emissions trading scheme. The arrangements for adjusting targets, including through the role of the Climate Change Authority, allow appropriate flexibility in response to international developments within a stable and predictable framework. The arrangements for reviewing assistance to trade-exposed industries, including through the role of the Productivity Commission, introduces economic discipline in decisions of large consequence for national economic performance.

The treatment of the land sector will encourage new forms of carbon sequestration that create important opportunities for rural Australia. Here our pioneering role in measuring and rewarding sequestration in soils, pastures, woodlands and forests is likely to have international influence.

The package has emerged from a policy-making process that allowed consideration of a wide range of issues and advice. I congratulate the Prime Minister and her colleagues in the Multi-Party Climate Change Committee for the sound process and on the good outcome for Australia and the international community."

Ross Garnaut
10 July 2011