

MAXIMUM FLEXIBILITY A KEY TO CLIMATE ACTION SUCCESS

The Energy Users' Association of Australia (EUAA), which represents many of Australia's largest energy users, has welcomed Federal Labor's commitment to work with business to reduce emissions should they form government. The EUAA believes Australia should act on climate change and meet our proportional international climate change responsibilities. We are of the view that a market-based approach with appropriate transitional assistance is the most effective way to do this.

"Federal Labor's emissions reduction targets are ambitious and will require a thoughtful approach that provides maximum flexibility for business to meet these abatement targets over time," said EUAA Chief Executive Officer, Mr Andrew Richards.

"We welcome Labor's commitment to work with business on a market-based approach to reducing emissions including extending the existing safeguard mechanism, the appropriate use of international offsets, maintaining assistance for Emission Intensive Trade Exposed (EITE) industries, increased Clean Energy Finance Corporation funding and targeted programs to help business manage the transition."

While the EUAA has been calling for a coordinated approach to climate change and energy policy for some time, we also recognise that a 45% reduction in emissions by 2030 will be challenging and is likely to add complexity and cost to business. Should Labor form government, we look forward to working with them to ensure that climate and energy policies are fully co-ordinated so that complexity and increased costs to business are efficiently managed.

"Rather than balk at these challenges we must use them as a catalyst for cooperation between governments and business to ensure a sensible transition plan is developed that facilitates maximum flexibility and a least cost approach to the abatement task."

In recent years many businesses have implemented strategies to reduce their emissions, improve energy productivity and increase their use of renewable energy. It will be important that these independent actions are recognised and rewarded in any future national emissions abatement policy.

"It is important for policy makers to understand that the Australian energy sector is already transitioning to a cleaner, more diversified system, with new pathways to decreasing emissions at lower cost opening up all the time. We hope that governments will seek to further nurture these pathways and encourage independent action in the future," said Mr Richards.

Combined, EUAA members employ over 1 million Australians, pay billions in energy bills every year and include industries such as food production, packaging, mining, raw materials, building materials, paper production and healthcare – creating essential items used by the Australian community every day.

-ends-

Media Contact: Emily Wood 0421 042 121