

**HOUSE OF ASSEMBLY
LAID ON THE TABLE**

29 Oct 2014

Premier's Climate Change Council

ANNUAL REPORT

1 July 2013 to 30 June 2014



**Government
of South Australia**

Premier's Climate Change Council
Annual Report 2013-14

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LETTER OF TRANSMITTAL

Hon Ian Hunter MLC
Minister for Sustainability Environment and Conservation
Parliament House
North Terrace
ADELAIDE SA 5000

Dear Minister

In accordance with the requirements of the *Public Sector Act 2009* and section 13 of the *Climate Change and Greenhouse Emissions Reduction Act 2007*, I have pleasure in presenting the annual report of the Premier's Climate Change Council for the year ended 30 June 2014.

Yours sincerely

A handwritten signature in black ink, appearing to read "Bruce Carter".

Bruce Carter
Chair
Premier's Climate Change Council

Date

PLANS AND OBJECTIVES

The activities undertaken by the Premier's Climate Change Council (the Council) are consistent with the strategic directions set out in *South Australia's Strategic Plan*, *South Australia's Greenhouse Strategy* and the *Climate Change and Greenhouse Emissions Reduction Act 2007* (the Act).

SOUTH AUSTRALIA'S STRATEGIC PLAN

South Australia's Strategic Plan is the overarching document to guide the state's future development.

The table below aligns the Council's 2013-14 activities undertaken in performing its statutory roles of providing independent advice, and taking leadership roles in consulting and disseminating information, with the objectives of the *South Australia's Strategic Plan*.

Table 1. Links between the Council's 2013-14 activities and *South Australia's Strategic Plan*

Council Activities	South Australia's Strategic Plan					
	Vision					
	Growing prosperity	Improving wellbeing	Attaining sustainability	Fostering creativity and innovation	Building communities	Expanding opportunity
<i>South Australia's Climate Change Vision: Pathways to 2050</i> – advice	✓	✓	✓	✓	✓	✓
<i>Opportunities to facilitate appropriate land use decisions in order to adapt to sea level rise inundation</i> – advice	✓	✓	✓	✓	✓	✓
South Australia's climate change policy review – workshop			✓	✓		✓
Engagement with lead IPCC author and the Minister as part of the Greenhouse 2013 conference			✓	✓	✓	✓
Consultations with industry about working towards a low carbon economy			✓	✓	✓	✓

SOUTH AUSTRALIA'S SEVEN STRATEGIC PRIORITIES

South Australia's seven strategic priorities are those areas that the government has chosen to focus on within the *South Australian Strategic Plan*. Advancing these priorities directly supports the achievement of many of the targets contained in the Plan.

The Council's activities in 2013-14 have aligned with the following strategic priorities:

Table 2. Links between the Council's 2013-14 activities and South Australian Government Seven Strategic Priorities

Council Activities	South Australian Government's Seven Strategic Priorities						
	<i>Creating a vibrant city</i>	<i>Safe communities, healthy neighbourhoods</i>	<i>An affordable place to live</i>	<i>Every chance for every child</i>	<i>Grow advanced manufacturing</i>	<i>Realising the benefits of the mining boom for all</i>	<i>Premium food and wine from our clean environment</i>
<i>South Australia's Climate Change Vision: Pathways to 2050 – advice</i>	✓	✓	✓		✓	✓	✓
<i>Opportunities to facilitate appropriate land use decisions in order to adapt to sea level rise inundation – advice</i>		✓	✓		✓		
South Australia's climate change policy review – workshop		✓	✓		✓		
Engagement with lead IPCC author and the Minister as part of the Greenhouse 2013 conference			✓		✓	✓	✓
Consultations with industry about working towards a low carbon economy	✓	✓	✓		✓	✓	✓

HIGHLIGHTS, OPERATIONS AND INITIATIVES

PRIORITIES FOR 2013-14

At the Council's meeting of 15 August 2013, the Council agreed on a work program and priorities for the remainder of the Council's second term (ending on April 2014). The work program focussed on finalising two pieces of advice on sea level rise adaptation and transitioning South Australia to a low carbon economy.

At that meeting, the Minister for Sustainability, Environment and Conservation, Hon Ian Hunter MLC requested the Council provide an additional advice, being a vision for South Australia moving towards a low carbon economy and adapting to climate change.

The Council amended its work plan to incorporate the low carbon economy advice into the development of the climate change vision for South Australia.

At the last meeting for the financial year, held on 2 June 2014, the newly appointed Council commenced the development of a work plan for Council's third term. The work plan focuses on identifying key stakeholders that Council can engage with to progress implementation of Council's climate change vision.

ACHIEVEMENTS

This report outlines Council achievements in the final year of the Council's second term which ended on 30 April 2014. It includes achievements from work initiated in earlier years that came to fruition during 2013-14.

Facilitating Climate Smart Precincts in South Australia

In response to the Premier's Climate Change Council advice on Facilitating Climate Smart Precincts in South Australia delivered in 2012-13, South Australian Government agencies agreed to jointly fund a position for the Tonsley Park redevelopment project in May 2013. A dedicated Sustainability Manager was appointed in November 2013 and has been working with funding agencies to achieve waste, water, energy and green infrastructure policy priorities within the development.

Advice on opportunities to facilitate appropriate land use decisions in order to adapt to sea level rise and inundation

The Premier's Climate Change Council's adaptation sub-group chose to focus on opportunities to better facilitate adaptation to sea level rise as an initial piece of advice to government on adaptation.

Following a workshop attended by key stakeholders including the Department of Planning, Transport and Infrastructure, the Coast Protection Board and the Local Government Association of South Australia, the Council forwarded its advice, '*Opportunities to facilitate appropriate land use decisions in order to adapt to sea level rise and inundation*' to the Minister on 27 August 2013.

The advice recommended that the state government undertake a sea level rise problem definition statement, in conjunction with the Local Government of South Australia and Natural Resources Management boards, to clearly define the issues and risk associated with sea level rise in South Australia. Further, it recommended that the government use the findings of the study to engage the community through adaptation planning activities as well as using the government's *Better Together* principles. Finally, Council advised that the government should establish an appropriate governance mechanism to work with stakeholders to ensure that risks are identified and barriers to sea level rise adaptation are addressed state-wide, for the short, medium and long term to ensure that land use planning, development and community decisions being made today do not negatively impact on South Australians in the future.

The Council's advice together with the Minister's response to that advice was tabled in Parliament on 30 October 2013. The first stage of the Sea Level Rise Problem Definition Statement was delivered in June 2014.

South Australia's climate change policy review

At the Greenhouse 2013 conference held in Adelaide on 8 October 2013, the Premier announced a review of climate change policies and programs to provide advice to the Government of South Australia on a new strategic direction for climate change action. In addition, KPMG was contracted to review climate change policies and programs undertaken since 2007 against criteria developed by KPMG, the Council and the Department of Environment, Water and Natural Resources. The review involved consideration of 13 case study climate change policies and programs. Mitigation programs were also mapped against the McKinsey marginal cost of abatement curve to demonstrate whether they were in areas of low, medium or high cost abatement.

The review demonstrated that regulatory approaches, information provision and partnerships have been relatively low cost and can be very effective. Partnerships, in particular, were identified as a successful way for the Government to leverage other sources of funding and collaboratively develop innovative, low cost approaches to deliver climate change action. The implementation of the Climate Change Adaptation Framework for South Australia was highlighted as a successful case study where Federal and State funding has underpinned local decision-making. The review recommended that the government should continue its adaptation approach. It should also seek to influence the federal adaptation agenda and prepare for joint funding responsibility as large infrastructure investments for adaptation are likely to become necessary in the future.

The *KPMG Review of SA's Climate Change Policies November 2013* was delivered on 3 December 2013.

Towards a low carbon economy

The Premier's Climate Change Council continued to focus on exploring advice on how government can facilitate the transition to a low carbon economy in South Australia. The Council's sub-group approached industry bodies, including the Australian Industry Group, the South Australian Chamber of Mines and Energy, Business SA, Seeley International, the South Australian Wine Industry Association, and SAGE Automation to obtain their input into the best approach to developing the advice. These businesses assisted by identifying barriers and opportunities for a green economy in South Australia. Key messages were that business survival and opportunities to cut costs are the main focus across industry. Following a statutory analysis of how to prioritise possible initiatives that suit current budgets and policy goals, it was proposed that the advice would be incorporated into the Council's Vision.

Premier's Climate Change Council Vision

On 15 August 2013, the Minister requested that the Premier's Climate Change Council develop a compelling vision of a state that has moved to a low carbon economy, and that is adapting to a changing climate.

The Council forwarded its advice, *South Australia's Climate Change Vision: Pathways to 2050* to the Minister on 27 February 2014.

The Vision makes eight key recommendations and identifies 29 priority actions, with a particular focus on action over the next 10 to 15 years. The key recommendations contained in the Vision include the need for:

- strong climate change leadership
- bipartisan support for climate change targets
- comprehensive consultation across community, industry, business and governments
- collaboration between governments, industry and communities to tackle climate change
- identification and delivery of cost effective abatement options that are eligible for Commonwealth funding
- funding sources for adaptation priorities to be identified
- consideration of climate change to be fully integrated into the land-use planning system
- government and industry to partner together to create the settings for an industry led transition.

Mr Bruce Carter, Chair of the Council announced the release of the Vision at the *Transforming South Australia's Manufacturing Sector* conference on the 12 February 2014.

The Council's advice and the Minister's response to the advice were tabled in Parliament on 21 May 2014.

Other achievements

- Following the Council's advice on Environmental Upgrade Finance which was delivered in 2012-13, the Government of South Australia announced a series of recommendations relating to the establishment of a Building Upgrade Finance (BUF) mechanism in South Australia. This resulted in a proposal for working on legislative provisions to enable the introduction of a financing mechanism to be incorporated into the *Local Government Act 1999*. A ten week public consultation period on the draft bill commenced in January 2014 and closed on 11 April 2014.

The legislative mechanism is expected to be finalised in the last quarter of 2014, and the administrative and business model at a later stage.

- The Premier's Climate Change Council partnered with the business community which led to the following inclusion in the *South Australian 2014 Business Charter*:

8.6) Continue to take action through the Premier's Climate Change Council to help businesses transition to a low carbon economy. The South Australian Government must support businesses to adapt through programs such as the Building Upgrade Finance mechanism to assist commercial businesses to become more water and energy efficient.

ROLE, LEGISLATION AND STRUCTURE

The Premier's Climate Change Council is established under section 9 of the Act.

OBJECTS OF THE *CLIMATE CHANGE AND GREENHOUSE EMISSIONS REDUCTION ACT 2007*

The objects of the Act are broadly:

1. To assist in the achievement of ecologically sustainable development in the State by addressing issues associated with climate change through setting targets.
2. To promote commitment to action within the State to address climate change through a number of means.

ROLE AND FUNCTIONS OF THE PREMIER'S CLIMATE CHANGE COUNCIL

Section 11 of the Act provides the role and function of the Premier's Climate Change Council which, in summary, are to:

1. Provide independent advice to the Minister about matters associated with reducing greenhouse gas emissions and adapting to climate change;
2. Take a leadership role in consulting with business, the environment and conservation movement and the wider community about issues associated with climate change;
3. Assist in disseminating information to business and other groups in order to encourage the implementation of practices that will assist in addressing climate change and/or adapting to the effects of climate change; and
4. Report annually to the Minister on the Council's activities and achievements.

MEMBERSHIP

Subsection 9(2) of the Act requires that the Council consist of seven to ten members appointed by the Minister from across the following sectors:

- State Government
- local government sector
- business community
- environment and conservation sector
- scientific community
- other sectors of the state's community more generally.

For the purpose of appointing representatives from the local government sector and environment and conservation sector, the Minister consulted with the Local Government Association of South Australia and the Conservation Council of South Australia. The consultation resulted in nominations from each organisation, which were accepted by the Minister.

Under Section 10 of the Act, the members of the Council are appointed for a term not exceeding three years.

During the 2013-14 financial year, the Premier's Climate Change Council second term membership ended on 30 April 2014, and the third term membership commenced on 1 May 2014.

As at 30 June 2014 the Council membership was as follows:

- Mr Bruce Carter (Chair) is a consultant of Ferrier Hodgson in Adelaide. Bruce has spent over 30 years in corporate recovery and insolvency. He has conducted work for all of the major financial institutions within Australia and has been involved in a number of government appointed restructurings, consultancies and reviews. Bruce is chair of ASC Pty Ltd (Australian Submarine Corporation), deputy chair of SkyCity Entertainment Group Limited and a director of the Bank of Queensland Ltd. He is a director/chair of a number of other private companies and government bodies. He was formerly the chair of the South Australian Economic Development Board, and a member of the Executive Committee of Cabinet. Bruce holds a Masters of Business Administration, Bachelor of Economics and is a Fellow of the Institute of Chartered Accountants and Institute of Company Directors.

Appointed on 1 May 2011

Reappointed Chair (1 May 2014 – 30 April 2017)

- Ms Ros DeGaris is the principal consultant of DeGaris Consulting with expertise in developing sustainable industry. Ros has led the development of engineering process improvements and management structures at plant, company, and industry sector levels with a passion to encourage and develop sustainable industry. Ros has engaged at all levels of Australian government and at international sector forums on key issues affecting sustainable cement, lime, coal combustion products, and resource recovery. She has actively participated in developing policy and management systems, legislation on greenhouse gas and energy reporting and auditing, carbon trading, alternative fuels and raw materials and extended producer responsibility.

Appointed on 1 May 2011

Reappointed (1 May 2014 – 30 April 2017)

- Mr Brian Foster is recognised as a leader in rural and regional adaptation to climate change, driven by first-hand experience and understanding as a current farmer on the Eyre Peninsula. Brian previously co-chaired the Eyre Peninsula Regional Drought Response Taskforce, and was inaugural presiding member of the Eyre Peninsula Natural Resource Management Board. He recently retired as a member of the State Natural Resources Management Council. Brian played a key role in establishing the Eyre Peninsula Regional Sector Agreement (EPICCA) and is currently chair of its steering committee.

Appointed on 1 May 2011

Reappointed (1 May 2014 – 30 April 2017)

- Ms Nicole Halsey is a Director of URPS, an Adelaide based urban and regional planning firm with specialities in climate change adaptation, natural resources management planning, and innovative community engagement practice. Nicole has played a leadership or specialist role in numerous regional and sector based climate change adaptation planning processes around the state. In particular, Nicole's work involves designing and delivering stakeholder

driven integrated vulnerability assessments and adaptation plans, and implementing processes that engage communities in conversations around adaptation and resilience.

Appointed on 1 May 2011

Reappointed (1 May 2014 – 30 April 2017)

- Mr John O'Brien is the Managing Director of both Australian CleanTech and Sino CleanTech. He has advised numerous organisations on securing or making cleantech investments and facilitates the Australian CleanTech Network to support cleantech collaboration. He also publishes the Australian and China Cleantech Indices and the annual Australian Cleantech Review. John delivers leadership courses on sustainable innovation, manages industry development programs for the Federal Government and is on the board of cleantech companies involved in wind farms, low emission vehicles in the Philippines, and plastics recycling in China.

Appointed on 2 December 2008

Reappointed (1 May 2014 – 30 April 2017)

- Ms Kathryn Bellette has a background in environmental science, public policy, management, education and engagement. She has experience working in coastal, freshwater and terrestrial environments, across urban, peri urban, regional and remote South Australia. Kathryn has worked at executive and board level in resource planning, allocation and management with a particular interest in gaining mutually beneficial outcomes by working with communities and across sectors and government portfolios to develop systemic, integrated sustainability policy. Kathryn is the representative for the Conservation Council of South Australia.

Appointed on 1 May 2014

- Ms Michelle Tucker currently works as a Strategic Planner for the City of Salisbury. She has over 15 years experience in environmental and urban planning as well as policy development within the local government sector across Australia. Michelle is the representative for the Local Government Association of South Australia.

Appointed on 1 May 2014

- Mr Allan Holmes currently heads the Department of Environment, Water and Natural Resources in South Australia. Allan has worked in agriculture, environment protection, forestry, park management and conservation and has both an operational and a policy background. He has had extensive board experience in the public and philanthropic sectors and is a fellow of the Victorian Leadership Program and a fellow of the Institute of Public Administration in Australia. Allan is the Government representative.

Appointed on 31 May 2014

During the reporting period, the Council acknowledged the contributions of outgoing second term members, Dr Prue McMichael, Mr Tim Kelly, Professor Jean Palutikof and Ms Verity Sanders. Their contributions over the previous three years or more were significant, particularly their efforts during the development of the advice, *South Australia's Climate Change Vision: Pathways to 2050*.

MEETINGS: GENERAL AND SPECIAL

A total of five general Council meetings were held during the 2013-14 financial year.

No special Council meetings were held during the 2013-14 financial year.

Attendance by appointed members at meetings:

Member	Meeting attendance/ Meetings held during term	Comments
Mr Bruce Carter	4/5	(Chair) Continuing third term member
Ms Ros DeGaris	4/5	Continuing third term member
Mr Brian Foster	5/5	Continuing third term member
Ms Nicole Halsey	5/5	Continuing third term member
Mr John O'Brien	3/5	Continuing third term member
Ms Kathryn Bellette	1/1	Incoming third term member
Ms Michelle Tucker	1/1	Incoming third term member
Mr Allan Holmes	1/1	Government representative third term member replacing Prof Campbell Gemmell
Dr Prue McMichael	3/4	Outgoing second term member
Mr Tim Kelly	4/4	Outgoing second term member
Ms Verity Sanders	3/4	Outgoing second term member
Prof Jean Palutikof	3/4	Outgoing second term member
Prof Campbell Gemmell	2/4	Formally the government representative second term member. Resigned from Council May 2014
Mr Fred Hansen	3/4	Invited to attend Council meetings as a special adviser since November 2012. Resigned from the Council May 2014

GOVERNANCE ARRANGEMENTS

The Department of Environment, Water and Natural Resources (DEWNR) provides support to the Premier's Climate Change Council by providing a Project Officer for administration and governance. During the 2013-14 financial year, additional support was provided to assist in the development of Council's advice, *South Australia's Climate Change Vision: Pathways to 2050*, by providing a part-time (0.8 FTE) officer in the position of Premier's Climate Change Council Advisor. The Council's Governance Statement approved in July 2012, includes the practices that are put in place to assist Council members to act with an appropriate level of care and diligence to meet their responsibilities.

LEGISLATION: Statutory Advice

During this reporting period, the Council reported to the Minister for Sustainability, Environment and Conservation, Hon Ian Hunter MLC.

In 2013-14, the Council provided the Minister with two formal pieces of advice pursuant to subsection 11 (3) of the Act:

- Sea level rise: The Council's advice on '*Opportunities to facilitate appropriate land use decisions in order to adapt to sea level rise and inundation*', together with the Minister's response to that advice was tabled in Parliament on 30 October 2013.
- *South Australia's Climate Change Vision: Pathways to 2050*: The Council's advice together with the Minister's response to that advice was tabled in Parliament on 21 May 2014.

MANAGEMENT OF HUMAN RESOURCES

Premier's Climate Change Council members (other than government employees) received the following remuneration as determined by the Minister under subsection 10(4) of the Act:

- Chair: \$18,574 per annum
- Members: \$12,383 per annum

EMPLOYEE NUMBERS, GENDER AND STATUS

The Premier's Climate Change Council has no staff of its own and utilises the services of DEWNR. Reporting on this matter is contained in the DEWNR Annual Report 2013-14.

Executive, administrative and project support were provided to the Premier's Climate Change Council from existing DEWNR resources.

The gender balance of the Council is taken into consideration when members are appointed. During this reporting period, the second term of Council membership was made up of five males and five females. The third term of Council membership is made up of four males and four females.

The following matters are also contained in the DEWNR Annual Report 2013-14:

- Superannuation contribution by the Premier's Climate Change Council
- Executives
- Leave Management
- Workforce Diversity
- Voluntary Flexible Working Arrangements
- Performance Development
- Leadership and Management Development
- Accredited Training Packages
- Employment Opportunity Programs
- Work Health and Safety Injury Management

- Financial Performance
- Account Payment Performance
- *Carers Recognition Act 1993*
- Disability Action Plan
- Energy Efficiency Action Plan Report
- Greening of Government Operations Framework

CONTRACTUAL ARRANGEMENTS

The Council did not enter into any contractual arrangements during the reporting period.

FRAUD

It is declared that there were no instances of fraud detected in the activities undertaken by the Council in the reporting period. Financial services are provided to the Council by DEWNR. Strategies to detect instances of fraud are reported in the DEWNR Annual Report 2013-14.

CONSULTANTS

The Council did not engage directly with any consultants as part of developing their advice during the 2013-14 financial year. As financial services are provided by DEWNR, reporting on this matter is contained in the DEWNR Annual Report 2013-14.

OVERSEAS TRAVEL

It is declared that no member of the Council has travelled overseas on Council business during the 2013-14 financial year.

ASBESTOS MANAGEMENT IN GOVERNMENT BUILDINGS

The Council does not own any buildings and is therefore not required to develop an asbestos risk reduction program.

URBAN DESIGN CHARTER

No events occurred in 2013-14 that required the Council to consider the principles of urban design contained in the South Australian Urban Design Charter.

FREEDOM OF INFORMATION – INFORMATION STATEMENTS

As a DEWNR administered entity, the Council participates and abides by the arrangements outlined in the DEWNR Freedom of Information regime. Reporting on this matter is available

on the DEWNR internet site. Please visit <http://www.environment.sa.gov.au> to view the FOI statement.

WHISTLEBLOWERS PROTECTION ACT 1993

Reporting requirements against *the Whistleblowers Protection Act 1993* require the Council to report on the number of occasions on which public interest information has been disclosed to a Responsible Officer of the agency. There were no disclosures made during the 2013-14 financial year.

REGIONAL IMPACT ASSESSMENT STATEMENTS

The Council did not undertake any Regional Impact Assessment Statements during the 2013-14 financial year.

ACKNOWLEDGEMENTS

The Council would like to thank the Minister and staff of the Department of Environment, Water and Natural Resources for the support and encouragement that it has received over the year.