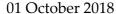
## **BACKGROUND BRIEF**





## Australia's National Greenhouse Gas Inventory – climate pollution still rising

The Federal Government has released its quarterly update of <u>the National Greenhouse</u> <u>Gas Inventory for the March 2018 quarter.</u>

In the year to March 2018 Australia's emissions increased 1.3% (including land use, land use change and forestry).

Fugitive emissions from the production, processing, transport, storage, transmission and distribution of fossil fuels (such as coal, crude oil and natural gas) increased by 13.7% over the year to March 2018, driven by an 18.7% increase in natural gas production.

There was a 4.3% decrease in emissions from the electricity sector. According to the Environment and Energy Department this decrease reflected weakening demand in the National Electricity Market and a reduction in brown coal generation.

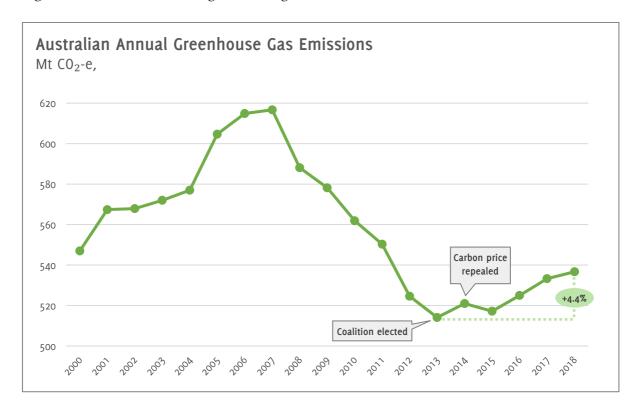
Stationary energy use, which includes emissions from direct combustion of fuels predominantly in the manufacturing, mining, residential and commercial sectors, increased by 4.6%. This was largely caused by a 25.4% increase in LNG exports in 2018. Domestic gas sales decreased by 9.7% in 2017 - partially offsetting the growth in LNG. However, LNG is still forecasted to grow 8.7% in 2018.

## Government's record

Since being elected to office in September 2013, the Federal Coalition Government has made no progress in reducing Australia's overall emissions. In fact, there is an upward trend. In its first quarter in government (December 2013) emissions were at 130.3 million metric tonnes of carbon dioxide equivalent (Mt CO2 -e). For the March 2018 quarter they were at 133.8 Mt CO2 -e, an increase of 2.7%.

Since the Federal Coalition Government repealed the national price on pollution in June 2014 emissions have risen 3.7%. As a result, Australia's emissions are now above 2012 levels.

Figure 1 – Australian annual greenhouse gas emissions



Source: ACF; Australian Government National Greenhouse Gas Inventory

The Federal Government has set Australia's 2030 annual emission target at 441 - 435 (Mt CO2-e). Australia's annual emissions for 2018 are forecasted at 536.7 Mt CO2-e, an increase of 4.4% on 2013 levels. This target is not consistent with the Federal Government's commitment under the Paris Climate Agreement to limit global warming well below 2°C.