



Every Queensland
community deserves
to be a liveable one

24 July 2023

Climate Disclosure Unit
Market Conduct and Digital Division
Treasury
Langton Cres
Parkes ACT 2600

Email: climatereportingconsultation@treasury.gov.au

Dear Sir/Madam,

RE: Climate-related Financial Disclosure Consultation Paper (June 2023)

I am writing regarding the Federal Treasury's recent consultation on the second Consultation Paper: Climate-related Financial Disclosure (June 2023) and the proposal that "*all entities that meet prescribed size thresholds and that are required to lodge financial reports under Chapter 2M of the Corporations Act 2001, would be required to make climate-related financial disclosures.*"

The Local Government Association of Queensland (LGAQ) previously lodged a submission in February 2023 on the first consultation paper released, and as outlined in that submission, supports the approach to not subject local governments to the proposed mandatory climate disclosure reforms, intended to roll out from 2024.

Queensland councils are not entities that are required to lodge financial reports under Chapter 2M of the *Corporations Act 2001* and are at varying stages of climate risk management, the setting of emissions reduction targets, ESG reporting and/or carbon accounting.

The LGAQ itself, does have financial reporting obligations under Chapter 2M of the *Corporations Act 2001*, but is a public company limited by guarantee and also a not-for-profit association that was set up solely to serve Queensland's 77 councils. The LGAQ understands there are a range of other organisations that are similarly required to lodge financial reports under the *Corporations Act 2001* but may also be a not-for-profit membership organisation or registered charity. It is unclear if the proposed reforms are intended to apply in these circumstances.

Further clarification and consultation is required in relation to the intended application of the proposed reforms on not-for-profit organisations and charities and the potential for exemptions to be included in legislation, to ensure there are no unintended consequences or adverse resourcing impacts on these organisations.

The LGAQ would welcome further discussions with the Federal Treasury on this matter, in advance of any proposed legislative amendments.

To arrange a meeting to discuss further, please contact [REDACTED], Lead – Planning & Development and Climate Risk and Resilience via email [REDACTED] or phone [REDACTED].

Yours sincerely

[REDACTED]

[REDACTED]
Chief Executive Officer